



LATE REPORTS, URGENT BUSINESS and SUPPLEMENTARY INFORMATION

Cabinet

Tuesday, 16 February 2010

The following documents were received after agenda publication. They are now enclosed, as follows:

Agenda Item Number	Page	Title	Reason for Late Report	Officer Responsible For Late Report
10	1 - 30	2009/10 3RD QUARTER CORPORATE PERFORMANCE REVIEW	Information received after agenda publication.	Roger Muckle, Corporate Director (Finance and Performance)

PERFORMANCE REVIEW TEAM MEETING - Q3 2009/10

SERVICE AREA: CORPORATE

DATE: 12 February 2010

PRESENT: Cllr Stuart Langhorn; Roger Muckle ; Richard Tulej

NO	AGREED ACTIONS QUARTER 3	RESPONSIBILITY	PROGRESS
	PERFORMANCE MONITORING		
1	Review the Council's Sickness Management Absence Policy and Procedure (both long & short term absences) and reconsider the previous growth bid in respect of extending the occupational health provision with a view to mitigating long term sickness absence	Chief Exec /Head of Legal & HR	
2	Request briefing from LDLSP ESO Thematic Group Chairman on difficulties being experienced that prevents the drafting of the Employment and Skills Plan and associated action plans	Leader	
3	Following implementation of the senior management restructuring consideration to be given to the capacity required for the review of service efficiency and improvements to enable a programme/process to be created that in turn	Corporate Director (Finance & Performance)	

	will enable vf m to be evidenced and NI 179 ongoing efficiencies to be recorded and reported.		
4	Number of affordable homes (NI 155) – Need to move forward with partners in LDLSP as part of the “Big Ticket” agenda	Corporate Director (Community Services)	
5	Equality Framework Following the implementation of the senior management restructuring identify requirements to ensure that there is the capacity and provision for developing the Council’s approach to equality, diversity, and community cohesion	Corporate Director (Regeneration)	
	FINANCIAL MONITORING		
6	Financial Variance Analysis Winning Back the West End Property A/c Report back on the latest position regarding the outstanding HCA claims pending payment	Corporate Director (Community Services)	
7	Debt Management Report back to appropriate Portfolio Holder on each service with debt over half a year old. What actions in place to either collect debt or write it off.	Relevant Service Heads	

PERFORMANCE REVIEW TEAM MEETING - Q2 2009/10

SERVICE AREA: CORPORATE

DATE: 17 November 2009

PRESENT: Cllr Stuart Langhorn; Roger Muckle ; Nadine Muschamp; Richard Tulej

NO	AGREED ACTIONS QUARTER 2	RESPONSIBILITY	PROGRESS
1	Actions Outstanding from Quarter 1		
	3 above Capacity to Deliver an effective HR service in particular in respect of delivering the major restructurings	Chief Exec /Head of Legal & HR	Noted that recruitment to posts in HR had taken place but restructuring itself will need to ensure that the HR service has the skills and capacity to be effective. This will be addressed following the completion of the senior management restructure. Any interim arrangements will ensure that the service business plan including any restructurings, can be delivered. COMPLETE
	4 Review the Council's occupational health provision in terms of addressing long term sickness absence	Chief Exec /Head of Legal & HR	Not progressed to date. REQUEST CABINET MEMBER & SERVICE HEAD TO REVIEW OPTIONS FOR IMPROVEMENT Briefing received. See action agreed quarter 3
	6 Equality Framework for Local Government - progress	Chief Exec / Head of Corporate Strategy	Still outstanding. Flagged up in Use of Resources Judgement. Awaiting recommendations from KMPG before developing action plan REQUEST CHIEF EXEC TO DEVELOP STRATEGY

<p>FOR IMPROVEMENT FOLLOWING RECEIPT OF KPMG REPORT HCS attended meeting with Cllrs Langhorn and Fletcher (20/01/10) to discuss opportunities that arise from the creation of the new Community Engagement Service. Agreement that commitment to equalities must be identified by members as a priority (as currently included within Corporate Plan) before resources can be allocated. Community Engagement Service identified as most potential to be the lead Service. HCS has also been contacted again by NWEQ Equalities Gateway with an offer of further support. Meeting arranged for 16 February. See Actions Agreed Quarter3</p>			
<p>Still outstanding REQUEST CD & HEAD OF SERVICE TO BRIEF LEADER & CABINET PORTFOLIO HOLDER Leader and Cabinet briefed – no further action</p>	<p>CD Regen/ HD of Cultural Service</p>	<p>7 Dance Strategy</p>	
<p>Still outstanding. REQUEST CHIEF EXEC TO ADDRESS AS PART OF RESTRUCTURING No immediate plans for service restructure. Will be reviewed following completion of senior management</p>	<p>Chief Exec / HD of Legal & HR</p>	<p>9 Search fees – income drop Prepare options paper to reduce staff to break even</p>	

			restructuring. No further action
	10 Legal Library – costs. Prepare options paper for Cabinet member for reducing costs and sharing with other councils	Chief Exec / HD of Legal & HR	Take forward as part of Budget process REQUEST CHIEF EXEC & HEAD OF SERVICE TO PREPARE OPTIONS PAPER FOR LEADER & CABINET PORTFOLIO HOLDER Briefing note received. No further action
2	Planning Services :- Morecambe Central Redevelopment & Luneside West	CD Regen/ HD of Planning	REQUEST CD & HEAD OF SERVICE TO BRIEF LEADER & CABINET PORTFOLIO HOLDER Leader and Cabinet briefed – no further action
3	Target CH8 Sickness absence	Chief Exec / HD of Legal & HR	REQUEST CHIEF EXEC & HEAD OF SERVICE TO REVIEW EXISTING PROVISION OF OCCUPATIONAL HEALTH AND OPPORTUNITIES FOR MAKING HR POLICIES RELATING TO SICKNESS ABSENCE MORE EFFECTIVE Briefing note Received. See agreed actions quarter 3
4	Target CH9 Equality Framework (see 1 (3) & (6) above)	Chief Exec / HD of Legal & HR	REQUEST CHIEF EXEC TO DEVELOP STRATEGY FOR IMPROVEMENT FOLLOWING RECEIPT OF KPMG REPORT REQUEST CHIEF EXEC TO ADDRESS IN THE RESTRUCTURING PROPOSALS See response to 1(6) above. Any establishment changes will be considered following completion of senior management restructure for

			<p>Community Engagement Service</p> <p>See agreed actions quarter 3</p>
5	<p>Financial Monitoring Report – note that variances were being analysed by Cabinet portfolio holders and that a revised budget would be prepared for December Cabinet. However, no financial monitoring information had been received from Cultural services in time for this meeting</p>	<p>CD (Regen)</p>	<p>REQUEST CHIEF EXECUTIVE & CD(REGEN) TO REVIEW POSITION AND TAKE APPROPRIATE ACTION</p> <p>COMPLETED</p>

PORTFOLIO BASED PERFORMANCE REVIEW TEAMS

Timetable for 3rd Quarter 09/10 – 25 January to 05 February 2010

PORTFOLIO	Meeting arranged	Cabinet Member(s)	Director (s)	Service Head	Paperwork Received (inc. updated action from previous meeting]	Action Note received	Additional Info.
Economy	09.00 02 February	Cllr Archer	Heather McManus	Peter Sandford Andrew Dobson	Yes	Yes	
Environment (Waste)	10.00 03 February	Cllr Barry	Peter Loker	Mark Davies	Yes	Yes	
Environment (Climate change)	09.30 03 February	Cllr Barry	Roger Muckle	Richard Tulej Andrew Dobson	Yes	Yes	
Finance	10.00 04 February	Cllr Thomas	Roger Muckle Heather McManus	Nadine Muschamp Graham Cox	Yes	Yes	
Internal Affairs	10.00 05 February	Cllr Mace	Mark Cullinan Roger Muckle	Jane Alder Sarah Taylor Gill Noall Richard Mason	Yes	Yes	Debbie Chambers deputising for Gill Noall
Safety	2.00 04 February	Cllr Blamire	Roger Muckle Peter Loker	Richard Tulej	Yes	Yes	
Culture/Children and Young People	11.30 05 February	Cllr Ashworth	Roger Muckle Heather McManus	Richard Tulej David Owen	Yes	Yes	
Education, Skills and Opportunities	10.00 05 February	Cllr Bryning	Heather McManus	Peter Sandford	Yes	Yes	
Health and Wellbeing	2.30 01 February	Cllr Kerr	Peter Loker Heather McManus	Suzanne Lodge Steven Milce Andrew Dobson David Owen	Yes	Yes	
Valuing People	9.00 09 February	Cllr Fletcher	Roger Muckle	Richard Tulej	Yes	Yes	
Leader	16.00 12 February	Cllr Langhorn	Roger Muckle	Richard Tulej Nadine Muschamp	Yes	Yes	NM not present due to Funeral
PERFORMANCE MANAGEMENT GROUP	19 February		All	Nadine Muschamp Richard Tulej			
CABINET	16 February		All				
BUDGET AND PERFORMANCE PANEL	23 February		Roger Muckle	Richard Tulej Nadine Muschamp			

