

## **Cabinet – 20 June 2012**

### **Corporate Financial Performance – Draft Outturn 2011/12 (pre-audit), and Treasury Management Performance 2011/12**

**Portfolio:** Councillor Towe – Finance and Personnel

**Service:** Finance – council wide

**Wards:** All

**Key decision:** No

**Forward plan:** No

#### **1. Summary**

##### **1.1 *Draft pre-audit outturn 2011/12***

The overall draft net revenue pre-audit outturn is an underspend of £0.58m. The overall draft net capital pre-audit outturn is a net underspend of £1.63m.

##### **1.2 *Sundry Debt Write-off***

The report requests write-off of sundry debt above £10,000.

##### **1.3 *Treasury Management***

The report confirms that treasury management activity has been undertaken in accordance with the Code of Practice on Treasury Management and Walsall complied with all statutory Prudential Indicators.

##### **1.4 *Insurance and risk management***

The council's current insurance arrangements fall due for renewal on 1<sup>st</sup> April 2013 bringing to a conclusion the current insurance arrangements. The insurance portfolio will therefore be subject to a tender exercise which will be undertaken in accordance with the Official Journal of the European Union (OJEU) and in accordance with the council's contract rules for the placement of the council's risks.

##### **1.5 *Accountable Body Protocol***

To request approval for a revised accountable body matrix setting out the approvals required for the authority to agree to act as accountably body for external grant.

#### **2. Recommendations**

Cabinet are requested to:

**2.1** Endorse the recommendations of the Chief Finance Officer (CFO) for revenue carry forwards as set out in table 1 of the report.

**2.2** Endorse the recommendations of the CFO for capital re-profiling and carry forward as set out in the main body of the report and appendix 1, relating to council funded schemes.

- 2.3 Subject to 2.1 and 2.2 above, note the pre-audit revenue outturn underspend of £0.58m and the pre-audit capital outturn underspend of £1.63m.
- 2.4 Authorise the write off of debt as referred to in table 2 of the report.
- 2.5 Note the 2011/12 prudential indicators in Appendix 2 of this report and Walsall's compliance with these indicators.
- 2.6 Approve the updated accountable body arrangements referred to in Appendix 3.
- 2.7 Delegate authority to the CFO (Assistant Director – Finance) to finalise and accept the most economically advantageous arrangements for the provision of the insurance service with the preferred insurer/insurers, in consultation with the portfolio holder for finance and personnel.

### **3. Report detail**

- 3.1 Cabinet have received financial reports to allow it to monitor the financial position of the council and consider plans for corrective action during 2011/12. Maintaining financial stability is a key requirement. This report illustrates the final pre-audit revenue and capital outturn for 2011/12 along with the recommended revenue and capital carry forwards into 2012/13.
- 3.2 The revenue carry forward protocol has been in use for several years. Carry forwards are allowed only where the council has outturned on or under budget. It is normal for the CFO to recommend that a number of carry forwards be endorsed to acknowledge manager's action in achieving underspends and allow them to carry out planned service improvements.

#### **Revenue Outturn 2011/12**

- 3.3 Managers are required to deliver their service targets and improvements within budget. Small variations are normal and insignificant on a gross revenue budget (excluding internal charges) of £710.85m. The council wide draft pre-audit revenue outturn is an underspend of £0.58m following endorsement of carry forwards. These are proposed by the CFO after consultation with the portfolio holder for finance and personnel and are set out in table 1 overleaf.
- 3.4 The council ends 2011/12 with its balances at a level consistent with the requirements of the medium term financial strategy.

#### **Revenue carry forwards from 2011/12 to 2012/13**

- 3.5 Carry forwards are a means of recognising sound budget management by allowing the carry forward of planned revenue underspends and/or achieved revenue savings, excluding the use of windfalls/ unplanned underspends/savings. This is dependent on achievement of planned service delivery targets/ outcomes and a balanced position council wide at year end. Approval for under/overspend carry forwards rests with Cabinet, on the advice of the CFO.
- 3.6 Total revenue carry forward requests of £1.16m are recommended for approval, as shown in table 1.

