

## AGENDA

### COUNCIL MEETING

Date: Wednesday, 15 February 2017

Time: 7.00 pm

Venue: Swale House, East Street, Sittingbourne, Kent, ME10 3HT

#### RECORDING NOTICE

Please note: this meeting may be recorded.

At the start of the meeting the Chairman will confirm if all or part of the meeting is being audio recorded. The whole of the meeting will be recorded, except where there are confidential or exempt items.

You should be aware that the Council is a Data Controller under the Data Protection Act. Data collected during this recording will be retained in accordance with the Council's data retention policy.

Therefore by entering the Chamber and speaking at Committee you are consenting to being recorded and to the possible use of those sound records for training purposes.

If you have any queries regarding this please contact Democratic Services.

Quorum = 16

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Pages

1. Prayers
2. Emergency Evacuation Procedure

The Chairman will advise the meeting of the evacuation procedures to follow in the event of an emergency. This is particularly important for visitors and members of the public who will be unfamiliar with the building and procedures.

The Chairman will inform the meeting whether there is a planned evacuation drill due to take place, what the alarm sounds like (i.e. ringing bells), where the closest emergency exit route is, and where the second closest emergency exit route is, in the event that the closest exit or route is blocked.

The Chairman will inform the meeting that:

(a) in the event of the alarm sounding, everybody must leave the building via the nearest safe available exit and gather at the Assembly points at the far side of the Car Park. Nobody must leave the assembly point until

everybody can be accounted for and nobody must return to the building until the Chairman has informed them that it is safe to do so; and

(b) the lifts must not be used in the event of an evacuation.

Any officers present at the meeting will aid with the evacuation.

It is important that the Chairman is informed of any person attending who is disabled or unable to use the stairs, so that suitable arrangements may be made in the event of an emergency.

3. Apologies for Absence

4. Minutes

To approve the Minutes of the Meeting held on 25 January 2017 (Minute Nos. 1075 - 1089) as a correct record.

5. Declarations of Interest

Councillors should not act or take decisions in order to gain financial or other material benefits for themselves or their spouse, civil partner or person with whom they are living with as a spouse or civil partner. They must declare and resolve any interests and relationships.

The Chairman will ask Members if they have any interests to declare in respect of items on this agenda, under the following headings:

(a) Disclosable Pecuniary Interests (DPI) under the Localism Act 2011. The nature as well as the existence of any such interest must be declared. After declaring a DPI, the Member must leave the meeting and not take part in the discussion or vote. This applies even if there is provision for public speaking.

(b) Disclosable Non Pecuniary (DNPI) under the Code of Conduct adopted by the Council in May 2012. The nature as well as the existence of any such interest must be declared. After declaring a DNPI interest, the Member may stay, speak and vote on the matter.

(c) Where it is possible that a fair-minded and informed observer, having considered the facts would conclude that there was a real possibility that the Member might be predetermined or biased the Member should declare their predetermination or bias and then leave the room while that item is considered.

**Advice to Members:** If any Councillor has any doubt about the existence or nature of any DPI or DNPI which he/she may have in any item on this agenda, he/she should seek advice from the Monitoring Officer, the Head of Legal or from other Solicitors in Legal Services as early as possible, and in advance of the Meeting.

6. Mayor's Announcements

7. Questions submitted by the Public

To consider any questions submitted by the public. (The deadline for questions is 4.30 pm the Friday before the meeting – please contact Democratic Services by e-mailing [democraticservices@swale.gov.uk](mailto:democraticservices@swale.gov.uk) or call 01795 417330).

8. Questions submitted by Members

To consider any questions submitted by Members. (The deadline for questions is 4.30 pm the Wednesday before the meeting – please contact Democratic Services by e-mailing [democraticservices@swale.gov.uk](mailto:democraticservices@swale.gov.uk) or call 01795 417330).

9. Leader's Statement

Members may ask questions on the Leader's Statement. (To follow).

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|---|----------|
| 10. Budgets and Council Tax for 2017/18             | 1 - 78   |
| 11. Treasury Management Strategy 2017/18            | 79 - 92  |
| 12. Scrutiny Update - Review of Leisure and Tourism | 93 - 100 |

In accordance with Procedure Rule 3, the Review Co-ordinator will be invited to summarise the findings of the Scrutiny Committee's report on their review of Leisure and Tourism. The Leader will be invited to give the Cabinet's response. The action plan, which sets out the recommendations of the Committee and the Cabinet's response, is attached.

- |   |           |
|---|-----------|
| 13. Draft Timetable of Meetings 2017/18 | 101 - 104 |
| 14. Election of Mayor and Deputy Mayor  |           |

If more than one nomination is received for either position a secret ballot will be taken at the start of the meeting and the Mayor will declare at this point in the meeting who has been elected Mayor and Deputy Mayor elect for 2017/18.

If one nomination is received for either position the Mayor will announce the nomination and Council will be asked to approve the appointment.

15. Recommendations for Approval

Council is asked to note the recommendations from the Cabinet Meeting held on 1 February 2017.

**Issued on Monday, 6 February 2017**

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact DEMOCRATIC SERVICES on 01795 417330**. To find out more about the work of Council, please visit [www.swale.gov.uk](http://www.swale.gov.uk)

**Acting Chief Executive, Swale Borough Council,  
Swale House, East Street, Sittingbourne, Kent, ME10 3HT**

<b>Council Meeting</b>	<b>Agenda Item:</b>
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<b>Meeting Date</b>	<b>15 February 2017</b>
<b>Report Title</b>	<b>Budgets and Council Tax for 2017/18</b>
<b>Cabinet Member</b>	<b>Cabinet Member for Finance and Performance, Duncan Dewar-Whalley</b>
<b>SMT Lead</b>	<b>Abdool Kara, Chief Executive</b>
<b>Head of Service</b>	<b>Nick Vickers, Head of Finance</b>
<b>Lead Officer</b>	<b>Philip Wilson, Chief Accountant</b>
<b>Key Decision</b>	<b>Yes</b>
<b>Classification</b>	<b>Open</b>
<b>Forward Plan</b>	<b>Reference number:</b>

<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. That Members note the Head of Finance’s opinion on the robustness of the budget estimates and the adequacy of reserves.</li> <li>2. That Minute Number 1162/02/17 approved by the Cabinet on 1 February 2017 on the report on the Medium Term Financial Plan and the 2017/18 Revenue and Capital Budgets be approved.</li> <li>3. That the resolutions contained in Appendix I be approved.</li> <li>4. That in accordance with the proposals contained within SI 2014 No. 165 that a recorded vote be taken on the 2017/18 Budget and Council Tax.</li> </ol>
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## 1. Purpose of Report and Executive Summary

- 1.1 At their meeting on 1 February 2017, the Cabinet recommended the 2017/18 Council Tax for Swale Borough Council, the 2017/18 Revenue Budget, the Capital Programme for 2017/18 to 2018/19 and the Medium Term Financial Plan for 2017/18 to 2019/20.
- 1.2 The purpose of this report is for the Council to approve the Council Tax Requirement, Revenue Budget, Capital Programme and Council Tax for the year 2017/18 as set out in the report to the Cabinet on 1 February 2017, subject to any amendments, and to approve the Council Tax Resolutions set out in Appendix I.
- 1.3 This report reflects the latest information available for the preceptors at the time of writing this report (2 February). Should there be any changes to these, members will be informed.

## 2. Background

- 2.1 As part of the 2017/18 budget setting process, the Cabinet first received a report on the budget proposals for 2017/18 and an update on the Medium Term Financial Plan on 7 December 2016. The draft budget was then considered by the Cabinet at its meeting on 1 February 2017.

## 3. Proposal

- 3.1 In accordance with section 25 of the Local Government Act 2003 the Council's Section 151 Officer is required to report formally to the Council on the robustness of the estimates and the adequacy of the reserves. It should be noted that Section 26 of the Act gives the Secretary of State power to set a minimum level of reserves for which an authority must provide in setting its budget. The Section 151 Officer (the Head of Finance), in accordance with Local Government Act 2003, hereby has confirmed his opinion that the 2017/18 budget submitted is robust and that the reserves are reasonable given an assessment of risks. Appendices I and IX of the Budget report to the Cabinet on 1 February 2017 set out the background to this opinion.
- 3.2 The Council has to provide the Government with a forecast for the business rates to be collected for the forthcoming financial year (NNDR1), which has a statutory deadline of 31 January. The return for 2017/18 forecast a higher figure for business rates than in the original Budget Report to Cabinet and the additional amount has been provisionally allocated to the Business Rate Volatility Reserve. This does not affect the Council Tax requirement reported to Cabinet.
- 3.3 The Town and Parish Council Precepts for 2017/18 are detailed in Appendix I and total £1,099,953. The increase in the average Band D Council Tax for parished areas is 4.16% and results in an average Band D Council Tax for parishes of £40.07 for 2017/18 (£24.28 including those areas of the borough which are unparished).
- 3.4 As well as its own Council Tax, Swale Borough Council collects on behalf of the other 'precepting authorities', i.e. Kent County Council, the Kent and Medway Fire and Rescue Authority and the Kent Police & Crime Commissioner.
- 3.5 At the time of writing this report, Kent and Medway Fire and Rescue Authority were due to meet on 13 February 2017. This report is based upon a precept of £3,322,747, which results in a Band D Council Tax of £73.35 (1.88% increase).
- 3.6 At the time of writing this report the Police and Crime Panel were due to meet on 2 February 2017 to consider the budget proposals from the Kent Police & Crime Commissioner. The decision was for a precept of £7,118,878, which results in a Band D Council Tax of £157.15 (3.29% increase).