[Reminder: Annual report to PMG in March/April each year: PRT Quarterly Reports Timetable – report of CD(F&P)]

Service (s)	Corporate overview - Includes Internal Affairs portfolio - Finance portfolio and Red/Amber targets arising from PRT	
Portfolio Holder/s	Cllr Langhorn	
Quarter 3		Date of meeting
Actions	<p>All Portfolios Significant achievements and or difficulties experienced in delivering targets (highlight significant ongoing or emerging risks)</p> <p>Property Services - Property disposals continue to be difficult to achieve in the current market both in terms of funds available for purchasers and developers being able to obtain planning permission in the face of objections e.g. Lawson's Bridge, Scotforth and the Canal Corridor scheme. This also affects the opportunity to dispose of the council's interest in Lancaster Market in accordance with council policy. Q3 Update position remains unchanged</p> <p>Building repairs - The lack of capital receipts impinges on the ability to undertake the full backlog of repairs programme. In the interim, buildings are deteriorating, increasing both the size of the programme and its cost. This remains a serious risk for the council. Q3 update - There have been further collapses at Lancaster Town Hall, some repair works are underway and others are being commissioned. The capital programme being considered by february's cabinet includes funding to meet know urgent repairs</p> <p>Economic Development and Tourism - A concept proposal was submitted to NWDA in June and discussions are ongoing regarding the key requirements for delivery of the economic regeneration agenda in the District. In principle NWDA is supportive of the council's bid but discussions are taking place with senior officers from within the Agency to determine the best way to contract with the council for both staffing and development of key projects. One concern is that time is passing whilst these decisions are made and the council is unable to make the progress it would like in respect of some important regeneration work. However, an outcome is expected within the next few weeks. Q3 UPDATE In principle, NWDA is still supportive of the council's plans but we understand they wish to propose a slightly different way forward to that originally discussed. Meetings are scheduled to take place during February to take these discussions further. In the meantime the NWDA is working with the council to develop specific project proposals.</p> <p>Planning - There is some uncertainty pending the Urban Splash re-design of current planning application. Wider proposals for Morecambe Centre will emerge through Area Action Plan. Q3 update - Submission of a bid for NWDA funding is on hold pending the outcome of the Urban Splash planning applications. Now scheduled for March Planning Committee.</p> <p>Planning - Initial discussions with land owners of Luneside West regarding the cooperation over the development needs of both sites is taking place. No changes to report, further exploratory meetings have taken place but no measurable progress to report. Q3 update - No changes to report. Funding uncertainty due to delays in gaining confirmation of funding for regeneration framework projects is delaying progress at this time.</p>	

PI No	Description of indicator	08/09 Outturn	09/10 target	Good is ?	Q1	Q2	Q3	Q4	Year to date	Status	Target Owner	Commentary (highlight significant achievements or ongoing risks)
All Portfolios - Red & Amber indicators												
CH8	Reduce the number of days lost to sickness absence		9.5 days	Low	2.456	5.69	9.05		9.05	Behind Target	ST	No change: To achieve 9.5 days for the year, the target for the end of December was 7.31. The figure at the end of the third quarter last year was 7.11. The total number of days' absence reduced to 853.5 in December 2009 from 1064.9 in November 2009. In November 35 days were lost to swine flu, reducing to 4 in December. To date this year, 65% of absence has been long term and 35% short term, compared with 61% long term and 39% short term at the same point last year. HR officers have been liaising with managers to ensure that sickness absence is properly managed, and to seek to stem the increase. Quarter 3 Update :- See actions agreed
KPI 8	Deliver the Council's actions identified in the LDLSP's Education, Skills and Opportunities Thematic Group Action Plan									Behind Target	PS	Status change (On target Q2)- The Employment & Skills Work Group continues to meet but progress in drafting the Employment and Skills Plan and associated action plans has fallen behind schedule as the priority, with limited staff capacity, is to ensure initiatives which can have a direct impact, such as the Future Jobs Fund, are implemented. Quarter 3 Update :- See action agreed

NI188	Adapting to climate change	£477K	Level 1	High														RT	<p>Status change - (On target in Q2) - Due to current resources, no work has been undertaken to achieve level one in the current financial year, however student placement has been sought to address this and ensure progress in the new financial year, it should be recognised that progress will not be possible without additional support. Quarter 3 Update :- Climate Change Officer Group have an agreed action to develop a strategy for achieving Level 2 by 31st March 2011. No further action</p>
CH2/NI179	Value for money - total net value of ongoing cash releasing value for money gains (Efficiency/MT FS targets)	£2,127K	£2,127K	high	high	Not quantified	£1,378K	£1,378K	£1,378K	£1,378K								NM	<p>No change First monitoring to Gov't submitted on 23 October. Shortfall of £749K - difficult to see how this can be addressed at present. Aim to address capacity issues associated with supporting VFM / business improvement agenda through future restructuring of services - but don't expect that this will be done in the short term. No further progress since first monitoring to Gov't submitted. Quarter 3 Update :- See actions agreed</p>
CH7/NI4	% of residents agree that the City Council provides value for money (Place Survey)	30%	Next survey 2010/11	high	high													RT	<p>This target relates to a two yearly survey. The next survey is not due till 2010/11. No monitoring therefore is possible this year Quarter 3 Update :- No action required</p>

KPI 7	Number of enquiries at Visitor Information Centres	MVIC 100,381 LVIC 102,022 Total 202,403	3% increase to 208,475	High	MVIC 27,617 LVIC 16,204 Total 42851	MVIC 34,949 LVIC 19,606 Total 54,555	MVIC 13,336 LVIC 12,888 Total 26,224	MVIC LVIC Total	MVIC 75,902 LVIC 48,698 Total 124,600	Behind Target	PS	<p>No Change Enquiries at Morecambe and Lancaster VICs have declined during the autumn and winter months and it is unlikely that over 83,000 enquiries will be handled by the VICs in Q4 in order to meet the original target. Reasons for the decline in numbers during Q3 include seasonality, the economic recession, lack of visibility for Lancaster VIC and bad weather from mid-December. Quarter3 Update :- No action required</p>
NI 155	Number of affordable homes delivered (gross)	43	63	High						Behind Target	AD	<p>Although down turn in housing market is main cause. The Council is in a position to make funding available from Section 106 agreements to assist in making new units available. Talks opening with house builders again on Luneside West where affordable Housing element may be possible. Quarter 3 Update :- See action agreed</p>
CH9	Level of Equality Framework for Local Government	N/A	Level 1 - developing							Behind Target	RT	<p>No change Briefing sessions have taken place for members and officers. Head of Corporate Strategy has been nominated as lead officer. HCS has met up with North West Employers and Wyre BC to try and get external support. Quarter 3 Update :- See action agreed</p>

