



Management Accounts and Prudential Indicators for the period ending 31st January 2013



HUMBERSIDE
Fire & Rescue Service

Safer Communities Safer Firefighters

Index

Key to Traffic Light System	2
Revenue Budget Summary - Table 1	3
Revenue Budget - Table 2	4
Capital Budget	6
Pensions Account	8
Treasury Management - Borrowing & Lending Activity	9
Movement in Revenue Reserves	10
Prudential Indicators	11
Budget Virements Processed	14

Key To Traffic Light System

The elements of the Traffic Light system being used in the report to highlight significant outturn variances / issues are as follows:-

1. **Status Column** - indicates, using a colour reference whether an issue is:-

Red Potentially detrimental to the finances of the Authority

Green In line with budget or potentially advantageous to the finances of the Authority.

2. **Direction Column** - this indicates the relative movement in the projected outturn position compared to the previous month as follows:-

Red A detrimental change.

Amber No change.

Green An advantageous change.

Possible Combinations

		Status	
		Red	Green
D I R E C T I O N	Red	✓	✓
	Amber	✓	✓
	Green	✓	✓

The combinations shaded are those that give the most concern from a financial perspective i.e. Status = Red and Direction = Red, Amber or Green.

HUMBERSIDE FIRE & RESCUE SERVICE
COMMENTARY ON THE MANAGEMENT ACCOUNTS
For the period 1 April 2012 to 31 January 2013

The following statements represent a summary of the financial activity of the Service for the period stated above.

Each statement is accompanied with notes, referenced to specific lines on that statement where significant variances have been forecasted or where further explanation of information shown is necessary.

Revenue Statements

These statements show the actual and committed revenue expenditure, in summary subjective heading format (Table 1) and broken down by objective headings (Table 2), as at 31 January 2013 compared to the profiled 2012/13 budget for the same period. The report also shows the forecasted outturn for the full year based on current levels of income and expenditure and any known variations to the end of the financial year.

Table 1

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING SUMMARY STATEMENT 2012/13
1 April 2012 to 31 January 2013 (Period 10)

	Original Budget £'000	Revised Budget £'000	31 January 2013		Full Year		Traffic Light		Note	
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance £'000 %	Status	Direction		
Employees										
Wholetime	27,231	27,232	22,694	22,340	26,932	(300)	(1.10)	Green	Amber	1
Retained	3,596	3,596	2,997	2,833	3,556	(40)	(1.11)	Green	Amber	1
Support	6,504	6,369	5,322	4,701	5,919	(450)	(7.07)	Green	Green	2
Other Employee Expenses (Training, Occ Health, Insurance)	1,336	1,431	1,108	1,175	1,531	100	6.99	Red	Red	3
Total Pay & Pensions	38,667	38,628	32,121	31,049	37,938	(690)	(1.79)			
Premises	2,097	2,055	1,787	1,794	2,101	46	2.24	Red	Red	4
Transport	1,163	1,141	978	872	1,111	(30)	(2.63)	Green	Green	5
Supplies & Services	3,485	3,506	2,878	2,395	3,298	(208)	(5.93)	Green	Green	6
Support Services	124	124	71	119	124	-	-	Green	Amber	
Total Expenditure	45,536	45,454	37,835	36,229	44,572	(882)	(1.94)			
Income	(539)	(593)	(465)	(976)	(593)	-	-	Green	Amber	
Net Expenditure (Ex Capital Charges)	44,997	44,861	37,370	35,253	43,979	(882)	(1.97)			
Interest Payable	1,331	1,405	613	501	986	(419)	(29.82)	Green	Amber	7
Interest Receivable	(50)	(50)	(40)	(59)	(100)	(50)	100.00	Green	Amber	8
Contingency	135	65	-	-	-	(65)	(100.00)	Green	Green	9
Accounting Adjustments	535	1,087	(1,191)	(166)	918	(169)	(15.55)	Green	Amber	10
Contributions to /(from) Reserves	1,213	793	-	(271)	793	-	-	Green	Amber	
Net Budget Requirement	48,161	48,161	36,752	35,258	46,576	(1,585)	(3.29)	Green	Green	
Financed By										
Revenue Support Grant	(497)	(497)	(261)	(261)	(497)	-	-			
National Non Domestic Rates	(25,054)	(25,054)	(23,175)	(23,694)	(25,054)	-	-			
Precepts	(22,610)	(22,610)	(18,857)	(18,859)	(22,610)	-	-			
	-	-	(5,541)	(7,556)	(1,585)	(1,585)	-			