- 3.7 At the time of writing the report, Kent County Council were due to meet on 9 February 2017 and set their precept at £53,400,416 resulting in a Band D Council Tax of £1,178.82 (3.99% increase including Social Care precept).
- 3.8 Appendix II provides more detail on the calculation of the Council Tax requirement and a summary of the calculation of Band D Council Tax.
- 3.9 Appendix III is the Budget report submitted to Cabinet on 1 February 2017.

#### **4. Alternative Options**

- 4.1 The options are detailed in the Budget report to the Cabinet on 1 February 2017.

#### **5. Consultation Undertaken or Proposed**

- 5.1 Details on the consultation on the budget are in the Budget report to the Cabinet on 1 February 2017.

#### **6. Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	As detailed in the Budget report to the Cabinet on 1 February 2017.
Financial, Resource and Property	As detailed in the Budget report to the Cabinet on 1 February 2017.
Legal and Statutory	As detailed in the Budget report to the Cabinet on 1 February 2017.
Crime and Disorder	As detailed in the Budget report to the Cabinet on 1 February 2017.
Sustainability	As detailed in the Budget report to the Cabinet on 1 February 2017.
Health and Wellbeing	As detailed in the Budget report to the Cabinet on 1 February 2017.
Risk Management and Health & Safety	As detailed in the Budget report to the Cabinet on 1 February 2017.
Equality and Diversity	As detailed in the Budget report to the Cabinet on 1 February 2017.

#### **7. Appendices**

- 7.1 The following documents are to be published with this report and form part of the report:
- Appendix I: Council Tax Resolutions
  - Appendix II:
    - (i) Council Tax Requirement 2017/18
    - (ii) Calculation of Band D Council Tax 2017/18
  - Appendix III: Budget Report to Cabinet 1 February 2017

#### **8. Background Papers**

- 8.1 As detailed in the Budget report to the Cabinet on 1 February 2017.

Council is recommended to resolve as follows:

1. That it be noted that at its meeting on 25 January 2017 (Minute 1136/01/17) the Council calculated:
  - 1.1 the Council Tax Base 2017/18 for the whole Council area as 45,299.89 (item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended) (the 'Act') and,
  - 1.2 for dwellings in those parts of its area to which a Parish Precept relates as set out below:

<b>Parish / Town Council</b>	<b>Tax Base</b>
Bapchild	461.95
Bobbing	902.12
Borden	1,071.93
Boughton-Under-Blean	680.48
Bredgar	286.21
Doddington	218.69
Dunkirk	495.44
Eastchurch	732.80
Eastling	145.99
Faversham Town Council	6,193.73
Graveney & Goodnestone	184.29
Hartlip	361.56
Hernhill	283.86
Iwade	1,361.82
Leysdown	1,083.36
Lower Halstow	446.49
Luddenham	46.03
Lynsted	462.38
Milstead	91.28
Minster	5,216.95
Newington	871.04
Newnham	150.67
Norton & Buckland	182.71
Oare	168.23
Ospringe	278.31
Queenborough Town Council	780.72
Rodmersham	240.71
Selling	346.70
Sheldwich, Leaveland & Badlesmere	348.27
Stalisfield	99.96
Teynham	868.43
Throwley	139.84
Tonge	140.61
Tunstall	702.95
Upchurch	921.95
Warden	484.70
<b>Total Parished Areas</b>	<b>27,453.16</b>



2. That, as a preliminary step, the calculation of the Council Tax requirement for the Council's own purposes for 2017/18 (excluding parish precepts) is £7,469,046, as detailed in the report to Cabinet on 1 February 2017.
3. That the following amounts be calculated for the year 2017/18 in accordance with Sections 30 to 36 of the Act:
  - 3.1 £93,353,783 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
  - 3.2 £84,784,784 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
  - 3.3 £8,568,999 being the amount by which the aggregate at 3.1 above exceeds the aggregate at 3.2 above, calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act.)
  - 3.4 £189.16 being the amount at 3.3 above (Item R), all divided by item 1.1 above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
  - 3.5 £1,099,953 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act.
  - 3.6 £164.88 being the amount at 3.4 above, less the result given by dividing the amount at 3.5 above by 1.1 above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

3.7 Part of the Council's area

<b>Parish / Town Council</b>	<b>£ p</b>
Bapchild	188.69
Bobbing	184.83
Borden	212.69
Boughton-Under-Blean	237.17
Bredgar	198.47
Doddington	202.84
Dunkirk	188.68
Eastchurch	205.82
Eastling	199.88
Faversham Town Council	217.94
Graveney & Goodnestone	198.08
Hartlip	185.62
Hernhill	196.59
Iwade	200.31
Leysdown	187.96
Lower Halstow	240.88
Luddenham	164.88
Lynsted	201.75
Milstead	225.13
Minster	192.49
Newington	217.41
Newnham	200.42
Norton & Buckland	196.88
Oare	215.81
Ospringe	190.93
Queenborough Town Council	248.42
Rodmersham	197.08
Selling	194.83
Sheldwich, Leaveland & Badlesmere	189.57
Stalisfield	190.89
Teynham	219.55
Throwley	187.52
Tonge	180.53
Tunstall	189.86
Upchurch	195.14
Warden	195.83

being the amounts given by adding to the amount at 3.6 above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1.2 above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which special items relate.

3.8

	Band -A	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Bapchild	104.83	125.79	146.76	167.72	188.69	230.62	272.55	314.48	377.38
Bobbing	102.68	123.22	143.76	164.29	184.83	225.90	266.98	308.05	369.66
Borden	118.16	141.79	165.43	189.06	212.69	259.95	307.22	354.48	425.38
Boughton-Under-Blean	131.76	158.11	184.47	210.82	237.17	289.87	342.58	395.28	474.34
Bredgar	110.26	132.31	154.37	176.42	198.47	242.57	286.68	330.78	396.94
Doddington	112.69	135.23	157.76	180.30	202.84	247.92	292.99	338.07	405.68
Dunkirk	104.82	125.79	146.75	167.72	188.68	230.61	272.54	314.47	377.36
Eastchurch	114.34	137.21	160.08	182.95	205.82	251.56	297.30	343.03	411.64
Eastling	111.04	133.25	155.46	177.67	199.88	244.30	288.72	333.13	399.76
Faversham Town Council	121.08	145.29	169.51	193.72	217.94	266.37	314.80	363.23	435.88
Graveney & Goodnestone	110.04	132.05	154.06	176.07	198.08	242.10	286.12	330.13	396.16
Hartlip	103.12	123.75	144.37	165.00	185.62	226.87	268.12	309.37	371.24
Hernhill	109.22	131.06	152.90	174.75	196.59	240.28	283.96	327.65	393.18
Iwade	111.28	133.54	155.80	178.05	200.31	244.82	289.34	333.85	400.62
Leysdown	104.42	125.31	146.19	167.08	187.96	229.73	271.50	313.27	375.92
Lower Halstow	133.82	160.59	187.35	214.12	240.88	294.41	347.94	401.47	481.76
Luddenham	91.60	109.92	128.24	146.56	164.88	201.52	238.16	274.80	329.76
Lynsted	112.08	134.50	156.92	179.33	201.75	246.58	291.42	336.25	403.50
Milstead	125.07	150.09	175.10	200.12	225.13	275.16	325.19	375.22	450.26
Minster	106.94	128.33	149.71	171.10	192.49	235.27	278.04	320.82	384.98
Newington	120.78	144.94	169.10	193.25	217.41	265.72	314.04	362.35	434.82
Newnham	111.34	133.61	155.88	178.15	200.42	244.96	289.50	334.03	400.84
Norton & Buckland	109.38	131.25	153.13	175.00	196.88	240.63	284.38	328.13	393.76
Oare	119.89	143.87	167.85	191.83	215.81	263.77	311.73	359.68	431.62
Ospringle	106.07	127.29	148.50	169.72	190.93	233.36	275.79	318.22	381.86
Queenborough Town Council	138.01	165.61	193.22	220.82	248.42	303.62	358.83	414.03	496.84
Rodmersham	109.49	131.39	153.28	175.18	197.08	240.88	284.67	328.47	394.16
Selling	108.24	129.89	151.53	173.18	194.83	238.13	281.42	324.72	389.66
Sheldwich, Leaveland & Badlesmere	105.32	126.38	147.44	168.51	189.57	231.70	273.82	315.95	379.14
Stalisfield	106.05	127.26	148.47	169.68	190.89	233.31	275.73	318.15	381.78
Teynham	121.97	146.37	170.76	195.16	219.55	268.34	317.13	365.92	439.10
Throwley	104.18	125.01	145.85	166.68	187.52	229.19	270.86	312.53	375.04
Tonge	100.29	120.35	140.41	160.47	180.53	220.65	260.77	300.88	361.06
Tunstall	105.48	126.57	147.67	168.76	189.86	232.05	274.24	316.43	379.72
Upchurch	108.41	130.09	151.78	173.46	195.14	238.50	281.87	325.23	390.28
Warden	108.79	130.55	152.31	174.07	195.83	239.35	282.87	326.38	391.66
All other parts of the Council's area	91.60	109.92	128.24	146.56	164.88	201.52	238.16	274.80	329.76

being the amounts given by multiplying the amounts at 3.6 and 3.7 above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