<b>Table 1: Revenue carry forwards from 2011/12 to 2012/13 recommended for approval</b>	
<b>Proposed use of carry forward</b>	<b>Carry forward £</b>
<b>Regeneration</b>	
Preventing homelessness funding to March 2013	75,070
Supported housing – staff training planned for 2012/13	16,000
Strategic Regeneration – service structure changes	124,000
Repairs to building leased to Delves Tenant Management Organisation	50,000
Central contingency allocation for local development orders	18,937
<b>Total Regeneration</b>	<b>284,007</b>
<b>Neighbourhood Services</b>	
Community Development–Reach up tower project–free service to meet the requirement of previous grant funded project	25,000
LINK – to fund 12 week consultation of HealthWatch scheme	50,000
Community Safety – to support awareness of the pathway plan	59,504
Community Safety – continuation of the individual diversionary offender management	15,000
Community Safety – Walsall intelligence network	6,336
Community Safety – allocation of local services support grant	3,898
Street Pride - Distribution of leaflets and targeted communication to reduce contamination in recycling bins	15,000
Partnerships PVE – continuation of scheme	18,915
Walsall Partnership – increasing community engagement	10,048
<b>Total Neighbourhood Services</b>	<b>203,701</b>
<b>Resources</b>	
Revenues – to fund post for single persons discount	50,000
<b>Total Resources</b>	<b>50,000</b>
<b>Children's Services</b>	
To fund one off activities to support delivery of early intervention plan	425,000
New Operating Model & foster care system redesign	24,000
To fund 3 temporary posts to aid the transition in fall out of youth justice funding	125,000
Education – to promote new relationships with schools	50,000
<b>Total Children's Services</b>	<b>624,000</b>
<b>Requests for revenue carry forwards recommended</b>	<b>1,161,708</b>

### Capital Outturn 2011/12

- 3.7 The capital programme budget for 2011/12 was £112.34m, of which spend was £65.75m, resulting in unspent allocations of £46.59m. Of this, £44.96m is recommended for carry forward into 2012/13, the majority of which (82%) relates to externally funded schemes.
- 3.8 The draft pre-audit position is further split between mainstream, prudential (both council funded) and grant below.
- The mainstream programme currently shows draft unspent resources of £7.77m, of which requests for carry forwards required to complete schemes totalling £6.58m are recommended for approval as set out in appendix 1.
  - The prudential programme currently shows draft unspent resources of £1.97m, of which carry forward of £1.6m is recommended for approval to

finalise the Arboretum restoration programme, and the Finance Direct and Paris ICT projects.

- The non-mainstream (grant) programme currently shows unspent projects funded from grant of £36.85m, of which £36.78m is to be carried forward.

3.9 Capital carry forward is defined as a means to carry capital resources from one year to another to cover identifiable commitments that have moved from one year to another, or where a project spans more than one year. Carry forward is not a means to carry forward underspends. In a large organisation, dealing with construction projects, procurement regulations, etc, a level of carry forward is expected and built into resourcing assumptions. It is recognised that capital projects can cross over years and it is often difficult to be accurate in the estimation of which year the expenditure will be incurred. Once approved, the use of capital carry forwards must not be varied without further Cabinet approval.

### **Sundry Debt Collection**

3.10 Cabinet is requested to authorise the write off of the following irrecoverable debt totalling £19,776.43 (referred to in table 2 below). The write-off will be charged against the council's bad debt provision and will not affect the outturn position reported in this report. This write off represents less than 0.03% of total debt collected in 2011/12. A write off only occurs if all possible mechanisms for collection have been exhausted and the debt is either impossible to collect or it is uneconomical to do so.

<b>Invoice No</b>	<b>Date</b>	<b>Amount (£)</b>
933293	10.11.05	19,776.43
Total		19,776.43

*Note: Any discussion of individual cases is likely to require that the press and public be excluded from the meeting. For that reason, the name of the debtor has been omitted.*

### **Treasury Management**

3.11 During 2011/12, the council complied with its legislative and regulatory requirements. Draft prudential and treasury indicators are to be found in appendix 2 of this report. The Assistant Director of Finance also confirms that borrowing was only undertaken for a capital purpose and the statutory borrowing limit (the authorised limit) was not breached.

3.12 The financial year 2011/12 continued within the challenging environment of previous years. However, investment performance has been good, the average rate achieved from investments being 1.95% compared to the 1.18% benchmarked average. In line with the approved Treasury Management Strategy, a repayment of £17.3m of borrowing was undertaken. This has reduced the average borrowing rate from 4.55% to 4.53%, and so assisted in meeting 2012/13 savings targets. A comprehensive Annual Treasury Report will be reported to September's Audit Committee and to Council along with a review of treasury management policies.

3.13 Cabinet is recommended to endorse the draft 2011/12 prudential and treasury indicators in appendix 2 of this report.