Table 2

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING STATEMENT 2012/13
 1 April 2012 to 31 January 2013 (Period 10)

	Original Budget £'000	Revised Budget £'000	31 January 2013		Full Year			Traffic Light		Note
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance		Status	Direction	
						£'000	%			
Community Fire Safety										
Expenditure										
Employees										
Wholetime	1,450	1,450	1,209	1,051	1,434	(16)	(1.10)	Green	Amber	1
Retained	76	76	64	11	75	(1)	(1.32)	Green	Amber	1
Support	1,854	1,767	1,459	1,279	1,622	(145)	(8.21)	Green	Green	2
Indirect Employees	10	45	38	45	45	-	-	Green	Amber	
Premises	1	39	-	40	39	-	-	Green	Amber	
Transport	7	23	19	25	23	-	-	Green	Amber	
Supplies and Services	306	337	291	197	337	-	-	Green	Amber	
Total Expenditure	3,704	3,737	3,080	2,648	3,575	(162)	(4.34)			
Income	(63)	(117)	(52)	(283)	(117)	-	-	Green	Amber	
Net Expenditure	3,641	3,620	3,028	2,365	3,458	(162)	(4.48)			
Fire Fighting & Rescue Operations										
Expenditure										
Employees										
Wholetime	22,041	22,042	18,368	18,119	21,799	(243)	(1.10)	Green	Amber	1
Control	1,257	1,257	1,048	1,055	1,243	(14)	(1.11)	Green	Amber	1
Retained	3,520	3,520	2,933	2,822	3,481	(39)	(1.11)	Green	Amber	1
Support	206	206	172	103	141	(65)	(31.55)	Green	Green	2
Indirect Employees	19	39	32	19	39	-	-	Green	Amber	
Premises	1,204	1,204	1,076	1,109	1,250	46	3.82	Red	Red	4
Transport	17	17	14	3	17	-	-	Green	Amber	
Supplies and Services	1,280	1,310	1,037	717	1,170	(140)	(10.69)	Green	Amber	6a
Total Expenditure	29,544	29,595	24,680	23,947	29,140	(455)	(1.54)			
Income	(322)	(322)	(294)	(391)	(322)	-	-	Green	Amber	
Net Expenditure	29,222	29,273	24,386	23,556	28,818	(455)	(1.55)			
Management & Support Services										
Expenditure										
Employees										
Wholetime	2,483	2,483	2,069	2,115	2,456	(27)	(1.09)	Green	Amber	1
Support	4,444	4,396	3,691	3,319	4,156	(240)	(5.46)	Green	Green	2
Other Pension Costs	583	583	390	432	583	-	-	Green	Amber	
Indirect Employees	541	581	465	499	681	100	17.21	Red	Amber	3
Employee Related Insurances	183	183	183	180	183	-	-	Green	Amber	
Premises	892	812	711	645	812	-	-	Green	Amber	
Transport	1,135	1,097	941	840	1,067	(30)	(2.73)	Green	Green	5
Supplies and Services	1,675	1,635	1,364	1,318	1,595	(40)	(2.45)	Green	Amber	6b
Support Services	119	119	71	119	119	-	-	Green	Amber	
Contingency	135	65	-	-	-	(65)	(100.00)	Green	Amber	9
Total Expenditure	12,190	11,954	9,885	9,467	11,652	(302)	(2.53)			
Income	(154)	(154)	(119)	(302)	(154)	-	-	Green	Amber	
Net Expenditure	12,036	11,800	9,766	9,165	11,498	(302)	(2.56)			
Democratic Representation & Management										
Expenditure										
Transport	4	4	4	4	4	-	-	Green	Amber	
Supplies and Services	154	154	128	121	154	-	-	Green	Amber	
Support Services	-	-	-	-	-	-	-	Green	Amber	
Net Expenditure	158	158	132	125	158	-	-			

Cont....

Table 2 Cont....