4. That it be noted that, for the year 2017/18, Kent County Council, the Kent Police & Crime Commissioner, and the Kent and Medway Fire and Rescue Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwelling shown below:

<b>Valuation Bands</b>
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**SWALE BOROUGH COUNCIL**

-A	A	B	C	D	E	F	G	H
£91.60	£109.92	£128.24	£146.56	£164.88	£201.52	£238.16	£274.80	£329.76

**KENT COUNTY COUNCIL**

-A	A	B	C	D	E	F	G	H
£654.90	£785.88	£916.86	£1,047.84	£1,178.82	£1,440.78	£1,702.74	£1,964.70	£2,357.64

**THE KENT POLICE & CRIME COMMISSIONER**

-A	A	B	C	D	E	F	G	H
£87.31	£104.77	£122.23	£139.69	£157.15	£192.07	£226.99	£261.92	£314.30

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

-A	A	B	C	D	E	F	G	H
£40.75	£48.90	£57.05	£65.20	£73.35	£89.65	£105.95	£122.25	£146.70

5. That, having calculated the aggregate in each case of the amounts at 3.8 and 4 above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2017/18 for each of the categories of dwellings shown below:

**Council Tax Resolutions****Appendix I**

	Band -A	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Bapchild	887.79	1,065.34	1,242.90	1,420.45	1,598.01	1,953.12	2,308.23	2,663.35	3,196.02
Bobbing	885.64	1,062.77	1,239.90	1,417.02	1,594.15	1,948.40	2,302.66	2,656.92	3,188.30
Borden	901.12	1,081.34	1,261.57	1,441.79	1,622.01	1,982.45	2,342.90	2,703.35	3,244.02
Boughton-Under-Blean	914.72	1,097.66	1,280.61	1,463.55	1,646.49	2,012.37	2,378.26	2,744.15	3,292.98
Bredgar	893.22	1,071.86	1,250.51	1,429.15	1,607.79	1,965.07	2,322.36	2,679.65	3,215.58
Doddington	895.65	1,074.78	1,253.90	1,433.03	1,612.16	1,970.42	2,328.67	2,686.94	3,224.32
Dunkirk	887.78	1,065.34	1,242.89	1,420.45	1,598.00	1,953.11	2,308.22	2,663.34	3,196.00
Eastchurch	897.30	1,076.76	1,256.22	1,435.68	1,615.14	1,974.06	2,332.98	2,691.90	3,230.28
Eastling	894.00	1,072.80	1,251.60	1,430.40	1,609.20	1,966.80	2,324.40	2,682.00	3,218.40
Faversham Town Council	904.04	1,084.84	1,265.65	1,446.45	1,627.26	1,988.87	2,350.48	2,712.10	3,254.52
Graveney & Goodnestone	893.00	1,071.60	1,250.20	1,428.80	1,607.40	1,964.60	2,321.80	2,679.00	3,214.80
Hartlip	886.08	1,063.30	1,240.51	1,417.73	1,594.94	1,949.37	2,303.80	2,658.24	3,189.88
Hernhill	892.18	1,070.61	1,249.04	1,427.48	1,605.91	1,962.78	2,319.64	2,676.52	3,211.82
Iwade	894.24	1,073.09	1,251.94	1,430.78	1,609.63	1,967.32	2,325.02	2,682.72	3,219.26
Leysdown	887.38	1,064.86	1,242.33	1,419.81	1,597.28	1,952.23	2,307.18	2,662.14	3,194.56
Lower Halstow	916.78	1,100.14	1,283.49	1,466.85	1,650.20	2,016.91	2,383.62	2,750.34	3,300.40
Luddenham	874.56	1,049.47	1,224.38	1,399.29	1,574.20	1,924.02	2,273.84	2,623.67	3,148.40
Lynsted	895.04	1,074.05	1,253.06	1,432.06	1,611.07	1,969.08	2,327.10	2,685.12	3,222.14
Milstead	908.03	1,089.64	1,271.24	1,452.85	1,634.45	1,997.66	2,360.87	2,724.09	3,268.90
Minster	889.90	1,067.88	1,245.85	1,423.83	1,601.81	1,957.77	2,313.72	2,669.69	3,203.62
Newington	903.74	1,084.49	1,265.24	1,445.98	1,626.73	1,988.22	2,349.72	2,711.22	3,253.46
Newnham	894.30	1,073.16	1,252.02	1,430.88	1,609.74	1,967.46	2,325.18	2,682.90	3,219.48
Norton & Buckland	892.34	1,070.80	1,249.27	1,427.73	1,606.20	1,963.13	2,320.06	2,677.00	3,212.40
Oare	902.85	1,083.42	1,263.99	1,444.56	1,625.13	1,986.27	2,347.41	2,708.55	3,250.26
Ospringe	889.03	1,066.84	1,244.64	1,422.45	1,600.25	1,955.86	2,311.47	2,667.09	3,200.50
Queenborough Town Council	920.97	1,105.16	1,289.36	1,473.55	1,657.74	2,026.12	2,394.51	2,762.90	3,315.48
Rodmersham	892.45	1,070.94	1,249.42	1,427.91	1,606.40	1,963.38	2,320.35	2,677.34	3,212.80
Selling	891.20	1,069.44	1,247.67	1,425.91	1,604.15	1,960.63	2,317.10	2,673.59	3,208.30
Sheldwich, Leaveland & Badlesmere	888.28	1,065.93	1,243.58	1,421.24	1,598.89	1,954.20	2,309.50	2,664.82	3,197.78
Stalisfield	889.01	1,066.81	1,244.61	1,422.41	1,600.21	1,955.81	2,311.41	2,667.02	3,200.42
Teynham	904.93	1,085.92	1,266.90	1,447.89	1,628.87	1,990.84	2,352.81	2,714.79	3,257.74
Throwley	887.14	1,064.56	1,241.99	1,419.41	1,596.84	1,951.69	2,306.54	2,661.40	3,193.68
Tonge	883.25	1,059.90	1,236.55	1,413.20	1,589.85	1,943.15	2,296.45	2,649.75	3,179.70
Tunstall	888.44	1,066.12	1,243.81	1,421.49	1,599.18	1,954.55	2,309.92	2,665.30	3,198.36
Upchurch	891.37	1,069.64	1,247.92	1,426.19	1,604.46	1,961.00	2,317.55	2,674.10	3,208.92
Warden	891.75	1,070.10	1,248.45	1,426.80	1,605.15	1,961.85	2,318.55	2,675.25	3,210.30
All other parts of the Council's area	874.56	1,049.47	1,224.38	1,399.29	1,574.20	1,924.02	2,273.84	2,623.67	3,148.40

6. That it be determined the Council's relevant basic amount of Council Tax for 2017/18 is not excessive in accordance with principles approved under Section 52ZC of the Local Government Finance Act 1992. The principles for the 2017/18 financial year are set out in Annex A of the Referendums Relating to Council Tax Increases (Principles) (England) Report 2017/18. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2017/18 is excessive and therefore the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992.
7. That the revenue and capital estimates for 2017/18 in the budget book be approved.