Action Plan	Agreed actions from PRTs	Status update
<p>Quarter 1</p>	<p>Finance - To provide a further report updating the schedule of capital receipts to the October 2009 cabinet meeting.</p> <p>Bulky Matters - Continue to monitor reduced demand for the service and liaise with the service provider on reasons for the fall in demand. If this becomes a trend take action to reduce service provision and costs.</p> <p>Trade Refuse - analyse reasons for reduction in income and develop options for dealing with variance.</p> <p>Valuing People</p> <ol style="list-style-type: none"> 1 Cllr Fletcher to be sent a copy of the draft Voluntary, Community, Sector Compact. 2 Develop criteria, template for evaluation and reporting requirements of Service Level Agreements, Grants to outside bodies. 3 Report to Cabinet to be developed in respect of how the Council is to take forward work on the new Equalities Framework <p>Children and Young People</p> <ul style="list-style-type: none"> - Provide officer support to Cllr Ashworth at Childrens Trust theme leads meeting on Thursday 13 August. - Provide more information as to how the Children and Young people engagement strategy will operate in practice <p>Climate Change Specific Salt Ayre energy monitoring information and longer term strategic action plan report (D Owen) to next CCCLG in September. To include 2008/09 outturn and first quarter monitoring report. Create action plans for quick wins on energy efficiency. Ensure information on 3.3 and 3.4 are available for next quarter and September's CCCLG.</p> <p>Health and Wellbeing Affordable Homes - Smaller number of new build linked directly to down turn in house building completions. However, actual availability of more affordable housing likely to be higher due to significantly reduced market prices and over supply in flat market. There is no direct corrective action which the Council can take in the short term to influence this indicator. In the medium term opportunities to build more social housing are being explored.</p> <p>Safety</p> <ol style="list-style-type: none"> 1 Review funding arrangements in respect of LSP and quick response vehicles. 2 Obtain a summary report for the Road Safety Partnership. 3 Provide financial information (for review) in respect of City Council funding for community safety 	<p>QUARTER 2</p> <p>Finance - information provided to Cabinet</p> <p>Bulky Matters - levels of uptake steadily improving in Q2 and hit monthly target in September, sales income about on target - continuing to monitor closely Blackpool project launches Nov Wyre launch hopeful for April, Potential for Fylde and S Lakeland</p> <p>Trade Refuse recycling generally proving a success in terms of uptake - customer levels holding but tonnage decreasing with net negative impact upon income levels. However this is positive from waste reduction perspective (NB. this does not contribute to statutory NIs)</p> <p>Valuing People</p> <ol style="list-style-type: none"> 1 Draft compact has been developed. 2 SLA criteria and template about to be sent out to outside bodies 3 Not yet ready for a report to Cabinet <p>Children and Young People</p> <p>Awaiting outcome of meeting between City Council Corporate Directors and relevant portfolio holder with their County Council counterparts, in respect of overlap between City Council Objectives and LDLSPP Priorities for Promoting Pos Head of Corporate Strategy provided officer support</p> <p>Climate Change - all relevant information provided</p> <p>Health and Wellbeing - Use of Section 106 funding</p> <p>Safety</p> <ol style="list-style-type: none"> 1 and 2 still to be actioned 3. complete

<p>Quarter 2</p>	<p>Finance - Identify schedule of works at Festival market that could reduce energy costs. These should be costed and the savings identified and then reported to the Climate Change Cabinet Liaison Group</p> <p>Economy - No additional actions arising from the meeting, but it was noted that income targets for Lancaster VIC are being reviewed as part of the revised estimates process.</p> <p>Climate change</p> <ol style="list-style-type: none"> 1. Establish an officer group from key services to understand and roll out actions included in the Climate Change Strategy. 2. Develop a robust performance management reporting process to ensure all necessary data in respect of agreed climate change reduction targets. 3. Consider EST recommendations and develop action plan that can be integrated into the CCS. 4. Provide an update of the agreed 16 Salt Ayre energy reduction projects <p>Health and Wellbeing - NI 187 Fuel Poverty – now linked to Climate Change Strategy to be considered by Cabinet in November. Opportunities - especially external funding – for moving this forward to be explored as part of that strategy Refresh Housing Strategy – currently on hold pending appointment to two vacant posts in needed to bring up to lettable standard</p> <p>Valuing people</p> <p>Agreed process for reviewing SLA's - letter and priorities review form to be sent to outside organisations in the relevant Cabinet members name.</p> <p>HCS to pursue opportunities for support from NWEO re Equality Framework for Local Government.</p> <p>Children and Young people</p> <p>Corp dir Regen and F and P to meet with Chair of Childrens Trust and Ann Pannel (lancs County council) to set Remove KPI 17 from future PRT reports (not SMART)</p> <p>HCS to follow up on Lancs Chief Execs report on revised support arrangements and offer of financial support t</p>	<p>Q3 Progress</p> <p>Climate Change</p> <ol style="list-style-type: none"> 1. Completed 2. Not commenced - to be commenced through Climate Change Officer Working Group(CCOWG) 3. Action Plan due to complete by Feb - on track 4. Update will be fed through Cabinet Liaison Group and CCOWG <p>Q3 Update re Refresh Housing Strategy - Appointments made to housing strategy posts commencing February 2010. Progress will resume once officers in post.</p> <p>Health and Wellbeing - Projected overspend on Council Housing Responsive Repairs - Revised Budget for 2009/2010 increased by £145,000 to accommodate overspend (see HIRA Report to Cabinet 19/01/2010)</p> <p>Children and Young People</p> <ol style="list-style-type: none"> 1. Meeting arranged for 11 February 2010 2. KPI 17 now removed 3. The new arrangements are now confirmed and formally accepted. When the new Job Description has been developed recruitment will commence
	<p>From Climate Change PRT</p> <ol style="list-style-type: none"> 1. Develop effective performance management arrangements in respect of energy monitoring 2 Agree target to achieve NI 188 level 2 by March 2011 - initial proposal is to recruit a Lancaster Uni. graduate to a work placement to support achievement of Level 1 and then review requirements to achieve Level 2. 3 Note remaining funding for 2009/10 Climate Change initiatives (£4,700) - agree to carry forward if no suitable project identified as a result of CC action plans. 4. Pitt Review Recommendations: concern at lack of progress from County in engaging in discussions about joint working. Head of Planning Services to formally write to County about concerns. 	<p style="text-align: center;">NOTED</p>

<p>Quarter 3</p>	<p>From Economy PRT To survey Yorkshire Street shopping area and prepare a scheme for potential action under Section 215 powers to secure improvements to the appearance of shops. In addition examine the potential to reduce the number of shop units and compress the size of the shopping core</p> <p>From Health and Wellbeing PRT - Affordable Housing - Head of Planning Services to advise Cabinet Member of timetable for progressing expenditure of S.106 monies on affordable housing, once new Strategic housing staff in post.</p> <p>From Safety PRT</p> <ol style="list-style-type: none"> 1 Draft briefing note for Cllr Blamire for LDLS Management Group re. commitment of partners to CSP. 2 Review CCTV funding arrangements next year as part of developing MTFS. 3 Redraft format of Safety PRT report for Q4 and include new performance reporting arrangements developed by the CSP <p>From Internal Affairs PRT</p> <ol style="list-style-type: none"> 1. Review targets for next year in respect of CH11(c) to reflect trends and also four year cycle of member elections. 2. Ensure results from "avoidable contact" survey translated into actions for improvement. <p>From Valuing People PRT Ensure that within 2010 Corporate plan the commitment to the Equality Framework for Local Government is explicit and that the restructuring of Services to form the new Community Engagement Service allows for sufficient capacity to take this work forward and provides support to the LDLS in developing its Cohesion Strategy for the district.</p>	<p>NOTED</p> <p>NOTED</p> <p>NOTED</p> <p>NOTED</p> <p>NOTED</p>
<p>Quarter 4</p>		



Corporate Financial Monitoring

December 2009 | Quarter 3

Report of the Head of Financial Services
 Corporate PRT meeting | 12 February 2010

HEADLINE INFORMATION

REVENUE	Current (Underspend) / + Overspend	Projected (Underspend) / + Overspend
General Fund	+£483K	(£68K)
Housing Revenue Account	(£60K)	(£82K)

CORPORATE FINANCIAL MONITORING

December 2009 | Quarter 3

1. INTRODUCTION

This monitoring report of expenditure and income for 2009/10 sets out an indicative corporate picture of the Council's financial performance relating to the period ending 31 December 2009.

