

## APPENDIX D – INVESTMENT AND FINANCING STRATEGY

1.1 As shown in Appendix C, an initial net cashflow requirement of £830,000 is required in 2014/15 and a further £578,000 is required in 2015/16. Therefore an Investment and Financing Strategy for £1,408,000 is required before 2016/17. At this point (2016/17), the savings materialise in full and the Council is in a position of having a net surplus of £1,467,000 to put towards its budget gap.

1.2 It is recommended to finance the net cashflow requirement in accordance with the Investment and Financing Strategy below:

WDBC – To be financed by:-	Net cashflow requirement (£)
T18 Earmarked Reserve – Balance as per the Council’s Balance Sheet as at 31 <sup>st</sup> March 2014 (This Earmarked Reserve was set up when the original business case was approved on 4 November 2013)	800,000
Transformation Challenge Award funding ( see 4.3 of the main report)	266,000
New Homes Bonus (remaining amounts from the 2012/13 and 2013/14 allocations)	110,000
Internal borrowing against the Capital Programme	107,000
Rural Services Earmarked Reserve	80,000
Capital Programme 2014/15 contingency amount	45,000
	<b>1,408,000</b>

1.3 For accounting purposes, it is recommended that the £110,000 of New Homes Bonus, £80,000 of Rural Services Earmarked Reserve and £45,000 Capital Programme contingency amount is transferred into the Earmarked Reserve for T18 (a total of £235,000).