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING STATEMENT 2012/13
 1 April 2012 to 31 January 2013 (Period 10)

	Original Budget £'000	Revised Budget £'000	31 January 2013		Full Year			Traffic Light		Note
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance		Status	Direction	
						£'000	%			
Corporate Management Expenditure										
Supplies and Services	70	70	58	42	42	(28)	(40.00)	Green	Green	6c
Support Services	5	5	-	-	5	-	-	Green	Amber	
Net Expenditure	75	75	58	42	47	(28)	(37.33)			
Net Expenditure (excluding Capital Charges)	45,132	44,926	37,370	35,253	43,979	(947)	(2.11)			
Interest Payable	1,331	1,405	613	501	986	(419)	(29.82)	Green	Amber	7
Interest Receivable	(50)	(50)	(40)	(59)	(100)	(50)	100.00	Green	Amber	8
Accounting Adjustments	535	1,087	(1,191)	(166)	918	(169)	(15.55)	Green	Amber	10
Contributions to / (from) Reserves	1,213	793	-	(271)	793	-	-	Green	Amber	
Net Budget Requirement	48,161	48,161	36,752	35,258	46,576	(1,585)	(3.29)	Green	Green	
Financed by :										
Revenue Support Grant	(497)	(497)	(261)	(261)	(497)	-	-	Green	Amber	
NNDR	(25,054)	(25,054)	(23,175)	(23,694)	(25,054)	-	-	Green	Amber	
Precepts	(22,610)	(22,610)	(18,857)	(18,859)	(22,610)	-	-	Green	Amber	
	-	-	(5,541)	(7,556)	(1,585)	(1,585)				

The following notes give a brief explanation of any variances shown in the Revenue Monitoring Statements, which are found on pages 3-5.

Notes

1. Final settlement for the Firefighter pay award was less than anticipated which has resulted in this saving.
2. The projected underspend is due to a number of vacant posts.
3. As a result of the underspend due to vacant posts, additional costs will be incurred by using agency staff.
4. Increased business rate charges in 2012/13 created this variance.
5. This relates to underspends on various transport costs.
6. This variance is due to:
 - a) A projected underspend on hydrant maintenance;
 - b) A projected underspend of £25k on subsistence and £15k on course & conferences is expected at this stage; and
 - c) Audit fees for 2012/13 are to be less than anticipated.
7. Due to less borrowing taken to fund the capital projects in previous years we will pay less interest than anticipated.
8. Due to more investment income than anticipated as a result of higher cash balances.

9. The contingency is not expected to be used.
10. Lower MRP (Minimum Revenue Provision) due to less expenditure on capital during 2011/12.

Capital Statement

This report shows the actual and committed capital expenditure as at 31 January 2012 compared with the adjusted profiled 2012/13 budget for the same period. This report also shows the forecasted outturn for the full year based on current levels of expenditure and any known variations to the end of the financial year. The revised budget has been updated to incorporate slippage from 2011/12 as approved by Members of the Fire Authority on 22nd June 2012.

Table 3

**HUMBERSIDE FIRE & RESCUE SERVICE
CAPITAL MONITORING STATEMENT 2012/13
1 April 2012 to 31 January 2013 (Period 10)**

SCHEME	Original Budget £'000	Revised Budget £'000	31 January 2013		Full Year			Traffic Light		Note
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance		Status	Direction	
						£'000	%			
Building Works										
North Hull	3,950	3,950	10	5	5	(3,945)	(99.87)	Green	Amber	1
Workshops Relocation	-	1,997	-	-	-	(1,997)	(100.00)	Green	Amber	2
* Control Refurbishment	-	530	-	-	50	(480)	(90.57)	Green	Amber	3
Residential Self Rostering	500	500	-	-	-	(500)	(100.00)	Green	Amber	4
Hornsea	-	47	47	47	47	-	-	Green	Amber	
Withernsea	-	34	15	13	34	-	-	Green	Amber	
Patrinton	-	38	15	13	38	-	-	Green	Amber	
Preston	-	38	15	13	38	-	-	Green	Amber	
Scunthorpe	-	130	130	130	130	-	-	Green	Amber	
Immingham West	-	175	-	-	-	(175)	(100.00)	Green	Amber	5
	4,450	7,439	232	221	342	(7,097)	(95.40)			
Vehicles										
Operational Vehicles	1,478	1,918	1,918	1,918	1,700	(218)	(11.37)	Green	Amber	6
Support Vehicles	167	189	160	189	189	-	-	Green	Amber	
Equipment	184	228	100	116	150	(78)	(34.21)	Green	Amber	7
Information Technology										
Core Programme	320	506	450	382	506	-	-	Green	Amber	
* Control Refurbishment	-	200	20	12	200	-	-	Green	Amber	
Breathing Apparatus	700	1,000	100	129	200	(800)	(80.00)	Green	Amber	8
Management Information System	-	220	220	183	220	-	-	Green	Amber	
	7,299	11,700	3,200	3,150	3,507	(8,193)	(70.03)			

* as agreed by FA in September 2012

Notes

1. The Clough Road development will not be completed during 2012/13.
2. The workshops development is not expected to be completed during 2012/13.
3. The Control refurbishment is not expected to be completed during 2012/13.
4. This initiative is on hold at the moment.
5. The works at Immingham West are not expected to be completed until 2013/14.
6. The Fire Appliances will not be completed until 2013/14.
7. The equipment to be fitted on the Fire Appliances will not be fully purchased until 2013/14.
8. Breathing Apparatus will not be fully purchased until 2013/14.