The report summarises the variances reported through Services quarterly PRT meetings, and also identifies any omissions, updates and/or actions required. In addition there are specific sections for salary monitoring, capital expenditure and financing, Housing Revenue Account, revenue collection performance and Insurance and Risk Management.

It should be noted that this quarter's monitoring is based on the Revised Budget.

2. GENERAL FUND REVENUE MONITORING

2.1 General Fund Summary Position

The current overall General Fund summary position shows that at the end of December there is a net overspend of **£483K** against the revised budget. This is forecast to change to an underspend of **£68K** by the end of the year.

The current overspend includes a variance of £400K in respect of the VAT recovery claim which had been expected by now. HMRC have accepted the principles underpinning the claim and have already settled with some other local authorities. It is still anticipated that the claim will be settled by the year end, but not guaranteed.

VARIANCES	Current £000	Projected £000
Major Variances (see section 2.3)	+537	+82
Salaries (see section 2.4)	(54)	(150)
ESTIMATED OUTTURN	+483	(68)

One of the key financial indicators is to keep any under or overspends within 2% of the overall net controllable revenue budget, and the following table shows that at the end of December this has been achieved. The relevance of this target will be reviewed over the coming months, in light of experience.

	£000
Net Controllable Budget	23,792
2% Target	+/() 475
Provisional Controllable Net Underspend	(77)
Percentage of Net Controllable Budget	0.32%

2.2 Major Budget Variances

Appendix A details the major true variances that have been included within individual Services' PRT reports. The variances reported are either +/- £5K in value and cover premises, transport, supplies and services and general income.

SUMMARY BY SERVICE	Current £000	Projected £000
REPORTED VARIANCES :	() Favourable / + Adverse	
Financial Services	+381	0
CC(D)S	+3	+9
Property Services	+14	+40
Cultural Services	+14	+33
Planning Services	+125	0
	+537	+82
VARIANCES NOT REPORTED TO PRT MEETINGS :	--	--
	+537	+82

The variances listed in **Appendix A** show that there is currently an overall overspend of £537K, which is anticipated to be reduced to £82K by the year end. As mentioned in section 2.1, the current overspend includes a variance of £400K in respect of the outstanding VAT claim.

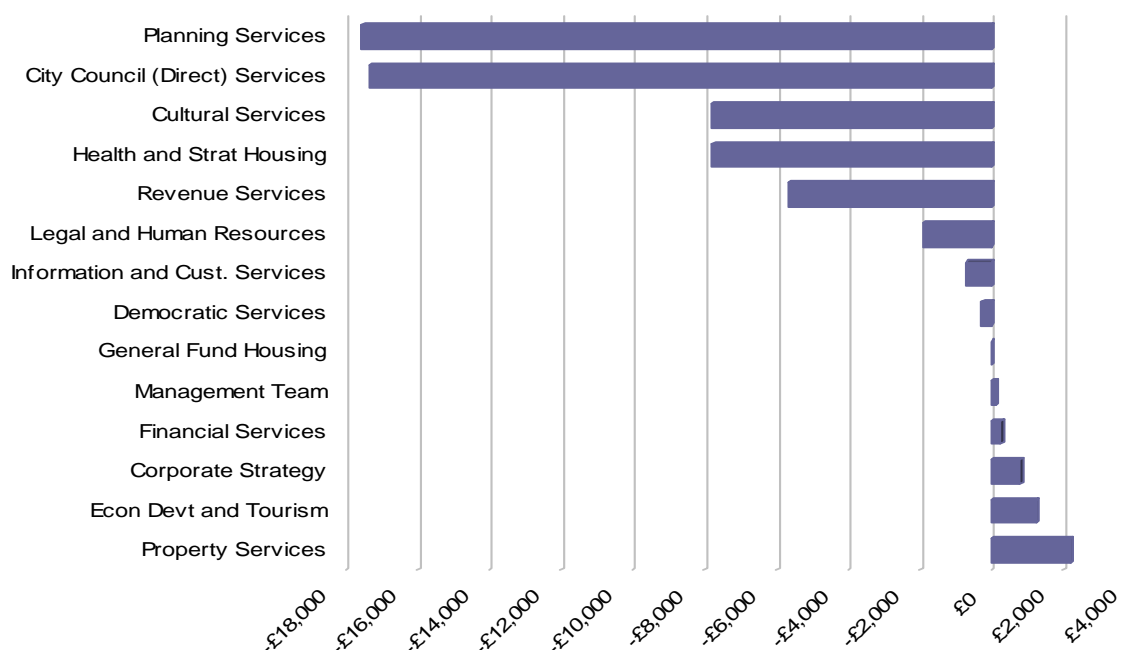
There are two major variances included within the forecast of £82K, relating to Lancaster Market (+£38K) - from the loss of tenants resulting in a drop in income, and Salt Ayre Sports Centre (+£35K) - pool cover and new Reflexions contract late in being implemented resulting in anticipated savings not being achieved.

2.3 General Fund Salary Monitoring

Salary monitoring has been reported separately as there are a number of small variances that fall below the threshold for major items, however their aggregate effect is fairly significant.

At the end of December there are savings of £54K against the revised salary budgets. This could increase to £150K by the end of the financial year, however it is difficult to accurately predict the exact figure. The following graph shows the savings on a Service by Service basis.

Planning and CC(D)S have the largest savings of £17K each, which are mainly in respect of the Coast Protection team, Planning management and admin and the CC(D)S grounds maintenance section. There are also minor overspends in Economic Development and Tourism relating to Morecambe VIC, and Property Services in respect of additional overtime.



3 GENERAL FUND CAPITAL PROGRAMME

3.1 Capital Expenditure & Financing

Capital Expenditure (General Fund)

As reported to Cabinet on 8th December 2009 the gross Capital Programme for 2009/10 was £9.886M, and at the end of the month spend against the programme was £6.797M. The programme has subsequently been revised upwards to include the Icelandic Bank impairment of £2.047M for which capitalisation has been granted.

Capital Receipts (General Fund)

Estimated receipts of £1.765M are required to finance the current years capital programme, of which £1.298M is currently available leaving a balance of £467K still to be achieved this year.

4 HOUSING REVENUE ACCOUNT (HRA) MONITORING

4.1 HRA Revenue Position

At the end of December the position for the Housing Revenue Account shows an underspend of **£60K** against the budget, which is currently projected to increase to **£82K** by the end of the year.

	Variances to Date	Project to Yr End	Comments
	£000	£000	
Council House Rents	(24)	--	See section 4.2 below.
Estate Support Services - electricity	(6)	0	Delay in starting photo electric cells work.
Insurance Repairs	+29	?	Outstanding claims
Planned Maintenance – electricity inspections	(23)	(40)	Anticipated savings on follow up work from inspections.
Repair & Maintenance section - salaries	(7)	(10)	Savings from 2 vacant posts
Repair & Maintenance – admin charges	(5)	(10)	Additional admin charges from rechargeable repairs.
Responsive Maintenance - fees	(26)	(12)	Works completed on septic tank due to legal responsibility has led to an increase in income as all costs are recharged out to owner occupiers.
Telecare – contracted services	(3)	(15)	Savings on contract – officers reviewing service provider.
Mgt & Admin – service charges	+5	+5	Additional expenditure relating to insurance costs.
Net Total	(60)	(82)	

4.2 Council House Rent Collection

At the end of December rent collection is slightly higher than estimated, however this is mainly due to the revised profile needing to be reviewed. It is anticipated that the outturn will be in line with the revised budget by year end.

Total Estimate for Year	£11,412,900
Profiled Budget	£8,560,055
Actual to Date	£8,583,936
Difference	£23,881

4.3 Council Housing Capital Programme

This section analyses actual spend against the Council Housing Capital Programme at the end of December. To date spend and commitments total £2.666M against a budget of £3.847M leaving a balance of £1.181M. Slippage of £478K has already been identified against the programme and officers are currently looking into the reasons why the revised budget did not incorporate this.