**Council Tax 2017/18**

Our Council Tax requirement is:

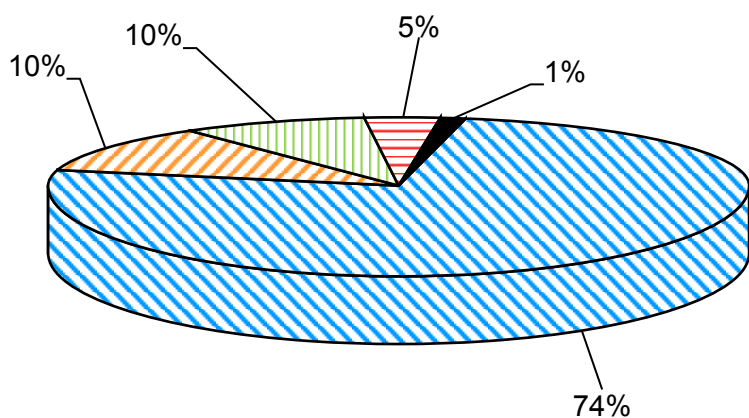
	<b>2016/17</b>	<b>2017/18</b>
	<b>£</b>	<b>£</b>
<b>Swale Budget Requirement</b>	<b>14,890,268</b>	<b>15,353,156</b>
Less Revenue Support Grant	(1,954,950)	(1,238,110)
Less Business Rates	(5,643,950)	(6,506,000)
Less Collection Fund surplus	(260,970)	(140,000)
<b>Council Tax Requirement</b>	<b>7,030,398</b>	<b>7,469,046</b>
Band D Council Tax	£159.93	£164.88
Tax Base	43,959.22	45,299.89

As well as our own Council Tax, we collect on behalf of the other 'precepting authorities', i.e. Kent County Council (3.99% increase), the Kent and Medway Fire and Rescue Authority (1.88% increase) and the Kent Police & Crime Commissioner (3.29% increase). For a Band D property this equates to an overall increase of 3.73% compared to the increase of 3.40% in 2016/17. Where applicable there will be an additional sum collected on behalf of the Parish Councils which have chosen to levy a local precept (see Appendix I).

2016/17		Authority	2017/18	
Precept £	Band D Council Tax £		Precept £	Band D Council Tax £
49,829,974	1,133.55	Kent County Council	53,400,416	1,178.82
6,688,395	152.15	Kent Police & Crime Commissioner	7,118,878	157.15
3,165,064	72.00	Kent and Medway Fire and Rescue Authority	3,322,747	73.35
7,030,398	159.93	Swale Borough Council	7,469,046	164.88
<b>66,713,831</b>	<b>1,517.63</b>	<b>BASIC COUNCIL TAX</b>	<b>71,311,087</b>	<b>1,574.20</b>
1,038,628	23.63	Parish Council Precepts*	1,099,953	24.28
67,752,459	1,541.26	Council Tax inc. Parish	72,411,040	1,598.48

\* The Band D Council Tax is the average tax in respect of Parish Council Precepts for the whole Borough.

Allocation of Council Tax:



- Kent County Council  
 £1,178.82 (74%)
- Kent Police & Crime Commissioner  
 £157.15 (10%)
- Swale Borough Council  
 £164.88 (10%)
- Kent and Medway Fire and Rescue Authority  
 £73.35 (5%)
- Parish Council Precepts  
 £24.28 (1%)



<b>Cabinet Meeting</b>	<b>Agenda Item: X</b>
<b>Meeting Date</b>	1 February 2017
<b>Report Title</b>	Medium Term Financial Plan and 2017/18 Budget
<b>Cabinet Member</b>	Cllr Dewar-Whalley, Cabinet Member for Finance & Performance
<b>SMT Lead</b>	Abdool Kara, Chief Executive
<b>Head of Service</b>	Nick Vickers, Head of Finance
<b>Lead Officer</b>	Phil Wilson, Chief Accountant
<b>Key Decision</b>	Yes
<b>Classification</b>	<b>Open</b>
<b>Forward Plan</b>	<b>Reference number:</b>
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. To approve the 2017/18 budget proposals.</li> <li>2. To approve the proposed Council tax band D increase for 2017/18 to £164.88.</li> <li>3. To note the Medium Term Financial Plan funding position.</li> <li>4. To approve the capital investment principles.</li> <li>5. To approve increasing the borrowing facility from £30m to £60m.</li> <li>6. To approve the draft Capital Programme.</li> <li>7. To note the additional amount of Council Tax for parish precepts.</li> <li>8. To approve the Minimum Revenue Provision Statement as set out in Appendix X.</li> <li>9. To consider the recommendations of Scrutiny Committee.</li> </ol>

## 1 Purpose of Report and Executive Summary

- 1.1 This report sets out the Council's Medium Term Financial Plan (MTFP), and the 2017/18 budget proposals.
- 1.2 Cabinet received a budget report on 7 December. This report updates that version of the budget report, taking into account the Provisional Local Authority Grant Settlement announced on 15 December.
- 1.3 The 7 December Cabinet report provided the basis for Scrutiny Committee's examination of the budget proposals on 26 January.
- 1.4 This report, if agreed by Cabinet, will then go forward to Council on 15 February for final decision.

## **2 Background**

### **Provisional Local Government Finance Settlement 2017/18**

- 2.1 On 15 December the Provisional Local Government Finance Settlement was announced. The main high level features of the Settlement were:
- (I) the four-year settlements that were offered in the 2016/17 settlement have been confirmed. The following funding streams are included: Revenue Support Grant (RSG), Business rates tariff and top up payments, (which will not change for reasons relating to the relative needs of local authorities), Rural Services Delivery Grant, and Transition Grant;
  - (II) 97% of local authorities including Swale accepted the Four Year deal;
  - (III) Core Spending Power is published by the Government to show the overall impact on local authorities of changes in funding and locally-raised council tax. At a national level it shows that overall spending power is expected to reduce by only 1.14% in 2017/18. This is driven by a reduction of 12.46% in the Settlement Funding Assessment (primarily the significant cut in RSG), which is partially offset by an expected increase in Council Tax (5.60%). It is really important to reinforce that in their funding assumptions Government assumes maximum increases in Council Tax, and they also take into account some growth in the Council Tax base, thus continuing the change introduced in 2016/17 when the previous policy of encouraging Council Tax to be held was abandoned;
  - (IV) the main issue in the media before the Settlement was speculation over increased funding for adult social care. The Settlement allows councils with adult social care statutory responsibilities a maximum 6% increase in Council Tax over the next three years, with a maximum increase in any one year of 3%; and
  - (V) the Government is also reducing New Homes Bonus funding by £240m in 2017/18 to fund an Adult Social Care Grant for councils with social care responsibility.
- 2.2 By far and away the biggest issue for the Council from the Settlement is its long awaited changes to how the New Homes Bonus system operates. The Government consultation on New Homes Bonus was completed in March 2016, with no announcements made until the Settlement in December 2016.
- 2.3 In the Settlement it was announced that grant in 2017/18 will be paid for five years (rather than the previous six years), and from 2018/19 the basis of the award will be reduced further, to only four years.
- 2.4 The Government also introduces the concept of baseline growth in the housing stock. For 2017/18 they have assumed 0.4% 'deadweight' growth.
- 2.5 From 2018/19 further unspecified additional conditions will be introduced, subject to consultation in the new year.

2.6 The financial impact on the Council is set out in the table below:

	<b>2017/18</b> <b>£</b>	<b>2018/19</b> <b>£</b>	<b>2019/20</b> <b>£</b>
Total forecast	3,097,000	2,273,000	2,272,000
Amount budgeted	2,860,000	2,273,000	2,272,000
New allocation	2,743,000	2,089,000	2,005,000
Reduction	117,000	184,000	267,000

Note: in 2016/17 the Council took £2,860,000 of New Homes Bonus into the base budget.

2.7 The reduction for 2017/18 in the total funding for New Homes Bonus is clearly very disadvantageous to the Council, and we have made strong representations back to Government on the proposed changes. This is compounded by the longer term changes to New Homes Bonus (NHB) which significantly reduces the incentive effect of NHB on housing delivery.

2.8 Overall the Settlement sees the Council's Spending Power reduce by 6.84% in 2017/18, compared with a shire district average reduction of 5.2%. The Council was already budgeting for a further 41% or £848,000 reduction in RSG. The spending power calculation by Government allows for a £5 increase in Council Tax, and unspecified growth in the Council Tax base.

### **3 Proposals**

#### **Medium Term Financial Plan**

3.1 The Medium Term Financial Plan (MTFP) is the core forecast of the financial position of the Council over the next three years. The financial context for the MTFP has completely changed in recent years, with the reduced reliance upon RSG and a much greater reliance on locally based revenue streams. This makes forecasting much more difficult, particularly in relation to highly volatile business rates income.

3.2 The future financing projections for the Council therefore will be dominated by considerations related to Council Tax, business rates growth, New Homes Bonus, and fees and charges income. The Council has to identify and realise new funding streams if services are to not just be retained at existing levels, but also to be improved to reflect residents' aspirations for the services the Council provides.

3.3 This has been the background for the proposals which have been agreed, subject to full due diligence, for the Council to become the funder and owner of sections of the Sittingbourne Town Centre redevelopment. At the heart of this proposal is the creation of new income streams which will replace the lost Central Government funding.