Pensions Account Statement

The Authority has budgeted for a deficit of £6.508m on this account for 2012/13. The deficit for the year is now projected to be £7.012m.

The deficit on this account is financed through the Pensions Top-up Grant given by the CLG, of which 80% of the grant was received in July of this year. The Authority has to stand any cash flow losses until the balance of the grant is paid in full in July 2013.

Table 4

**HUMBERSIDE FIRE & RESCUE SERVICE
PENSIONS ACCOUNT STATEMENT 2012/13
1 April 2012 to 31 January 2013 (Period 10)**

	Original Budget £'000	Revised Budget £'000	31 January 2013		Projection £'000	Full Year		Note	
			Profile £'000	Actual £'000		Variance			
					£'000	%			
<u>Expenditure</u>									
Pension payments	10,468	11,963	8,724	11,026	11,963	-	-		
Commutations	1,590	1,439	1,325	1,275	1,439	-	-		
Transfer Values	100	100	83	-	100	-	-		
Total Pensions Expenditure	12,159	13,501	10,132	12,301	13,501	-	-		
<u>Income</u>									
Contributions									
Ill Health	(120)	(120)	-	-	(120)	-	-		
Employee's	(1,915)	(2,283)	(1,596)	(1,929)	(2,283)	-	-		
Employer's	(3,516)	(3,986)	(2,930)	(3,373)	(3,986)	-	-		
	(5,551)	(6,389)	(4,526)	(5,302)	(6,389)	-	-		
Transfer Values	(100)	(100)	(50)	(71)	(100)	-	-		
Total Pensions Income	(5,651)	(6,489)	(4,576)	(5,373)	(6,489)	-	-		
Net Pensions Deficit/(Surplus) To be financed by CLG grant	6,508	7,012	5,556	6,928	7,012	-	-		

Treasury Management

Borrowing & Lending Activity

This statement shows the borrowing and lending activities undertaken by the Corporate Finance section of Hull City Council, on behalf of the Service, for the period 1 April 2012 to 31 January 2013 under the terms of the SLA. It also shows any variation between the actual interest received from the temporary investment of surplus monies and the budgeted interest.

The total amount temporarily invested at 31 January 2013 is £29,000,000 which includes £6.97m invested on behalf of the East Coast and Hertfordshire Control Project.

The balance in the Authority's Liquidity Manager Account (LMA) bank account as at 31 January 2013 is £610,144.83. This account currently accrues interest at 0.10%.

Table 5

HUMBERSIDE FIRE & RESCUE SERVICE BORROWING AND LENDING ACTIVITY STATEMENT For the Month of January 2013