	Current Approved Programme £000	Spend & Commitments to Date £000	Budget Remaining £000
Adaptations	250	246	4
Bathroom / Kitchen Refurbishment	497	307	190
External Refurbishment	1,300	964	336
Rewiring	53	46	7
Renewal of Heaters	45	36	9
Environmental / Crime Prevention	444	214	230
Re-roofing / Window Renewals	520	477	43
Energy Efficiency Works	540	360	180
IT Replacement	83	16	67
Central Control Equipment	100	0	100
Prospect Grove Office Conversion	15	0	15
TOTAL	3,847	2,666	1,181

5 REVENUE COLLECTION PERFORMANCE

5.1 Council Tax & Business Rates

This section analyses the Council Tax and Business Rate collection performance. Collection for both elements is on target, and comparable to previous years performance.

Percentage Collected	2008/09 %	2009/10 %	2009/10 Target %	2009/10 Actual %	Status
	All Years		In Year		
Council Tax	88.42	87.93	96.60	85.98	On Target
Business Rates	80.22	80.52	98.00	89.08	On Target

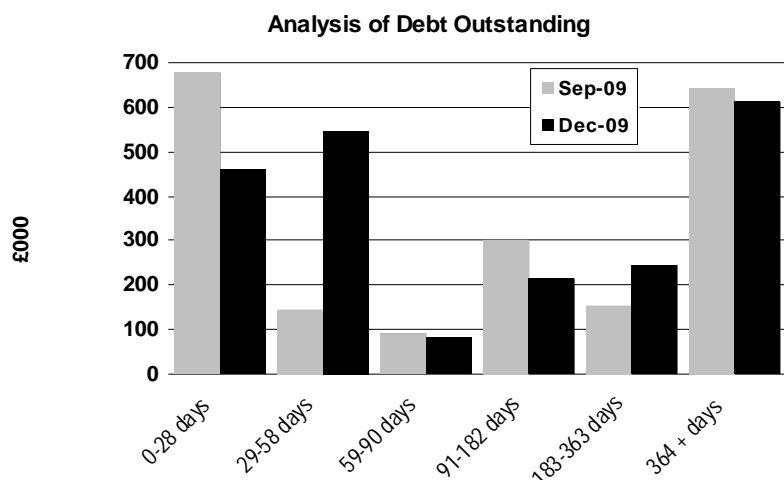
5.2 Collection Fund Monitoring

This section sets out the latest position on the Collection Fund, in particular in relation to Council Tax. Whilst the above section looks at collection performance, this section shows the current surplus or deficit on the Fund. It basically compares the amounts collectable with the Precepts levied by the relevant authorities after allowing for refunds, bad debt provisions, income collected and Council Tax benefits. The monitoring shows that at the end of December the Fund was in surplus by £263K, but it should be noted that any surplus or deficit is shared between the relevant precepting bodies. The City Council's element equates to 12% and would therefore be £32K. This position will fluctuate throughout the year but will formally be assessed in January when the Council Tax base for 2010/11 is set. At that point in time any surplus or deficit will be notified to the relevant precepting bodies for inclusion in their 2010/11 budget. This information should be viewed in context: the Fund is due to collect approaching £65M in Council Tax for 2009/10.

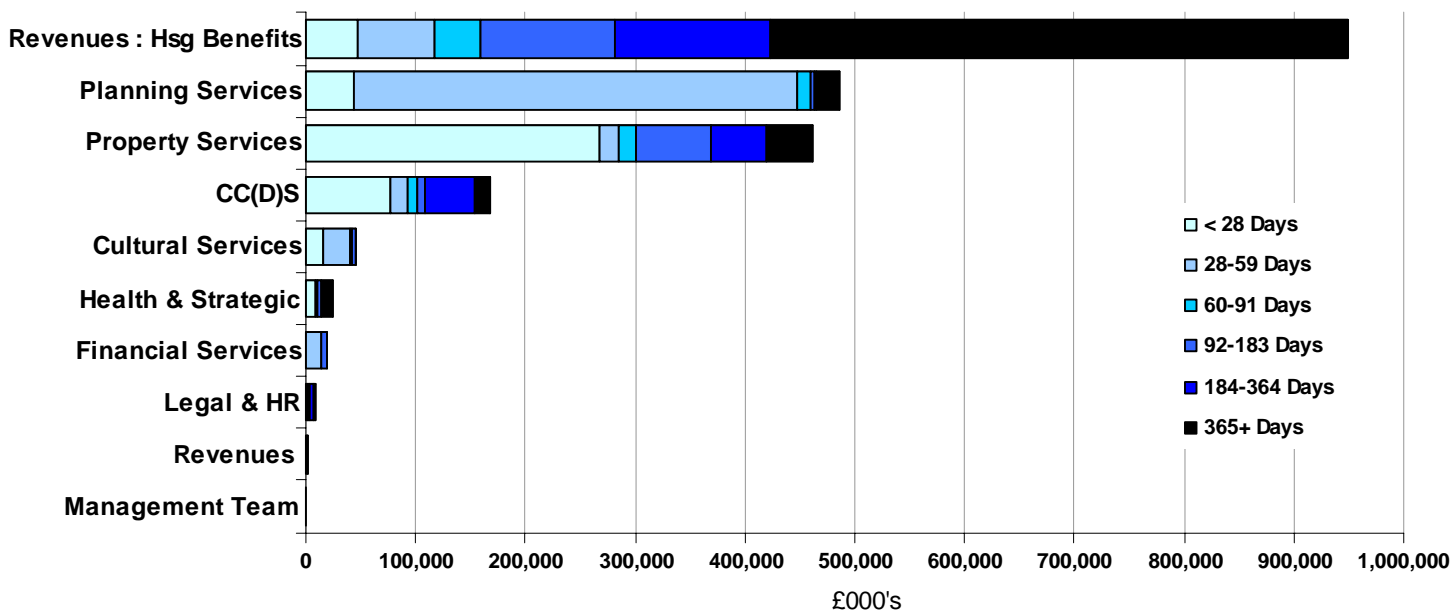
5.3 Sundry Debts

This section sets out the latest position on the level of outstanding sundry debts (excluding Council Housing). At the end of December the total debt outstanding stands at £2.165M, which is virtually the same as the previous year. However, compared to the previous quarter, this is an increase of £150K.

The level of debt over 1 year old has reduced slightly to 28% (32% at Quarter 2) of the total outstanding debt. The total value of all debt over 3 months old has also reduced slightly by £17K from the previous quarter.



	Sept 09	Dec 09
	£000	£000
0-28 days	679	461
29-58 days	141	548
59-90 days	102	80
91-182 days	293	215
183-363 days	154	245
364+ days	646	616
	2,015	2,165
Previous Year	1,458	2,142



6 PROVISIONS AND RESERVES

This section provides and update on key provisions and reserves.

6.1 Restructuring Reserve

This reserve was established to cover the cost of redundancies and early retirements as a result of Service restructures during 2009/10 and 2010/11. The following table shows the approvals to date and those still subject to approval.

In addition, a further report is due to be submitted to Cabinet in February regarding future stages of the Senior Management Restructure.

Restructuring Reserve			Annual Savings Generated	Comments
			£	
Balance as at	31 March 2009	943,100		
Quarter 1 Approvals				
<i>Personnel Cttee 26 March 09</i>				
Corporate Strategy Restructure			30,200	Annual savings reduce by £8K after 2009/10. Additional savings being identified.
Balance as at	30 June 2009	879,500		
Quarter 2 & 3 Approvals				
<i>Personnel Cttee 30 July 09</i>				
Management Team PA Restructure			15,500	Annual saving rises to £32K after 2011/12.
<i>Personnel Cttee 30 July 09</i>				
Senior Management Restructure NWE0 Fees (referred to Cabinet)			(13,500)	
Balance as at	30 December 2009	809,100		
Quarter 4 Subject to Approval				
<i>Personnel Cttee 12 January 2010</i>				
Community Engagement Policy and Regeneration			(484,920) (271,042)	
<i>Cabinet 19 January 2010</i>				
Additional Contribution			720,700	
Balance as at	31 March 2010	773,838	229,100 149,900	

6.2 Insurance Provision

The current balance on the insurance provision is £256K, after making net payments of £141K in settlement of claims made. (*Quarter 2: balance £277K, net payments £26K*).