## **Accountable Body Status**

- 3.14 The council's grant manual has been recently updated, including the accountable body protocol approval process. It is recommended that the revised matrix attached at appendix 3 is approved. For greater clarity and ease of understanding, the previous three matrices have been reviewed and amalgamated into one matrix detailing the approval requirements at each stage of the process. All bids over for funds over £500k where the council will act as accountable body will be required to be approved by Cabinet in advance of any submission.

## **Insurance and risk management**

- 3.15 This year sees the end of the council's current insurance arrangements following a very successful tender exercise which has secured net savings in the region of £2m over the past five years. The council's current insurance arrangements fall due for renewal on 1<sup>st</sup> April 2013. The insurance portfolio will therefore be subject to a tender exercise which will be undertaken in accordance with the Official Journal of the European Union (OJEU) and in accordance with the council's contract rules for the placement of the council's risks.
- 3.16 The successful risk management strategy adopted by the council ensured an extremely satisfactory outcome of this tender. Other areas that assisted the council in obtaining good value for money included the council's overall claims history, the level of self insurance retained by the council and robust risk management arrangements and practices.
- 3.17 It is difficult to predict with any certainty the outcome of this tender as there are many factors which have an impact on the insurance markets such as low interest rates, increases in claim numbers and the global markets. However the risk and insurance team in conjunction with the council's insurance brokers will strive to ensure that the best outcome for the council will be achieved.

## **4. Council priorities**

The approved budget follows council priorities, and managers are required to endorse these in consideration of day to day spending plans.

## **5. Risk management**

- 5.1 Managers are required to deliver service and improvement targets on time, to standard and within budget.
- 5.2 The budget process is governed by the overarching medium term financial strategy. Risk management is an integral part of this activity and is embedded in budget preparation, monitoring and forecasting to enable potential budget variances and risks to be identified early and addressed.

## **6. Financial implications**

The outturn position will affect the overall financial standing of the council. The aim is to ensure the councils balances are at a level consistent with the requirements of the medium term financial strategy.

## **7. Legal implications**

None directly associated with this report.

## **8. Property implications**

There are no direct implications from this report.

## **9. Staffing implications**

There are no direct implications from this report.

## **10. Equality implications**

None directly associated with this report.

## **11. Consultation**

The report is prepared in consultation with the Chief Finance Officer, relevant managers and directors.

**Background papers:** Various financial working papers.

### **Appendices:-**

- 1 Draft capital outturn 2011/12 by scheme (Mainstream funded schemes only) including carry forwards
- 2 Draft prudential indicators
- 3 Accountable Body matrix

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**Vicky Buckley – Head of Finance**

31 May 2012



**Councillor C. Towe  
Finance and Personnel**

31 May 2012

**APPENDIX 1 - MAINSTREAM UNDERSPEND 2011/12 AND PROPOSED CARRY FORWARD INTO 2012/13**

	<b>2011/12 budget</b>	<b>Spend</b>	<b>Variance</b>	<b>2011/12 Carry Forward</b>	<b>Underspends</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>CHILDRENS</b>					
Barcroft - (Elm Street/Albion Road) Targeted capital - WMBC	3,121,398.00	2,720,163.28	-401,234.72	401,234.72	0.00
Basic Need	3,123,967.28	3,123,967.28	0.00	0.00	0.00
Eldon House reprovision	1,028,148.00	137,511.78	-890,636.22	890,636.22	0.00
Integrated children's system	66,812.16	0.00	-66,812.16	66,812.16	0.00
Modernisation - all schools	2,170,533.42	2,170,533.42	0.00	0.00	0.00
New pupil places - Fibbersley	0.00	0.00	0.00	0.00	0.00
Schools access initiative	874,046.92	694,861.75	-179,185.17	179,185.17	0.00
<b>CHILDRENS MAINSTREAM TOTAL</b>	<b>10,384,905.78</b>	<b>8,847,037.51</b>	<b>-1,537,868.27</b>	<b>1,537,868.27</b>	<b>0.00</b>
<b>NEIGHBOURHOOD</b>					
Allotment improvement programme	103,725.55	11,106.93	-92,618.62	92,618.62	0.00
Beacon Road land slip - contingency	107,838.00	81,697.03	-26,140.97	26,140.97	0.00
Combined wind turbine and street lighting	25,000.00	0.00	-25,000.00	0.00	-25,000.00
Demolition of Willenhall leisure centre	205,000.00	0.00	-205,000.00	0.00	-205,000.00
Depot relocation	1,173,607.93	1,172,162.12	-1,445.81	0.00	-1,445.81
George Rose park development	299,180.00	30,356.21	-268,823.79	268,823.79	0.00
Greenspace improvement plan	50,000.00	33,369.19	-16,630.81	16,630.81	0.00
Hatherton Road multi storey car park	200,000.00	153,422.09	-46,577.91	46,577.91	0.00
Highways Maintenance	1,400,000.00	1,397,676.28	-2,323.72	0.00	-2,323.72
Improving security in local neighbourhoods	29,900.08	25,618.26	-4,281.82	4,281.74	-0.08
Introduction of Radio Frequency Identification in libraries	232,800.00	111,647.68	-121,152.32	121,152.32	0.00
Library modernisation plan	54,036.73	74.25	-53,962.48	53,962.48	0.00
Lighting to save initiatives	250,000.00	230,500.00	-19,500.00	19,500.00	0.00
LTP including bridge strengthening	550,897.55	179,549.91	-371,347.64	369,675.80	-1,671.84
Memorial safety	100,000.00	82,552.40	-17,447.60	0.00	-17,447.60