Ref.	Company	Investment £	From	To	%	Returned		
						Interest £	Investment £	
301386	DMO	500,000.00	21/12/2012	04/01/2013	0.25	47.95	500,000.00	
301326	Fife Council	1,000,000.00	12/04/2012	14/01/2013	0.70	5,312.33	1,000,000.00	
301390	DMO	1,500,000.00	21/01/2013	30/01/2013	0.25	92.47	1,500,000.00	
301328	Swindon Borough Council	1,000,000.00	13/04/2012	31/01/2013	0.45	3,612.33	1,000,000.00	
301388	DMO	500,000.00	04/01/2013	31/01/2013	0.25	92.47	500,000.00	
301392	DMO	1,500,000.00	30/01/2013	31/01/2013	0.25	10.27	1,500,000.00	
301384	Leeds City Council	1,000,000.00	17/12/2012	05/02/2013	0.26	356.16	-	
301389	Nationwide Bld Soc	1,000,000.00	14/01/2013	28/02/2013	0.40	493.15	-	
301391	Swindon Borough Council	1,000,000.00	31/01/2013	28/02/2013	0.26	199.45	-	
301317	Newcastle City Council	1,000,000.00	16/03/2012	15/03/2013	0.50	4,986.30	-	
301318	Barnsley Metropolitan B.Council	1,000,000.00	16/03/2012	15/03/2013	0.50	4,986.30	-	
301319	Kingston upon Thames Council	1,000,000.00	16/03/2012	15/03/2013	0.50	4,986.30	-	
301346	Dumfries & Galloway	1,000,000.00	21/06/2012	28/03/2013	0.30	2,301.37	-	
301387	Barclays Bank	1,000,000.00	03/01/2013	28/03/2013	0.46	1,054.03	-	
301362	Stockport Borough Council	1,000,000.00	20/07/2012	22/04/2013	0.25	1,890.41	-	
301371	Redditch Borough Council	1,000,000.00	22/10/2012	22/04/2013	0.29	1,446.03	-	
301365	Salford City Council	1,000,000.00	31/07/2012	30/04/2013	0.26	1,944.66	-	
301361	Thurrock Borough Council	1,000,000.00	21/08/2012	21/05/2013	0.27	2,019.45	-	
301360	West Berkshire Council	1,000,000.00	19/07/2012	05/07/2013	0.30	2,884.93	-	
301351	Aberdeen City Council	1,000,000.00	16/07/2012	15/07/2013	0.35	3,490.41	-	
301352	London Borough of Havering	1,000,000.00	16/07/2012	15/07/2013	0.35	3,490.41	-	
301353	Northumberland County Council	1,000,000.00	16/07/2012	15/07/2013	0.30	2,991.78	-	
301354	Bassetlaw District Council	1,000,000.00	16/07/2012	15/07/2013	0.30	2,991.78	-	
301355	Blackpool Borough Council	1,000,000.00	16/07/2012	15/07/2013	0.30	2,991.78	-	
301356	Bury Metropolitan Borough Council	1,000,000.00	16/07/2012	15/07/2013	0.30	2,991.78	-	
301363	Wigan MBC	1,000,000.00	23/07/2012	22/07/2013	0.27	2,692.60	-	
301359	Midlothian Council	1,000,000.00	31/07/2012	30/07/2013	0.33	3,290.96	-	
301366	Woking Borough Council	1,000,000.00	02/08/2012	01/08/2013	0.26	2,592.88	-	
301367	Isle of Wight Council	1,000,000.00	04/09/2012	03/09/2013	0.26	2,592.88	-	
301372	Glasgow City Council	1,000,000.00	13/09/2012	12/09/2013	0.27	2,692.60	-	
301374	Rugby Borough Council	1,000,000.00	17/09/2012	16/09/2013	0.35	3,490.41	-	
301373	London Borough of Islington	1,000,000.00	02/10/2012	01/10/2013	0.26	2,592.88	-	
301375	Plymouth City Council	1,000,000.00	22/10/2012	21/10/2013	0.26	2,592.88	-	
301379	Birmingham City Council	1,000,000.00	01/11/2012	31/10/2013	0.30	2,991.78	-	
301383	Bank of Scotland	1,000,000.00	04/12/2012	03/12/2013	1.50	14,958.90	-	
						<u>98,153.07</u>		
Total Investments at 31 January 2013		<u>29,000,000.00</u>						

Summary of Interest Receipts

	Projection £	Actual £	Variance under/(over) £	%	
Accumulated interest on Investments to :	31/01/2013	40,000	58,914	(18,914)	(47.29)

Temporary Loans

	Investment £	From	To	%	Interest £
Nil	-			-	-

Movement in Revenue Reserves

This statement shows the movements on the revenue reserves for the period 1 April 2012 to 31 January 2013.

This statement also gives a projected value of revenue reserves at 31 March 2013 based on the projections in Table 1.

Table 6

**HUMBERSIDE FIRE & RESCUE SERVICE
MOVEMENT IN REVENUE RESERVES
as at 31 January 2013**

	As at 1 April 2012 £'000	In Year Movements £'000	Projected Balance at 31 March 2013 £'000
General Reserve	5,515	2,798 *	8,313
Earmarked Reserves			
Insurance Reserve	400	-	400
Control Reserve	149	(149)	-
Clough Road Rebuild Reserve	1,100	-	1,100
Water Rescue Equipment Reserve	100	-	100
RDS Equal Pay Case Reserve	350	-	350
BA Replacement	700	-	700
Change Management Earmarked Reserve	2,500	-	2,500
Wide Area Network (WAN) Reserve	1,750	-	1,750
Property Reserve	1,500	(271)	1,229
	14,064	2,378	16,442

*In year contribution to the General Reserve based on the 31st January 2013 estimated revenue budget underspend.

Prudential Indicators

The Prudential Indicators of the Authority for 2012/13 were approved at the 13 February 2012 Fire Authority Meeting.