At present, the Council's insurers estimate that the value of claims outstanding is £468K, which relates to a total of 204 claims made over a 13 year period. This estimate assumes that all these claims will be settled at the maximum reserve limit; however, recent statistics show that, on average, only 57% of the total reserve will be paid. The estimated cost of claims outstanding could therefore reasonably be valued at around £267K, which is £11K below the current provision.

It is highly unlikely that all these outstanding claims will fall due for payment in the same financial year, but the uncertain nature of insurance claims payments means that accurate predictions are difficult. Nonetheless, the overriding principle is that the Council must make reasonable provision for all its known liabilities. Officers will continue to monitor the level of the provision to ensure it remains at a prudent level.

6.3 Bad Debt Provision

The Bad Debt provision is reviewed half yearly at revised estimate time and closedown. However, it is proposed to provide a quarterly review and report as part of the Corporate Monitoring process.

The level of the provision has been assessed based on anticipated levels of write-off as a proportion of debt outstanding. Based on the figures shown in section 5.3 the level of provision would be as follows :

Period	Debt £000	% Cover Required	Value £000
Up to 1 Month	461	1%	5
1 Month to 3 Months	628	5%	31
3 Months to 365 Days	460	10%	46
Over 365 Days	616	50%	307
TOTAL	2,165		389

The current balance on the Bad Debt provision is £421K which is £32K above the requirement indicated. There are various write offs being processed at present though, and therefore the difference is not viewed as significant.

7 RISK MANAGEMENT

The Risk and Insurance Manager has been working closely with the Corporate Performance Manager to review the significant risks highlighted in Services' Business Plans, and to ensure that Service Heads are clear about their associated responsibilities. At this stage, to 31 December, there are no major exceptions to report, though clearly this can change at any time.

From a strategic perspective, the Corporate Director (Finance & Performance) is leading on a review of strategic risks, for consideration by Members as part of the budget process. To support this, information on the key business risks from services' perspectives will also be drawn on, to inform future planning and budgeting as appropriate.

SUMMARY OF MAJOR VARIANCES (Qtr 3 2009/10)

(Not included elsewhere in the report)

Service	Service Area	Reason for Variance & Action being taken	Variance to Date	Projected Variance to Year End
			£	£
			+ = Adverse (-) = Favourable	
VARIANCES REPORTED THROUGH PRT PROCESS (SERVICE HEAD COMMENTS)				
Financial Services	Investment Interest	See separate report.	(19,000)	
	Part provision for estimated losses in investments	Capitalisation directive for £2.1M now received - outturn dependent on views at year end regarding Landsbanki & Glitnir creditor status and any updates to estimated recovery rates.	+0	+0
	VAT Recovery Claim	Still awaiting outcome of claim. It is known that HMRC have accepted the principles underpinning the claim as they have settled with some other local authorities. Being pursued through PWC.	+400,000	+0
CC(D)S	Electricity	Mistake made by supplier regarding meter readings leading to under charged amounts of £6K in 2008/09 and £3K in 2009/10.	+3,000	+9,000
Property Services	Lancaster Market Rent	Loss of tenants resulting in a drop in income. In addition, poor Christmas trading is expected to result in more tenant losses.	+12,300	+21,700
	Lancaster Market Service Charge	As above.	+9,400	+16,600
	Off-street car parks - fees	Income was above target in October and November. However, in December it dropped due to the poor weather conditions.	(7,600)	+0
	Postage	Budget reduced by £22.2K at revised estimate stage which was too much in light of current throughput.	+6,200	+10,100
	Hire premises	Additional income from lettings.	(6,700)	(9,000)
Cultural Services	Dome Ice Rink	Morecambe Town Council contribution not previously budgeted for.	+0	(8,000)
	Promenade Management - income	Agreement with Fairground operator is £6K less than anticipated.	+0	+6,000
	Salt Ayre Sports Centre - various areas	Pool cover and new Reflexions contract late in being implemented. All budget headings being monitored closely with Financial Services and costs being held where possible in a bid to reduce this deficit.	+14,300	+35,400
Planning Services	Planning Application Fee income	Increased income in Qtr3 against revised budget.	(27,800)	?
	Winning Back West End Property Account	Outstanding HCA claims pending payment. Positive discussions with funder to gain clarity and agree position. Claim expected to be paid Qtr4.	+105,500	+0
	West End EP Delivery Team	As above.	+47,300	+0
			+536,900	+81,800

VARIANCES NOT REPORTED THROUGH PRT PROCESS				
			+0	+0

TOTAL VARIANCES	+536,900	+81,800
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PERFORMANCE REVIEW TEAM

2009/10 Treasury Management Progress Report to 31 December 2009

Report of Head of Financial Services

1. Introduction

It is a requirement of the CIPFA Code of Practice on Treasury Management that regular monitoring reports are presented to Members on treasury activities. These reports will normally be presented soon after the end of June, September, December and March.

Cabinet approved the Treasury Strategy for 200/10 on 17 February 2009 and the Investment Strategy was approved by Council at its meeting on 04 March 2009. This report outlines activities undertaken in pursuance of those strategies during the financial year.

2. Summary

- £410K was received from KSF (£2M deposit) in July, an additional deposit of £205K was received in December.
- The council's preferential creditor status in relation to Glitnir has been challenged. The outcome of this ruling will have a large impact on the return from this investment and potentially that with Landsbanki.
- There have been no changes to the debt portfolio and it not anticipated that any new long term borrowing will be required before the year end.
- An RBS call account has been opened. This is a Government controlled, eligible institution and so is being operated in line with the upper limit institutions as defined in the investment strategy.
- There have been no material breaches of any prudential indicators or counterparty limits in the quarter and no other major risks have been identified.

3. Icelandic Investments Update

The main event during the quarter was that the council's preferential creditor status has been challenged by the Glitnir winding up board on the basis that our investment was a loan and not a deposit. The reasoning for this is unclear and the decision is to be challenged through the Icelandic courts. The outcome of the ruling will have a large impact on the returns which could drop from an anticipated 100% under preferential status to around 30% for non preferential status (on a principal of £3M). We currently have preferential status with Landsbanki but should Glitnir's objection be upheld, it is anticipated that Landsbanki would also attempt to challenge our preferential status. The process is ongoing and is being managed by Bevan Brittan, via the LGA, on behalf of all authorities with frozen Icelandic deposits.

In terms of the budgetary impact and accounting for a potentially much larger impairment loss, a capitalisation bid has been submitted to DCLG for £2.1M (to cover the additional potential losses on Glitnir). This will allow the council to amortise the loss over 20 years rather than taking the full impact in 2009/10. This does not include any provision for further losses on Landsbanki as the DCLG would only let the council assume best case for this counterparty even though there is a risk that this will change, pending the outcome of Glitnir (*update as required*).

A payment from KSF was received in late July for £410K and a further payment was received in December for £205K; the final settlement has still to be determined.

It is anticipated that CIPFA will release further bulletins relating to accounting for Icelandic deposits as and when more information is available.