	2011/12 budget	Spend	Variance	Carry Forward	Underspends
	£	£	£	£	£
Palfrey park – Heritage Lottery Funds	65,517.00	65,517.00	0.00	0.00	0.00
Pelsall library, childrens centre and health centre	389,887.48	389,887.48	0.00	0.00	0.00
Purchase of hot jet pavement cleaning machine	116,000.00	0.00	-116,000.00	0.00	-116,000.00
Relocation of CCTV control room	150,000.00	150,000.00	0.00	0.00	0.00
Ride on mower	2,679.00	2,679.00	0.00	0.00	0.00
Streetly crematorium mercury abatement	45,803.47	45,803.47	0.00	0.00	0.00
Sneyd reservoir overflow replacement	0.00	-454.75	-454.75	0.00	-454.75
Town centre on street parking	59,307.00	59,307.00	0.00	0.00	0.00
Walsall arboretum lido 2011/12	175,000.00	2,224.25	-172,775.75	172,775.75	0.00
Walsall arboretum restoration programme	467,938.00	467,938.00	0.00	0.00	0.00
Walsall TCTP	630,000.00	127,241.89	-502,758.11	502,758.11	0.00
<b>NEIGHBOURHOOD MAINSTREAM TOTAL</b>	<b>6,884,117.79</b>	<b>4,819,875.69</b>	<b>-2,064,242.10</b>	<b>1,694,898.30</b>	<b>-369,343.80</b>
<b>REGENERATION</b>					
Acquisition of Cool Trader	681,303.03	681,300.03	-3.00	0.00	-3.00
Aids & adaptations	2,178,654.29	1,669,333.06	-509,321.23	509,321.57	0.34
Asbestos removal	155,000.00	153,030.78	-1,969.22	0.00	-1,969.22
Civic building air condition replacement	88,409.05	63,114.85	-25,294.20	0.00	-25,294.20
Control of legionella	275,000.00	292,640.11	17,640.11	0.00	17,640.11
Darlaston baths roof	60,000.00	271.56	-59,728.44	59,728.00	-0.44
Demolition of redundant buildings to save on rates	202,075.12	211,135.52	9,060.40	0.00	9,060.40
Fire risk assessment	200,000.00	169,053.28	-30,946.72	30,947.00	0.28
Freer Street structural works	90,240.95	18,387.91	-71,853.04	71,853.00	-0.04
Green Lane Hostel	353,815.00	274,844.07	-78,970.93	78,971.00	0.07
Green Rivers	185,000.00	0.00	-185,000.00	185,000.00	0.00
Health through warmth - see other resources	226,753.74	76,903.46	-149,850.28	0.00	-149,850.28
Investment in ICT Technology to support smarter workplace	1,224,770.00	900,613.50	-324,156.50	324,157.00	0.50
Land at Pelsall Lane	130,000.00	0.00	-130,000.00	130,000.00	0.00
Planned property maintenance	166,850.20	179,728.66	12,878.46	0.00	12,878.46