- 3.4 The three year forward plan is also now supplemented with an indicative ten-year financial plan, based on a set of assumptions which are largely guesswork beyond 2019/20, given that:
- (i) the Government’s plan to devolve the whole of business rates income to local government to replace RSG, on a basis yet to be determined;
  - (ii) the Government’s plan to introduce a new needs based formula for local government, the basis of which is at this stage entirely unknown; and
  - (iii) further changes to the NHB calculation, which are also unknown at the present time.
- 3.5 Nonetheless, having such a plan reflects the need for the Council to look further ahead than three years in its quest to become self-financing, and this will be an evolving initiative which we will develop further over coming years.
- 3.6 The updated MTFP is attached in Appendix I. Any variations from the 7 December Cabinet report are explained below. The updated ten-year plan is attached in Appendix II.

**Balanced Budget Proposals**

- 3.7 The only change to the detailed budget proposals in the 7 December budget report is the deletion of the £500 major events licence additional income following clarification in the fees and charges update process. These are set out in Appendix III.
- 3.8 The 7 December report identified a gap of £61,000 for 2017/18. The changes to this position are set out below:

2017/18 funding gap		£61,000
<b>Add</b>		
Reduction in New Homes Bonus (NHB)	£354,000	£415,000
<b>Less</b>		
No contribution from NHB to Regen Fund	£237,000	
Higher final Council Tax base	£58,000	
Revised Collection Fund surplus	£4,000	£299,000
Required drawdown from Reserves		£116,000

**Council Tax**

- 3.9 The Council has not increased Council Tax since 2010/11, and the band D at £159.93 is the second lowest in the County. Whilst the borough council element is by far the smallest element of the Council Tax (in non-parished areas), it has been an important principle for the Council to not increase the financial burden on residents at a time of financial restraint for many residents. Despite the fact that Government now assumes that councils will increase Council Tax by the maximum possible in their funding assumptions, it remains a

central belief of the Administration that Council Tax should be kept as low as possible.

- 3.10 However, as was explained in the 7 December Cabinet report, the 133% increase in the Lower Medway Internal Drainage Board (LMIDB) precept costing the Council an additional £442,000 per annum was a new financial pressure which just could not be absorbed within the funding envelope available for 2017/18.
- 3.11 Under the regulations all borough or district councils have the option of increasing Council tax by a maximum of £5 per annum rather than just 2%. Therefore the budget proposals assume a £4.95 increase in the band D Council Tax, to £164.88 per annum.
- 3.12 The Collection Fund and Council Tax base is set out in Appendix IV.
- 3.13 The Council Tax base was agreed by Council on 25 January.
- 3.14 The calculation of the Budget Requirement and Council Tax Requirement is shown in Appendix V.
- 3.15 Parish precepts are shown in Appendix VI.

### **Capital Strategy**

- 3.16 Over a long period the Council has had a very limited capital programme focussed upon specific grant-funded items, primarily Disabled Facilities Grant, and use of some reserve funds to support identified priority projects such as the Sittingbourne Skatepark or building improvements at Faversham Swimming Pool. The Council has also been debt free.
- 3.17 In March 2016 Council agreed that a borrowing facility of up to £30m could be put in place to fund capital projects. This reflected a fundamental change in the Council's stance, recognising that some capital investment could be undertaken to create some of the income generation opportunities. The Council is not alone in taking this approach - nationally, in the third quarter of 2016 councils invested £800m in to Commercial Property, representing 10% of the total investment in Commercial property, which was more than in the previous ten years combined.
- 3.18 In considering investing in assets there are two overriding principles to be applied:
- (i) minimising the cost to the revenue budget - given the continued reductions in local government financing there is no scope within the revenue budget to meet debt charge costs. If the Council incurred debt charge costs then, unless the investment generated sufficient income to cover these costs, the Council effectively would have to reduce services to fund the costs. In the case of the Sittingbourne Town Centre investment all the capital financing costs will be wholly funded from rental income; and

- (ii) strategic impact - if the Council is going to invest in property it needs to support wider Council objectives around regeneration of the Borough, including creating new employment. This means there needs to be additionality in-terms of the wider economic benefits e.g. higher business rates.
- 3.19 The timing of new investment opportunities cannot be predicted in advance, and so it is proposed that a facility is created which would enable the Council to borrow up to an additional £30m on top of the £30m previously agreed. This borrowing would need to satisfy the principles set out in paragraph 3.18, and any project would be subject to a business case report to Cabinet.
- 3.20 The capital programme is set out in Appendix VII.

### **Reserves**

- 3.21 The key principles for the management of Reserves moving forward are:
- maintain a prudent level of reserves to allow the Council to deal with unexpected one-off events;
  - funding of strategic Council priorities; and
  - fund one-off items of expenditure to support service delivery.
- 3.22 When the Council is considering its budget requirement, it is the Chief Financial Officers' duty under section 25 of the Local Government Act 2003 to report on the adequacy of reserves. These have been reviewed in line with guidance from the Chartered Institute of Public Finance and Accountancy.
- 3.23 The Council currently seeks to maintain a minimum of £1.5m as its General Fund balance, and there is no reason to change this. The Council also holds earmarked reserves for specific purposes. The remaining unallocated funds form the General Reserve. The Head of Finance's view is that the level of reserves and balances held by the Council are at a reasonable level.
- 3.24 The Council's Section 151 Officer (Head of Finance), in accordance with the Local Government Act 2003, has hereby confirmed his opinion that the 2017/18 budget is robust, and the reserves are reasonable given an assessment of the financial risks faced by the Council (see Appendix VIII).

## **4 Alternative Options**

- 4.1 The proposals made reflect the views of Cabinet on the best way to meet the Council's objectives, given the resources available.

## **5 Consultation Undertaken or Proposed**

- 5.1 The budget proposals were reported to Cabinet on 7 December, and were examined by Scrutiny Committee on 26 January.

- 5.2 Consultation with local business groups has been undertaken as required by legislation.
- 5.3 As there are no proposed reductions in service provision, there is no requirement to consult with service users on any proposals contained within this budget.

## **6 Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	The budget proposals for 2017/18 support the Corporate Plan objectives. In particular, setting a balanced budget meets the priority of being a Council to be Proud of.
Financial, Resource and Property	The report sets out the approach to the 2017/18 budget, and the medium term financial plan.
Legal and Statutory	The approach reflects the legal requirement for the Council to agree a balanced budget.
Crime and Disorder	Any potential impact will be addressed by service managers.
Sustainability	The sustainability implications of budget decisions will be fully investigated by service managers in implementing proposals.
Health and Wellbeing	No issues identified.
Risk Management and Health and Safety	A register of the key financial risks is attached in Appendix VIII. Corporate risks are reviewed through the Corporate Risk register.
Equality and Diversity	Any implications will be addressed via service managers preparing equality risk assessments.

## **7 Appendices**

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Medium Term Financial Plan
- Appendix II: Outline Ten-Year Plan
- Appendix III: Detailed Budget Proposals
- Appendix IV: Collection Fund and Council Tax Base
- Appendix V: Budget Requirement and Council Tax Requirement
- Appendix VI: Parish Precepts
- Appendix VII: Reserves
- Appendix VIII: Capital Programme
- Appendix IX: Financial Risk Register

- Appendix X: Minimum Revenue Provision Statement 2017/18

## **8 Background Papers**

Cabinet budget report 7 December 2016

<http://services.swale.gov.uk/meetings/documents/s6621/Item%205%20Cabinet%20Report%201718%20v4%20AK%20NV%20final.pdf>



Medium Term Financial Plan

Appendix I

	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>	<b>2018/19 £'000</b>	<b>2019/20 £'000</b>
Base Budget	18,146	18,146	18,146	18,146
Growth items	0	78	82	94
Unavoidable cost pressures	0	364	470	525
Loss of income	0	213	213	214
Additional income	0	(259)	(273)	(308)
Committed price increases	0	144	250	305
Lower Medway Internal Drainage Board (LMIDB)	0	456	472	488
Contribution from reserves for LMIDB		(220)	0	0
<u>Salary Related:</u>				
Pay Award (1.2%)	0	109	201	294
Other Pay Increases	0	78	125	150
Contribution to/(from) reserves	395	3	42	42
Revenue Support Grant	(2,086)	(1,238)	(707)	(113)
Business Rates	(5,682)	(6,506)	(7,132)	(7,398)
Contribution from Business Rates Reserve	0	(255)	0	0
Council Tax	(7,030)	(7,469)	(7,831)	(8,030)
New Homes Bonus	(3,482)	(2,743)	(2,089)	(2,005)
Collection Fund Surplus C Tax	(261)	(140)	(72)	0
<b>Savings Required</b>	<b>0</b>	<b>761</b>	<b>1,897</b>	<b>2,404</b>
Service savings	0	(645)	(572)	(629)
Requirement for balanced position	0	0	(1,325)	(1,775)
<b>Committed savings</b>	<b>0</b>	<b>(645)</b>	<b>(1,897)</b>	<b>(2,404)</b>
<b>Contribution (to) from General Fund</b>	<b>0</b>	<b>116</b>	<b>0</b>	<b>0</b>