4. Debt Portfolio

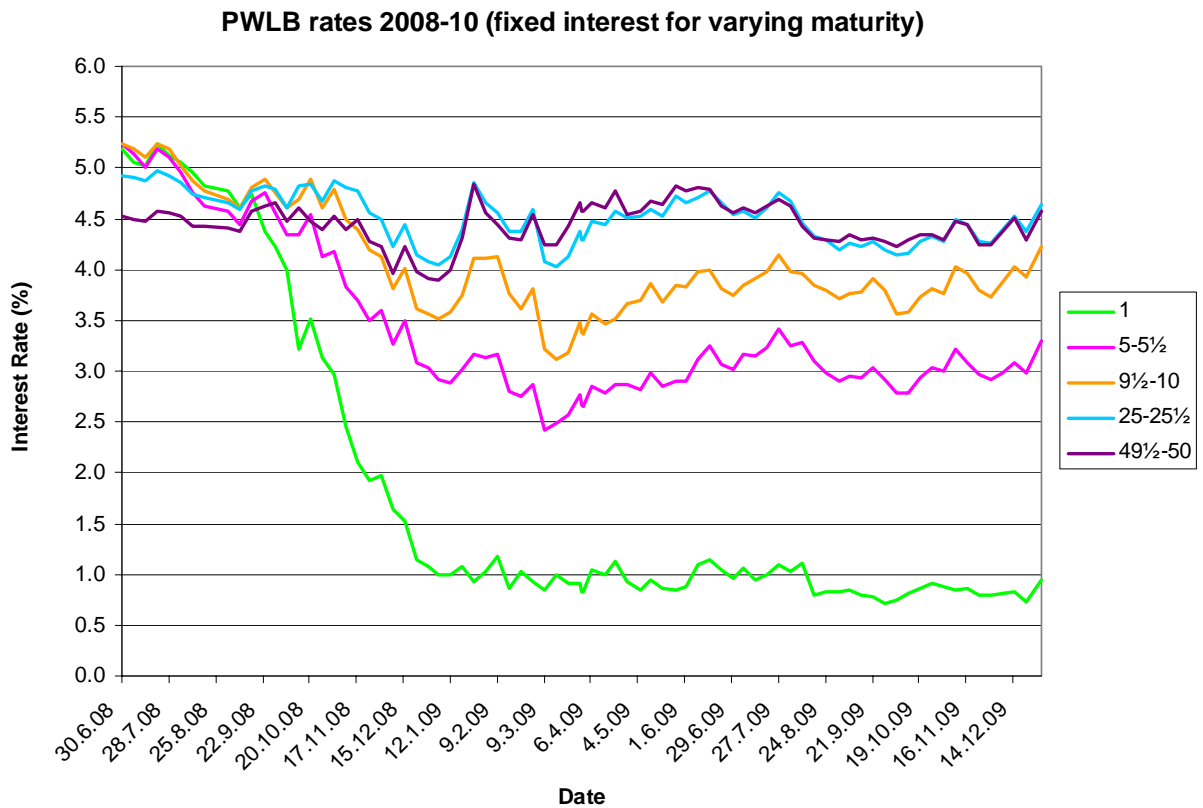
The opening level of longer term debt for the period was £39.4M. During the quarter, in cash flow terms there was no new long term external borrowing required, despite the Council's Capital Financing Requirement being around £45.8M. The closing balance of longer term debt was therefore still £39.4M - the bulk of this relates to Public Works Loan Board (PWLB) loans of £39.2M. This is well within the Operational Boundary, which is set at £56M. All of the Authority's debt is currently fixed term and due to mature in 10 or more years. This means that during the quarter the Authority was within all relevant Prudential Limits (see **Appendix A** for full listing of indicators).

There is no immediate need to take out new long term loans at present to help fund capital investment, because cash flow is still relatively strong, despite the difficulties with Icelandic investments. In very broad terms, this is primarily because of the amounts being set aside each year from the budget for the future repayment of debt, through the Minimum Revenue Provision (MRP). At present it is still favourable to avoid taking out any new longer term borrowing. This is because there is less resulting counterparty risk involved and new long term loans would cost more than the returns, if the council were to invest an equivalent sum.

However, as in prior years, the council is facing some challenges in terms of realising the capital receipts that underpin the capital programme. The programme for future years is currently being refined through the annual budget process, the outcome of which will influence whether the council decides to take on any prudential borrowing in future – affordability being a key concern. There are two major unknown factors, additional to Iceland that will also have a significant bearing on this, these being capital receipts for the land at South Lancaster and potential Luneside East compensation claims. The capital programme and debt strategy will be updated accordingly, as and when more detail emerges on these issues.

5. Current Borrowing Rates

The graph below shows that the pattern seen over the prior year has persisted with shorter term loans remaining well below the interest rates from 18 months ago, with higher rates for longer loans. Short term borrowing remains historically low and longer term rates remain relatively low should any further borrowing be required. The conditions for borrowing will be actively monitored as the capital investment requirements for future years are crystallised.



6. Investing Activities

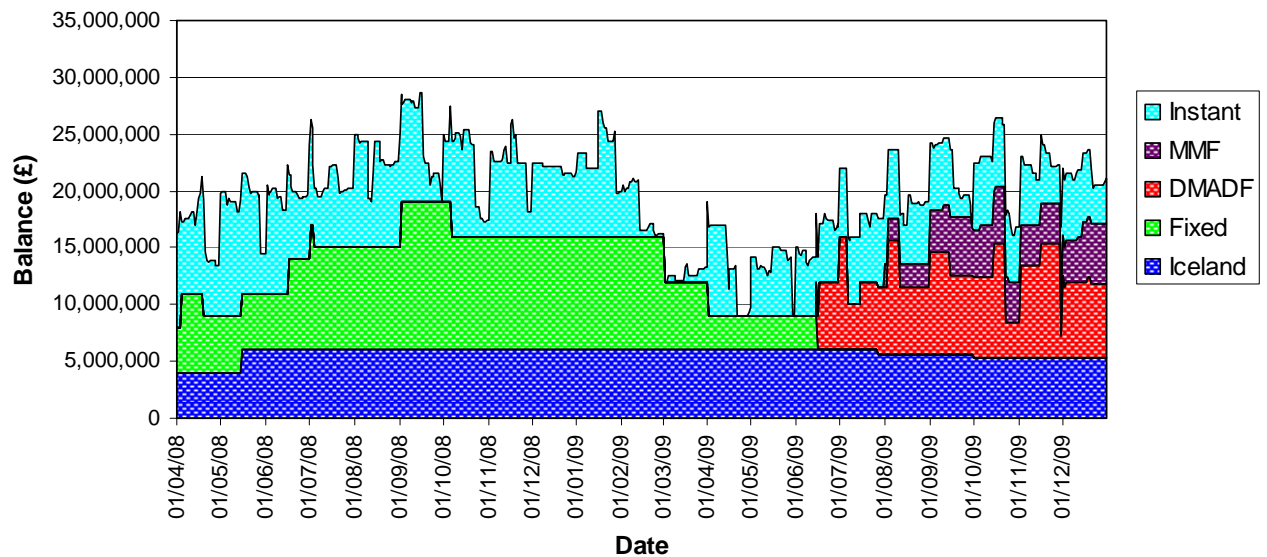
As laid down in the approved Investment Strategy, the aim is to prioritise security and liquidity of the council's investments. This is to minimise any further chance of a counterparty failing and the council not being able to remove its deposits, as happened with the Icelandic banks.

All investment activity has been in line with the approved Treasury Strategy for 2009/10. No fixed term investments have been placed since September 2008, with the exception of Debt Management Accounts Deposit Facility (DMADF) deposits (i.e. with HM Government). Any other surplus cash has been managed on a day to day basis using the call accounts and since August, two Money Market Funds (MMF). A full list of the investments placed during the year is enclosed at **Appendix B** along with details of the balances on liquid deposits held.

The split of investments is shown graphically below (see also further details in **Appendix B**). It is clear from this that the investment portfolio is split between Call accounts, the DMADF and MMFs. This keeps deposits secure, liquid and spread over a number of counterparties. £615K has been repaid to date by KSF which has reduced the balance outstanding with Icelandic banks (at this stage, it is assumed all of this relates to the principal).

In addition, during the period, a further call account was opened with Royal Bank of Scotland.

Investment values over the period (fixed vs instant access)



7. Summary of Budget Position and Performance at 30 September 2009

In terms of performance against external benchmarks, the return on investments compared to the LIBID and bank rates over the year to date is as follows:

Base Rate	0.50%
3 Month LIBID	0.91%
Lancaster CC Investments	0.58%
Lancaster CC investments*	0.83%

*This rate includes £5.4M frozen in Icelandic banks, assumed at 0%. Although as per accounting guidance, we can accrue for this interest, it is both notional and subject to amendment depending on the terms of the ultimate settlement.

This performance appears good but it should be noted that it is affected by fixed term investments that were taken out before the global economic down-turn.

In terms of performance against budget, the details are as follows:

Annual budget	£86K
Profiled budget	£61K
Actual to date	£82K (see details in Appendix B)
Variance	£19K (favourable)

The reason for the favourable position is due to the slight fluctuation in interest receipts over the course of the year. The amount of investment balance will run down over the last quarter as income from Council tax and NNDR stops; the £86K annual figure is judged to be a good estimate of the final out-turn.