	<b>2011/12 budget</b>	<b>Spend</b>	<b>Variance</b>	<b>Carry Forward</b>	<b>Underspends</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Provision of alternative accommodation to release leased premises	0.00	0.00	0.00	0.00	0.00
Regenerating Walsall	789,767.18	326,625.17	-463,142.01	463,142.41	0.40
Refurbishment of Leckie sons of rest in Walsall arboretum	190,000.00	176,733.84	-13,266.16	13,266.00	-0.16
Shop maintenance	49,554.05	19,027.07	-30,526.98	0.00	-30,526.98
Smarter Workplaces - ICT	698,000.09	625,412.00	-72,588.09	72,588.00	-0.09
Smarter Workplaces - Property	1,333,456.00	1,551,636.86	218,180.86	-218,180.00	0.86
Work resulting from the statutory testing of building services	344,450.89	333,557.93	-10,892.96	0.00	-10,892.96
Strategic acquisitions	574,800.00	574,800.00	0.00	0.00	0.00
Collingwood Centre Car Park	9,378.00	9,378.00	0.00	0.00	0.00
Walsall Council House - Improvements	180,000.00	27,625.00	-152,375.00	152,375.00	0.00
<b>REGENERATION MAINSTREAM TOTAL</b>	<b>10,387,277.59</b>	<b>8,335,152.66</b>	<b>-2,052,124.93</b>	<b>1,873,168.98</b>	<b>-178,955.95</b>
<b>RESOURCES</b>					
Bloxwich Library Comms Room	9,446.62	0.00	-9,446.62	9,447.00	0.38
Disaster recovery scheme	140,000.00	17,759.00	-122,241.00	122,241.00	0.00
Delivering - Right Fast and Simple	500,000.00	0.00	-500,000.00	394,000.00	-106,000.00
ICT Essential Investment in Infrastructure - Server / CISCO upgrades	182,436.00	105,021.00	-77,415.00	77,415.00	0.00
Increased productivity to be delivered by home working	150,000.00	65,477.48	-84,522.52	84,522.52	0.00
Risk management	187,239.65	42,249.24	-144,990.41	0.00	-144,990.41
Software to Automate Benefit Application Forms	9,256.64	0.00	-9,256.64	9,257.00	0.36
Self-insured property damage	345,252.47	237,189.21	-108,063.26	0.00	-108,063.26
Project/asset investment reserve	713,204.27	0.00	-713,204.27	435,617.27	-277,587.00
<b>RESOURCES MAINSTREAM TOTAL</b>	<b>2,236,835.65</b>	<b>467,695.93</b>	<b>-1,769,139.72</b>	<b>1,132,499.79</b>	<b>-636,639.93</b>
<b>SOCIAL CARE</b>					
Hollybank rehabilitation centre	7,707.87	7,707.87	0.00	0.00	0.00
Preventative adaptations & Supported independent living	1,164,200.00	814,755.10	-349,444.90	347,444.90	-2,000.00
Refurbishment of Goscote adult training centre	133,196.86	133,196.86	0.00	0.00	0.00
<b>SOCIAL CARE MAINSTREAM TOTAL</b>	<b>1,305,104.73</b>	<b>955,659.83</b>	<b>-349,444.90</b>	<b>347,444.90</b>	<b>-2,000.00</b>
<b>GRAND TOTAL MAINSTREAM</b>	<b>31,198,241.54</b>	<b>23,425,421.62</b>	<b>-7,772,819.92</b>	<b>6,585,880.24</b>	<b>-1,186,939.68</b>

## Draft Prudential Indicators defined within Prudential Code Year End 2012/13

Indicator		Actual 2010/11 £'000	Target 2011/12 £'000	Position as at 31-Mar-12 £'000	Variance to target		Met
					£'000	%	
Pr1 1	Capital Expenditure (11/12 target revised due to carry forward from 10/11. Target revised from £54,448 to £112,115)	60,739	112,115	65,746	- 46,369	-42%	Y
Pr1 2	Ratio of financing costs to net revenue stream	10.61%	9.70%	9.0%	-0.71%	-7%	Y
Pr1 3	Estimates of the incremental impact of new capital investment decisions on Council Tax	£9.42	£10.66	£10.66	£0.00	0%	Y
Pr1 4	Capital Financing Requirement	293,247	326,255	297,372	- 28,883	-9%	Y
Pr1 5	Authorised Limit for external debt	353,047	373,730	373,730	-	0%	Y
Pr1 6	Operational Limit for external debt	298,140	315,044	315,044	-	0%	Y

## Prudential indicators for prudence

Indicator		Actual 2009/10 £'000	Target 2011/12 £'000	Position as at 31-Mar-12 £'000	Met
Pr1 7	Net Borrowing exceeds capital financing requirement	No	No	No	Y
Pr1 8	Authority has adopted CIPFA Code of Practice for Treasury	Yes	Yes	Yes	Y
Pr1 9	Total principle sums invested for longer than 364 days must not	12,000	25,000	15,000	Y