Ten-Year Plan

Appendix II

<b>Swale Council Ten-Year MTFP</b>	<b>Budget</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure</b>										
Net service expenditure c/f	17,914	18,146	18,684	19,114	19,279	19,121	18,965	18,810	18,658	18,508
Net forecast cost/ (savings)	66	(105)	275	31	56	57	58	59	60	61
Lower Medway Internal Drainage Board	0	456	16	16	17	17	17	18	18	19
Pay award	109	109	92	93	94	95	95	96	97	98
Non pay award salary increases	57	78	47	25	25	25	25	25	25	25
Efficiency savings					(350)	(350)	(350)	(350)	(350)	(350)
<b>Net Service Expenditure b/f</b>	<b>18,146</b>	<b>18,684</b>	<b>19,114</b>	<b>19,279</b>	<b>19,121</b>	<b>18,965</b>	<b>18,810</b>	<b>18,658</b>	<b>18,508</b>	<b>18,361</b>
<b>Financing Sources</b>										
Government Support										
Revenue Support Grant	(2,086)	(1,238)	(707)	(113)	0	0	0	0	0	0
New Homes Bonus	(3,482)	(2,743)	(2,089)	(2,005)	(2,005)	(2,005)	(2,005)	(2,005)	(2,005)	(2,005)
Council Tax	(7,030)	(7,469)	(7,831)	(8,030)	(8,347)	(8,669)	(8,997)	(9,330)	(9,669)	(10,014)
Business Rates	(5,682)	(6,506)	(7,132)	(7,398)	(7,472)	(7,547)	(7,622)	(7,698)	(7,775)	(7,853)
Collection Fund surplus for C Tax	(261)	(140)	(72)	0	0	0	0	0	0	0
Contribution to/(from) reserves	395	(588)	42	42	42	42	42	42	42	42
Net Sittingbourne Town Centre rental income	0	0	0	0	(500)	(500)	(500)	(500)	(500)	(500)
<b>Total Financing</b>	<b>(18,146)</b>	<b>(18,684)</b>	<b>(17,789)</b>	<b>(17,504)</b>	<b>(18,282)</b>	<b>(18,679)</b>	<b>(19,082)</b>	<b>(19,491)</b>	<b>(19,907)</b>	<b>(20,330)</b>
<b>Budget Gap (surplus)/ deficit</b>	<b>0</b>	<b>0</b>	<b>1,325</b>	<b>1,775</b>	<b>839</b>	<b>286</b>	<b>(272)</b>	<b>(833)</b>	<b>(1,399)</b>	<b>(1,969)</b>
<b>Cumulative Budget Gap (surplus)/ deficit</b>	<b>0</b>	<b>0</b>	<b>1,325</b>	<b>3,100</b>	<b>3,939</b>	<b>4,225</b>	<b>3,953</b>	<b>3,120</b>	<b>1,721</b>	<b>(248)</b>

## Detailed Budget Proposals

## Appendix III

<b>Growth items</b>				
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 over 2016/17 £</b>
<b>Economy &amp; Community Services</b>				
1	Swale Contribution to Kent Integrated Domestic Abuse Commissioning Contract	Cllr A. Horton / C. Hudson	0	21,040
2	Communications - Squiz CMS licence and support costs	Cllr A. Bowles / E. Wiggins	530	8,250
<b>Mid Kent Improvement Partnership (MKIP) Services</b>				
3	Essential Users Car Allowance	Cllr D. Dewar-Whalley / D. Smart	44,600	4,130
<b>Democratic Services</b>				
4	Members' Allowances	Cllr A. Bowles / M. Radford	397,060	38,840
<b>Environmental Health</b>				
5	Single Employing Proposal for the Mid Kent Environmental Health Service	Cllr D. Simmons / T. Beattie	51,160	5,800
<b>Total Growth Items</b>				<b>78,060</b>

<b>Unavoidable Cost Pressures</b>				
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 over 2016/17 £</b>
<b>Mid Kent ICT</b>				
1	Increase in licence fees due to Microsoft realigning prices in British pounds to be close to Euro levels	Cllr D. Dewar-Whalley / A. Cole	148,730	3,600
<b>Resident Services</b>				
2	Increase in homelessness costs	Cllr K. Pugh / A. Christou	237,600	170,000

## Detailed Budget Proposals

## Appendix III

<b>Unavoidable Cost Pressures</b>				
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 over 2016/17 £</b>
<b>Economy &amp; Community Services</b>				
3	Potential increase in costs of dog kennelling and re-homing service - currently out to tender, so increase is based upon maximum predicted costs for the service	Cllr A. Horton / C. Hudson	17,800	20,000
<b>Mid Kent Improvement Partnership (MKIP) Services</b>				
4	Auto enrolment in the Local Government Pension Scheme (LGPS) for those that currently opt out - estimate based on 90% take up	Cllr D. Dewar-Whalley / D. Smart	0	51,990
5	Apprenticeship levy	Cllr D. Dewar-Whalley / D. Smart	0	29,230
<b>Mid Kent Legal Services (MKLS)</b>				
6	Swale BC is increasing its use of MKLS resources - so the Council will have to increase its contribution by approximately 3%, though possibly more in 2017/18	Cllr D. Dewar-Whalley / E. Culligan	0	20,000
<b>Director Of Corporate Services</b>				
7	Duty officer charge not previously budgeted for	Cllr D. Dewar-Whalley / M. Radford	0	2,000
<b>Finance</b>				
8	Increase in Pension Costs to Kent County Council (KCC) as a result of triennial revaluation	Cllr D. Dewar-Whalley / N. Vickers	0	60,000
<b>Environmental Health</b>				
9	Shellfish Sampling - Port of London passing on sampling costs to SBC for monthly monitoring.	Cllr D. Simmons / T. Beattie	17,500	7,500
<b>Total Unavoidable Cost Pressures</b>				<b>364,320</b>

<b>Additional Income</b>				
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 over 2016/17 £</b>
<b>Resident Services</b>				
1	In House Debt Recovery Service	Cllr D. Dewar-Whalley / A. Christou	0	(50,000)
<b>Property Services</b>				
2	Queenborough Guildhall - additional rental income	Cllr D. Dewar-Whalley / A. Adams	(1,300)	(1,100)
3	Miscellaneous properties - additional rental income	Cllr D. Dewar-Whalley / A. Adams	(13,000)	(3,000)
4	Rental/Service charge income from Swale Action to End Domestic Abuse (SATEDA)	Cllr D. Dewar-Whalley / A. Adams	0	(6,200)
<b>Economy &amp; Community Services</b>				
5	Environmental Response Team - Fixed Penalty Notice's	Cllr D. Simmons / C. Hudson	(3,000)	(3,000)
<b>Commissioning &amp; Customer Contact</b>				
6	Increase in season ticket charges to bring these closer in line with the current Pay & Display tariff	Cllr A. Horton / D. Thomas	(50,000)	(8,500)
7	Increase in resident and visitor parking permit charges	Cllr A. Horton / D. Thomas	(97,000)	(13,000)
8	Garden Waste collections - Increased subscriber base	Cllr D. Simmons / D. Thomas	(367,500)	(17,500)
9	Refuse collection contract	Cllr D. Simmons / D. Thomas	(57,000)	(20,000)
10	Current pay and display income remains above expectation following the uplift in parking tariffs last year. This will enable the budget expectation to be increased	Cllr A. Horton / D. Thomas	(1,564,900)	(100,000)

Detailed Budget Proposals

Appendix III

<b>Additional Income</b>				
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 over 2016/17 £</b>
	<b>Mid Kent Legal Services (MKLS)</b>			
11	Proposal to charge a flat rate of £210 per hour for all legal work may see a slight rise in legal income	Cllr D. Dewar-Whalley / E. Culligan	(12,300)	(1,400)
12	Significant increase in S106 receipts in 16/17 is expected to be continued in 17/18	Cllr D. Dewar-Whalley / E. Culligan	(9,000)	(20,000)
	<b>Environmental Health</b>			
13	Management of the new Kent & Medway Air Quality monitoring contract	Cllr D. Simmons / T. Beattie	0	(5,000)
	<b>Finance</b>			
14	Increased income from external interest of investments	Cllr D. Dewar-Whalley / N. Vickers	(100,480)	(10,000)
	<b>Total Additional Income</b>			<b>(258,700)</b>