These figures do not take account of interest from Icelandic investments. At this stage it is considered likely that the Council will be able to recognise interest from these investments although, as previously reported, accounting requirements mean that this will be used to offset the losses in principal expected.

8. Risk management

The main focus of risk within treasury management currently is security of deposits and their liquidity. The Council's investment strategy is designed to engineer risk management into investment activity largely by reference to credit ratings and length of deposit, together with

supporting advice. Officers have been maintaining the portfolio well within the agreed limits by utilising instant access call accounts and avoiding any new fixed term investments except for short term deposits with the DMADF. The view is, therefore, that associated risks have reduced over the period and are low, as at 31 December. Since Quarter 1 the portfolio has been diversified by using AAA rated Money Market Funds. At present these accounts are paying lower rates than the call accounts, but slightly higher than the DMADF, and they have added further capacity that is considered both secure and liquid. They are therefore judged to be acceptable in risk terms.

There is also a liquidity risk associated with needing access to cash on a day to day basis. At the end of the period the Authority had cash balances of £15.6M, £9.2M of which was held on instant access. As such, liquidity is not judged to be significant risk at the present time.

Aside from the above, there is also financial risk attached to the longer term debt portfolio, associated with interest rate exposure. Until such time as PWLB repayment rates improve though, as mentioned earlier, there are unlikely to be any further actions that can be taken to improve further the Council's position. In addition, due to the unknowns linked to capital programme, there is a risk that the Council may have to take on further borrowing. However, with rates, particularly on shorter term loans, at very low levels, this is relatively good period to take on borrowings if required.

Finally, with regard to recovery of Icelandic investments, this is still being managed with the support through the Local Government Association. It is judged that this is the most effective way of maximising recovery on the Council's behalf. Following Glitnir's challenge to our creditor status, there is a risk of increased losses, however, Bevan Brittan and the LGA are acting on behalf to help minimise this.

9. Conclusion

The third quarter of the year has been relatively uneventful for Treasury Management, with the exception of Glitnir's challenge to the council's preferential creditor status.

Over the quarter there have been no material breaches of counterparty limits or other prudential indicators. The Authority is starting to see the full impact of interest rate reductions on investment returns. Investment returns are expected to fall back in line with budget as surplus cash runs down over the last quarter.

The appetite for risk has remained low with the use of either AAA money market funds, instant access deposit accounts or deposits with HM Treasury. These have been used in preference to making the general fixed terms deposits which would previously have been used.

The information currently available regarding Icelandic investments gives some cause for concern in relation to the Council's creditor status. The decision on this will have a large impact on the Council's position in terms of cash balances and revenue charges relating to the impairment. Further information on the decision and accounting is awaited.

PRUDENTIAL INDICATORS - LANCASTER CITY COUNCIL

Quarter 3 Update on Treasury Management activities, to 31 December 2009

		2009/10 £'000	2010/11 £'000	2011/12 £'000
AFFORDABILITY				
PI 1:	Estimates of ratio of financing costs to net revenue stream			
	Non - HRA	12.4%	11.5%	10.2%
	HRA	8.5%	8.1%	7.8%
	Overall	11.1%	10.4%	9.4%
PI 2:	Actual ratio of financing cost to net revenue stream	Reported after each financial year end		
PI 3:	Estimates of impact of Capital Investment decisions on the Council Tax	£11.62	£8.69	£5.74
	This includes the impact of all elements of funding, including any increase in the need to borrow, required to finance new schemes added to the Capital Programme	6.52%	4.88%	3.22%
PI 3A:	Illustrative Impact of Additional Borrowing £1 million		Repayment Period	
		5 Years	10 Years	25 Years
	Increase in Council Tax (£)	£4.93	£2.73	£1.54
	Increase in Council Tax (%)	2.66%	1.47%	0.83%
PI 4:	Estimates of impact of Capital Investment on Housing Rents	Nil	Nil	Nil
PRUDENCE				
PI 6:	Estimates of capital expenditure			
	Non - HRA	14,185	10,960	8,697
	HRA	3,547	3,546	3,477
	Total	17,732	14,506	12,174
PI 7:	Actual capital expenditure	Reported after each financial year end		
PI 8:	Estimates of Capital Financing Requirement			
	Non - HRA	27,702	26,245	25,044
	HRA	15,303	15,303	15,303
	Total	43,005	41,548	40,347
PI 9:	Actual Capital Financing Requirement	Reported after each financial year end		
PI 10:	Authorised Limit			
	Authorised Limit for Borrowing	57,710	57,710	57,710
	Authorised Limit for Other Long Term Liabilities	290	290	290
	Authorised Limit for External Debt	58,000	58,000	58,000
PI 11:	External Debt: Operational Boundary	56,000	56,000	56,000
PI 12:	Actual external debt	Reported after each financial year end		
TREASURY MANAGEMENT				
PI 13:	Treasury Management: adoption of CIPFA code of Practice	The Council adopted the CIPFA code of Practice for Treasury Management at its meeting on the 13th March 2002.		
PI 14:	Fixed Interest Rate Exposure			
	The Authority will limit its exposure to fixed interest rate costs to the amounts payable on the following amount of outstanding debt.	£58m	£58m	£58m
PI 15:	Variable Rate Interest Rate Exposure			
	The Authority will limit its exposure to variable interest rate costs to the amounts payable on the following amount of outstanding debt.	£15m	£15m	£15m
PI 16:	Maturity Structure of Borrowing			
	Upper and Lower Limits			
	Under 12 months	0% to 35%	0% to 35%	0% to 35%
	12 months and within 24 months	0% to 20%	0% to 20%	0% to 20%
	24 months and within 5 years	0% to 20%	0% to 20%	0% to 20%
	5 years and within 10 years	0% to 20%	0% to 20%	0% to 20%
	10 years and above	60% to 100%	60% to 100%	60% to 100%
	Maturity Profile of Current Outstanding Debt 30/6/09			
	Under 12 months	0%		
	12 months and within 24 months	0%		
	24 months and within 5 years	0%		
	5 years and within 10 years	0%		
	10 years and above	100%		
PI 17:	Investments for periods longer than 364 days			
	The Authority will not invest for periods of longer than 364 days.	Nil	Nil	Nil

INVESTMENT INTEREST EARNED TO 31 December 2009

Name	No	Start	End	Rate %	Days up to 30/9/09	Principal £	Interest £
Fixed term investments							
Deposited 2007/08							
Landsbanki Islands	004	31-Mar-08	08-Oct-08	6.25	0	1,000,000	0
Glitnir	FI02/023	31-Mar-08	08-Oct-08	5.76	0	3,000,000	0
Deposited 2008/09							
Kaupthing, Singer & Friedlander	06/07-I29	16-May-08	08-Oct-08	6.00	0	1,385,000	0
Anglo Irish Bank Corporation	004	17-Jun-08	17-Jun-09	6.56	78	3,000,000	41,517
Irish Permanent Plc	005	02-Jul-08	02-Apr-09	6.31	2	3,000,000	519
Sub total							42,035
Other accounts	opening	Min	Max	closing	Indicative rate		
Call: Abbey National	4,000,000	1,000,000	4,000,000	1,860,000	0.60%		13,373
Call: Yorkshire bank	2,000,000	1,500,000	2,000,000	2,000,000	0.70%		9,043
DMADF	7,000,000	1,900,000	10,000,000	6,500,000	0.30%		10,897
Government Liquidity MMF	1,000,000	0	1,400,000	1,400,000	0.27%		1,728
Liquidity First MMF.	3,100,000	3,100,000	4,000,000	3,900,000	0.47%		4,640
Sub-total							39,680
TOTAL							81,715

For investments highlighted, the counterparties have since been downgraded and removed from the counterparty list. Those highlighted in purple are Icelandic banks, those in yellow are Irish banks. The deposits from Irish banks have been received and £615K has been received from KSF to date.

No interest is being assumed from Icelandic banks as yet, pending final settlements or the prevailing advice at year end (as set out in the report).