Indicator		Upper	Lower	Actual 2010/11	Position as at 31-Mar-12	Met
Pr1 10	Fixed Interest Rate Exposure	95%	40%	93%	87%	Y
Pr1 11	Variable Interest Rate Exposure	45%	0%	7%	13%	Y
Pr1 12	<b>Maturity Structure of Borrowing</b>					
	Under 12 months	15%	0%	9%	13%	Y
	12 months and within 24 months	20%	0%	13%	9%	Y
	24 months and within 5 years	25%	0%	15%	25%	Y
	5 years and within 10 years	50%	10%	17%	11%	Y
	10 years and above	85%	40%	47%	42%	Y

## Locally defined prudential indicators

Indicator		Actual 2010/11 £'000	Target 2011/12 £'000	Position as at 31-Mar-12 %	Variance to %	Met
L1	Full compliance with prudential code	Yes	Yes	Yes		Y
L2	Average length of debt	17.00	15 to 25 years	16		Y
L3	Net borrowing costs as % of net budget requirement	3.57%	4.00%	3.33%	-0.67%	Y
L4	Net actual debt vs operational debt	92.7%	90.0%	80%	-10%	Y
L5	Average interest rate of external debt outstanding including OLA	4.69%	4.68%	4.67%	-0.01%	Y
	Average interest rate of external debt outstanding excluding	4.55%	4.54%	4.53%	-0.01%	Y
L6	Gearing effect of 1% increase in interest rate	3.42%	5.00%	2.87%	-2.13%	Y
L7	Average interest rate received on STI vs 7 day LIBID rate	1.47%	0.50%	1.22%	0.72%	Y
L8	Average interest rate received on short term investments	1.90%	1.50%	2.07%	0.57%	Y
L9	Average interest rate received on all investments	1.82%	1.70%	2.39%	0.69%	Y
L10	% daily bank balances within target range	99%	98%	100.00%	2.00%	Y

## Explanation of Variations

PCI 1 Total capital expenditure - £46m and - 42%

The variation is due to capital carry forwards particularly capital grants which are expected to be spent in 2012/13.

PCI 2 Estimates of the ratio of financing costs to the net revenue stream – 7%

Compared to other councils, Walsall's ratio of capital financing to total revenue costs is low, which demonstrated good performance. This has dropped due to the under spend in 2011/12.

PCI 4 Estimates of capital financing requirement - £29m and 9%

This represents the underlying level of borrowing needed to finance historic and future capital expenditure. This is less than anticipated due to capital carry forwards.

L.3 Net borrowing costs as % of net budget requirement – 0.67%

This measures the net borrowing costs as a % of the net budget requirement and is used by CIPFA in their risk benchmarking. Once again, there is a favourable variance due to the revenue under spend position.

L.5 and L.6 Average rate on debt

Both have reduced due to the planned rescheduling activities undertaken in 2011/2.

L.7, L.8, and L.9 Increased average interest rate received on investments.

This shows continued good performance.

Note that 1.95% is our average return for the year and 2.07% is the average of the short term investments held at 31<sup>st</sup> March 2012.

### APPENDIX 3: ACCOUNTABLE BODY APPROVAL MATRIX

This covers all funds where the council is the named accountable body and funds are:

- utilised within the Council
- managed by an external organisation,
- subject to a competitive bidding process by the council and/or partners,

Level of Funding	Approval from Manager to Bid	Approval from Relevant Executive Director to Bid **	Approve Accountable Body Status and Governance Arrangements Corporate Mgt Team	Approve Accountable body Status and governance arrangements Cabinet	Approve Project Plan - Manager	Approve Project Plan – Relevant Executive Director	Notify Corporate Management Team of Project Plan	Inform Cabinet of Project Plan	Contract or Grant Agreement	Include on Finance Grants Register
Up to £50,000	✓	✓			✓				✓	✓
£50,001 to £100,000	✓	✓			✓	✓	✓		✓	✓
£100,001 to £500,000	✓	✓	✓		✓	✓	✓	✓	✓	✓
£500,001+	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Manager means in this context minimum service manager level (or above)

A contract will be required when commissioning an external organisation using procurement / contracting processes

A grant agreement will be required in all other cases

\*\* In conjunction with the relevant Portfolio Holder for bids of £50,000 and above