Detailed Budget Proposals

Appendix III

<b>Loss Of Income</b>				
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 over 2016/17 £</b>
<b>Property Services</b>				
1	Net loss of income due to vacant site at Gas Road and other rent increases	Cllr D. Dewar-Whalley / A. Adams	(336,270)	15,000
2	Faversham Dry Sports. No recharge from tenant for insurance premium but offset by reduction in amount recharged from insurance budget	Cllr D. Dewar-Whalley / A. Adams	(1,510)	1,510
<b>Economy &amp; Community Services</b>				
3	Reduced income from ending of CCTV monitoring contract by third party	Cllr A. Horton / C. Hudson	(8,150)	6,210
<b>Commissioning &amp; Customer Contact</b>				
4	The Council will no longer be undertaking the Kent Highways Service Maintenance work with the consequent reduction in income from KCC offset by a saving to the ground maintenance budget (see service savings).	Cllr D. Simmons / D. Thomas	(138,660)	138,660
5	No longer operating Queenborough Harbour moorings	Cllr D. Simmons / D. Thomas	0	2,000
<b>Mid Kent Legal Services (MKLS)</b>				
6	Savings through restructure in MKS Legal. This saving will be offset by the loss of income from the resulting lower contributions from the other Legal shared service authorities	Cllr D. Dewar-Whalley / E. Culligan	(1,039,970)	49,500
<b>Total Loss Of Income</b>				<b>212,880</b>

Detailed Budget Proposals

Appendix III

<b>Service Savings</b>				
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 over 2016/17 £</b>
<b>Mid Kent Legal Services (MKLS)</b>				
1	Savings through restructure in MKS Legal. This saving will be offset by the loss of income from the resulting lower contributions from the other Legal shared service authorities	Cllr D. Dewar-Whalley / E. Culligan	1,316,000	(66,000)
<b>Resident Services</b>				
2	Payment made to Kent Rural Housing Enabler to develop their rural housing policy and carry out housing needs surveys. There is little demand for the surveys and there is little to no funding available to build rural affordable housing at present. Continuing to make the full contribution to fund the agency may not provide value for money	Cllr K. Pugh/ A. Christou	4,000	(2,000)
3	Mileage, no longer needed to send staff to other offices on such a regular basis. There are also no longer Visiting Officers; we therefore have less mileage claims going through	Cllr K. Pugh/ A. Christou	8,530	(7,000)
4	Staff restructuring in Housing	Cllr K. Pugh/ A. Christou	271,600	(15,000)
5	Homeless hostel budget. New agreement with Amicus Horizon to use Housing Benefit Subsidy to cover management costs of this accommodation mean a reduction in this expenditure	Cllr K. Pugh/ A. Christou	35,000	(20,000)
6	Saving in Fraud Partnership	Cllr K.Pugh / A. Christou	75,530	(74,000)
<b>Property Services</b>				
7	Queenborough Guildhall - budget not required	Cllr D. Dewar-Whalley / A. Adams	330	(330)



Detailed Budget Proposals

Appendix III

<b>Service Savings</b>				
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 over 2016/17 £</b>
8	Health & Safety budget reduction possible as Technical Index cancelled	Cllr D. Dewar-Whalley / A. Adams	3,250	(2,000)
9	Print Room. Reduction in hours of print room operator	Cllr D. Dewar-Whalley / A. Adams	39,800	(9,000)
<b>Economy &amp; Community Services</b>				
10	Rates - budget no longer required	Cllr A.Horton / C. Hudson	3,460	(3,460)
11	Cancellation of fibre optic lines, following decommissioning of cameras from CCTV effectiveness review	Cllr A.Horton / C. Hudson	48,080	(6,180)
<b>Commissioning &amp; Customer Contact</b>				
12	A249 litter picking reduced cost	Cllr D. Simmons / D. Thomas	4,800	(800)
13	Wheeled bins - Reduced need	Cllr D. Simmons / D. Thomas	5,000	(1,000)
14	Procurement reduction	Cllr D. Simmons / D. Thomas	10,000	(2,000)
15	Reduction in bin purchases	Cllr D. Simmons / D. Thomas	14,000	(2,000)
16	Activity programme at Milton Creek Country park	Cllr D. Simmons / D. Thomas	7,440	(2,440)
17	Cancelled subscription to Cleaner Kent	Cllr D. Simmons / D. Thomas	3,000	(3,000)
18	Grounds Maintenance Contract	Cllr D. Simmons / D. Thomas	1,409,000	(50,000)
19	The Council will no longer be undertaking the Kent Highways Service Maintenance work with the consequent reduction in income from KCC offset by a saving to the ground maintenance budget (see loss of income).	Cllr D. Simmons / D. Thomas	135,430	(135,430)

## Detailed Budget Proposals

## Appendix III

<b>Service Savings</b>				
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 over 2016/17 £</b>
<b>Planning</b>				
20	Dangerous Structures - reflects underspend over past few years	Cllr G. Lewin / J. Freeman	3,000	(2,000)
21	MKS Planning Support and Local Land Charges - SBC contribution revision	Cllr G. Lewin / J. Freeman	312,910	(87,080)
<b>Director Of Corporate Services</b>				
22	Savings on newspapers & periodicals, officers subscriptions, cellphone and Warning and Informing budgets	Cllr D. Dewar-Whalley / M. Radford	7,830	(1,390)
<b>Finance</b>				
23	Reduction in cost of adding interest to selected funds	Cllr D. Dewar-Whalley / N. Vickers	8,210	(1,000)
24	Reduction on interest element of a finance lease	Cllr D. Dewar-Whalley / N. Vickers	72,570	(3,910)
25	Contributions to risk management reserve originally agreed from 2009 insurance tender no longer required as a result of the 2016 insurance tender	Cllr D. Dewar-Whalley / N. Vickers	15,000	(15,000)
26	Tender for the cost of processing debit and credit card transactions resulted in a reduction in costs	Cllr D. Dewar-Whalley / N. Vickers	79,970	(30,000)
27	Change in the basis of the calculation of the Minimum Revenue Provision	Cllr D. Dewar-Whalley / N. Vickers	318,040	(100,000)
<b>Environmental Health</b>				
28	Renewal of Air Quality station data monitoring contract with Kent & Medway Air Quality Monitoring Network. In addition a review of the number of monitoring stations from 4 to 3	Cllr D. Simmons / T. Beattie	10,000	(2,500)
<b>Total Service Savings</b>				<b>(644,520)</b>

**Tax Base**

The tax base for 2017/18 is 45,299.89.

**Collection Fund**

As the Billing Authority, Swale Borough Council had to make an estimate of the surplus or deficit on the Collection Fund in January 2017, notifying Kent County Council, the Police and Crime Commissioner for Kent and the Kent & Medway Towns Fire & Rescue Authority of their proportions. The declared surplus of £3,625,600 is shared as follows:

	<b>(Surplus)/ £'000</b>
Kent County Council	(1,087)
The Police and Crime Commissioner for Kent	(116)
Kent & Medway Towns Fire & Rescue Authority	(79)
Swale Borough Council	(1,119)
Central Government	(1,224)
<b>Total</b>	<b>(3,625)</b>

These amounts are not added to precepts or budgets, but must be taken into account by each Authority when setting their basic Council Tax. The net surplus for Swale Borough Council is therefore £1,119,400, including a £979,000 surplus for business rates, and a £140,400 surplus for council tax.

Only the council tax surplus is shown in the budget projections for the calculation of the 2017/18 Council Tax, as the business rates surplus will be put to the business rates volatility reserve.

**Other Preceptors**

Kent County Council, the Kent & Medway Fire Authority and the Kent Police and Crime Commissioner will set their own precepting for all valuation bands. These tax levels will form part of the overall Council Tax to be set by full Council on 15 February 2017.

**Parish Council Precepts**

Parish Council precept demands have been submitted during January 2017 as and when the Parish Councils met to set their precepts. These will be expressed as an additional precept.

