



Basingstoke
and Deane

SUMMARY OF INVESTMENT INCOME AND PROPERTY AGED DEBT 2020/21

To Audit and Accounts Committee on 29 March 2021

Executive Director of Corporate Services (Section 151
Officer), Sue Cuerden

As requested by this committee, the following table provides a summary of investment income budgets for the year and the latest forecasts against those budgets as at the end of quarter three (i.e.31 December 2020).

Summary investment income

The table below brings together all of the sources of investment income for the council and presents the forecast variance between the budget and the actual income received for the year.

	Budget	Forecast	Variance (additional/(reduced) income)
Property Investment Strategy	£1.91M	£1.91M	£0.00M
Treasury Management	£2.56M	£2.06M	(£0.50M)
Invest to Grow Fund (Eli Lilly)	£0.56M	£0.16M	(£0.40M)
Manydown	£0.45M	£0.09M	(£0.36M)
Commercial Rents	£15.54M	£15.26M	(£0.28M)
Total	£21.01M	£19.74M	(£1.27M)

Further detail of Treasury Management can be found in the report elsewhere on the agenda.

Aged Debt - Property

With regards to property income, there may be a delay between an invoice being raised or a payment due and a payment being received. Where this delay extends beyond the agreed terms for payment this is called an aged debt. Aged debts are monitored in total and at the individual payee level and appropriate actions are taken to ensure that payment is received. This includes direct contact with tenants to resolve issues and discuss possible measures, including payment plans, to ensure that debt is repaid. However, it should be noted that on some occasions, for reasons such as insolvency, it may not be possible to recover the debt directly. Whilst every attempt will be undertaken to recover a debt for example via an insolvency process, it may ultimately mean that a request for a debt write off will be made.

The table below presents the aged debt outstanding at the end of quarter three – as reported to the Property Board in January 2021. Debt is either managed directly by the Council or by an agent on our behalf. The table below breaks down the aged debt over the management streams.

Management Stream	Total aged debt outstanding
Property Services (Council)	£1.30M
Savills (re. Daneshill and Winchester Road)	£0.15M
JLL (re. The Malls)	£0.87M
Total	£2.32M

Recommendation:

The committee is recommended to note the summary position on investment income and the aged debt analysis for all property income at the end of quarter three (i.e. 31 December 2020).