The statements below monitor the actual performance to 31 January 2013 against the approved indicators.

Indicator 1 - Estimated Capital Expenditure 2012/13

This table reflects the forecasted capital expenditure as recorded in Table 3 of this report.

	2011/12 Actual £m	2012/13 Estimate Original £m	2012/13 Estimate Revised £m	2013/14 Estimate £m	2014/15 Estimate £m
Total Capital expenditure	3.351	7.299	3.507	2.181	2.422

Indicator 2 – Estimated ratio of Capital Financing Costs to Net Revenue Stream

This indicator reflects the estimated proportion of the net budget which is required to meet capital financing costs.

	2011/12 Actual %	2012/13 Estimate Original %	2012/13 Estimate Revised %	2013/14 Estimate %	2014/15 Estimate %
Ratio of Capital Financing Costs to Net Revenue Stream	5.67	6.61	6.86	7.77	8.23

Indicator 3 – Estimated Capital Financing Requirement

This indicator measures the Authority's need to borrow for capital financing purposes.

	Actual 31/03/12 £m	31/03/13 Estimate Original £m	31/03/13 Estimate Revised £m	Estimate 31/03/14 £m	Estimate 31/03/15 £m
Capital Financing Requirement	18.311	21.893	17.829	21.779	21.767

Indicator 4 – Authorised Limit for External Debt

The Authorised Limit for External Debt reflects the Authority's projected long and short term borrowing requirements at any time together with any other long term liabilities it may have. It is based on a prudent (but not worst case) scenario, and contains sufficient head room over and above this level to allow for operational management, for example, usual cash flow movements. The indicator was set at £29.159 million for 2012/13.

As at the 31 January 2013, there has been no short term borrowing nor has there been any long term borrowing undertaken in respect of capital expenditure. The Authorised Limit has not been approached at any point in the year to date and is not forecast to be approached during the remainder of the financial year.

Indicator 5 – Operational Boundary for External Debt

The Operational Boundary for External Debt is based on the same elements as the Authorised Limit (Indicator 4 above), but reflects directly the Director of Finance/S.151 Officer's estimate of the likely, prudent but not the worst case scenario without the additional headroom included in the Authorised Limit. This indicator therefore equates to the maximum external debt projected by this estimate and was set at £25.159 million for 2012/13.

As with the Authorised Limit, borrowing in the year to date has not exceeded the boundary and is not expected to exceed the boundary for the remainder of the financial year.

Indicator 6 – Fixed and Variable Rate Interest Exposure

This indicator seeks to ensure that the Authority limits its exposure to the risk of interest rate changes by restricting the proportion of variable rate borrowing within total borrowings. The approved limits for 2012/13 do not require amendment.

	As at 31/01/13	2012/13	2013/14	2014/15
	%	%	%	%
Fixed Rate – Upper Limit	100	100	100	100
Fixed Rate – Lower Limit	75	75	75	75
Variable Rate – Upper Limit	25	25	25	25
Variable Rate – Lower Limit	-	-	-	-

Indicator 7 – Upper and Lower Limits for the Maturity Structure of Borrowings

This indicator also seeks to ensure the Authority controls its exposure to the risk of interest rate fluctuations by limiting the proportion of debt maturing in any single period. The maturity structure of external debt is within the current approved upper and lower limits.

	Upper Limit %	% As at 31/01/13	Lower Limit %
Under 12 Months	10	5.10	-
12 months and within 24 months	10	4.71	-
24 months and within 5 years	25	20.83	-
5 years and within 10 years	60	22.61	-
10 years and above	80	46.75	-

Indicator 8 – Upper Limit for the Maturity Structure of Investments

When the 2012/13 Prudential Indicators were established the Authority's cash flow strategy was that any investment of surplus funds would not exceed a period of more than 364 days duration. To date, effective cash flow management has duly reflected this strategy, and it is anticipated that any future investments in this financial year will also reflect this strategy.

Key Indicator of Prudence

Under the Prudential Code a key indicator of prudence is that "net external borrowing does not, except in the short term, exceed the total of the Capital Financing Requirement in the preceding year plus the estimates of additional Capital Financing Requirements for the current and the next two financial years". To date, this indicator has not been breached.

Budget Virements Processed

The following virement has been processed during January 2012 under delegations within the Fire Authority's Constitution.

	£
Community Fire Safety	
Supplies & Services	
Equipment, Furniture & Materials	(22,000)
Accounting Adjustments	
RCCO	22,000
<hr/>	
to fund the purchase of a mini bus	