	<b>2017/18 £'000</b>
<b>2016/17 Swale Operating Expenditure Budget Before Savings and Growth Items</b>	<b>18,146</b>
Lower Medway Internal Drainage Board	456
Growth items	78
Unavoidable cost pressures	364
Loss of income	213
Additional income	<b>(259)</b>
Committed price increases	144
Pay increases	78
Pay award	109
Contribution to/ (from) reserves	<b>(588)</b>
Service savings	<b>(645)</b>
Sub total	18,096
New Homes Bonus	<b>(2,743)</b>
<b>Swale Budget Requirement (to be agreed)</b>	<b>15,353</b>
Revenue Support Grant	<b>(1,238)</b>
Business Rates	<b>(6,506)</b>
Collection Fund Surplus	<b>(140)</b>
<b>Council Tax Requirement (to be agreed)</b>	<b>7,469</b>
Council Tax Income (assuming £164.88 for Band D)	<b>(7,469)</b>

## Parish Precepts

## Appendix VI

Parish / Town Council	Additional Council Tax for Band D 2016/17 £	Tax Base 2017/18	Parish Precept (rounded) 2017/18 £	Additional Council Tax for Band D 2017/18 £	Parish Precept 2017/18 % Change
Bapchild	22.95	461.95	11,000	23.81	3.75%
Bobbing	19.82	902.12	18,000	19.95	0.66%
Borden	46.47	1,071.93	51,250	47.81	2.88%
Boughton-under-Blean	66.30	680.48	49,195	72.29	9.03%
Bredgar	33.08	286.21	9,615	33.59	1.54%
Doddington	35.97	218.69	8,302	37.96	5.53%
Dunkirk	24.42	495.44	11,792	23.80	-2.54%
Eastchurch	42.74	732.80	30,000	40.94	-4.21%
Eastling	22.34	145.99	5,110	35.00	56.67%
Faversham Town Council	53.06	6,193.73	328,638	53.06	0%
Graveney & Goodnestone	30.37	184.29	6,118	33.20	9.32%
Hartlip	19.38	361.56	7,500	20.74	7.02%
Hernhill	28.24	283.86	9,000	31.71	12.29%
Iwade	35.43	1,361.82	48,250	35.43	0%
Leysdown	22.66	1,083.36	25,000	23.08	1.85%
Lower Halstow	64.68	446.49	33,933	76.00	17.50%
Luddenham	0	46.03	0	0	0%
Lynsted	37.58	462.38	17,049	36.87	-1.89%
Milstead	58.77	91.28	5,500	60.25	2.52%
Minster	26.89	5,216.95	144,056	27.61	2.68%
Newington	50.55	871.04	45,760	52.53	3.92%
Newnham	35.46	150.67	5,355	35.54	0.23%
Norton & Buckland	31.31	182.71	5,847	32.00	2.20%
Oare	51.63	168.23	8,568	50.93	-1.36%
Ospringe	25.31	278.31	7,250	26.05	2.92%
Queenborough Town Council	58.91	780.72	65,225	83.54	41.81%
Rodmersham	31.54	240.71	7,750	32.20	2.09%
Selling	23.92	346.70	10,384	29.95	25.21%
Sheldwich, Leaveland & Badlesmere	24.56	348.27	8,600	24.69	0.53%
Stalisfield	26.80	99.96	2,600	26.01	-2.95%
Teynham	52.78	868.43	47,480	54.67	3.58%
Throwley	23.14	139.84	3,166	22.64	-2.16%
Tonge	14.13	140.61	2,200	15.65	10.76%
Tunstall	24.23	702.95	17,560	24.98	3.10%
Upchurch	28.85	921.95	27,900	30.26	4.89%
Warden	31.70	484.70	15,000	30.95	-2.37%
<b>TOTAL</b>			<b>1,099,953</b>		

## Reserves

## Appendix VII

Description	Balance as at 31/03/16 £'000	Forecast Contributions		Forecast Contributions		Balance as at 31/03/18 £'000
		to / from Reserves 2016/17 £'000	Balance as at 31/03/17 £'000	to / from Reserves 2017/18 £'000	Balance as at 31/03/17 £'000	
General Reserve	(3,088)	230	(2,858)			(2,858)
Performance Fund	(537)		(537)			(537)
Transformation Fund	(212)		(212)			(212)
Regeneration Fund	(362)	(522)	(884)			(884)
Swale Local Loan Fund	(250)		(250)			(250)
Building Maintenance Fund	(818)		(818)			(818)
Housing Reserves	(198)		(198)			(198)
Repairs and Renewals Funds	(289)	(90)	(379)	(90)		(469)
Local Development Framework Fund	(70)		(70)			(70)
Stay Put Grants Reserve	(152)		(152)			(152)
Revenues Main Reserve	(277)		(277)			(277)
Business Rates Volatility Reserve	(2,649)	1,348	(1,301)	(724)		(2,025)
Preceptors Council Tax Support Reserve	(250)	66	(184)	66		(118)
Commuted Sums	(259)		(259)			(259)
Other Reserves	(1,643)	(79)	(1,722)	21		(1,701)
<b>Total Earmarked Reserves</b>	<b>(11,054)</b>	<b>953</b>	<b>(10,101)</b>	<b>(727)</b>		<b>(10,828)</b>
<b>Usable Capital Receipts Reserve</b>	<b>(1,127)</b>		<b>(1,127)</b>			<b>(1,127)</b>
<b>Capital Grants Unapplied Account</b>	<b>(312)</b>		<b>(312)</b>			<b>(312)</b>
<b>General Fund</b>	<b>(5,365)</b>	<b>1,377</b>	<b>(3,988)</b>	<b>336</b>		<b>(3,652)</b>
<b>Total Usable Reserves</b>	<b>(17,858)</b>	<b>2,330</b>	<b>(15,528)</b>	<b>(391)</b>		<b>(15,919)</b>

Capital Programme

Appendix VIII

	<b>Funding SBC / Partnership</b>	<b>2016/17 Original Budget £</b>	<b>2016/17 Revised Budget £</b>	<b>2017/18 Original Budget £</b>	<b>2018/19 Original Budget £</b>	<b>Budget Later Years £</b>
<b><u>Commissioning &amp; Customer Contact - D.Thomas</u></b>						
Cemeteries - future burial provision - Capital Receipts	SBC	0	22,000	0	0	0
Cemeteries – Bell Road - Reserves	SBC	0	41,000	0	0	0
Sheppey Leisure Centre – Exercise Studio Floor – Reserves	SBC	0	35,000	0	0	0
Milton Creek Footpath & Viewing platform - Capital Receipts	SBC	0	16,200	0	0	0
Newington Car Park Wall – Capital Receipts	SBC	0	125,000	0	0	0
Beach Huts, Leysdown – Capital Receipts	SBC	0	60,000	0	0	0
Resurfacing Promenade, The Leas – Capital Grant	P	0	306,000	0	0	0
Castle Hill Community Woodland - Trim Trail - S106	P	0	35,000	0	0	0
New Play Area - Iwade Schemes - S106	P	0	92,200	0	0	0
Borden Playstool Playground Equipment – S106	P	0	13,100	0	0	0
Car Park Machines – Reserves	SBC	15,000	45,000	0	0	0
Car Park Information Boards – Reserves	SBC	0	40,000	0	0	0
Milton Creek Access Road – Reserves	SBC	0	40,000	0	0	0
Bridge Deck Replacement at Bartons Point – Reserves	SBC	0	14,000	0	0	0
Modular Toilet Kiosks – Reserves	SBC	0	30,000	0	0	0
Oare Gunpowder Works - S106	P	0	9,000	0	0	0
<b>Total Commissioning &amp; Customer Contact</b>		<b>15,000</b>	<b>923,500</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Corporate Services – M. Radford</u></b>						
Uniform Licensing Implementation – Capital Receipts	SBC	0	17,000	0	0	0
<b>TOTAL CORPORATE SERVICES</b>		<b>0</b>	<b>17,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

Capital Programme

Appendix VIII

	<b>Funding SBC / Partnership</b>	<b>2016/17 Original Budget £</b>	<b>2016/17 Revised Budget £</b>	<b>2017/18 Original Budget £</b>	<b>2018/19 Original Budget £</b>	<b>Budget Later Years £</b>
<b><u>Economy &amp; Communities – C. Hudson</u></b>						
CCTV – Reserves - Repairs & Renewals	SBC	15,000	15,000	15,000	15,000	15,000
The Mill Project, Sittingbourne Skate Park - Capital Receipts	SBC	200,000	200,000	0	0	0
Faversham Creek Basin Regeneration Project (Swing Bridge) - Capital Receipts	SBC	200,000	200,000	0	0	0
Faversham Pools refurbishment - Capital Receipts	SBC	150,000	150,000	0	0	0
The Meads Community Centre - Reserves – Regen Fund	SBC	0	11,100	0	0	0
The Meads Community Centre- S106	P	0	6,800	0	0	0
Easthall Farm Community Centre - S106	P	964,000	964,000	0	0	0
Kemsley Community Facilities - S106	P	0	4,900	0	0	0
<b>Total Economy &amp; Communities</b>		<b>1,529,000</b>	<b>1,551,800</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>
<b><u>Environmental Health - T. Beattie</u></b>						
Replacement of Air Quality Stations - Capital Receipts	SBC	55,000	55,000	35,000	0	0
<b>Total Environmental Health</b>		<b>55,000</b>	<b>55,000</b>	<b>35,000</b>	<b>0</b>	<b>0</b>
<b><u>Finance - N. Vickers</u></b>						
Income Management System - Replacement - Capital Receipts	SBC	0	2,500	0	0	0
<b>TOTAL FINANCE</b>		<b>0</b>	<b>2,500</b>	<b>0</b>	<b>0</b>	<b>0</b>



Capital Programme

Appendix VIII

	<b>Funding SBC / Partnership</b>	<b>2016/17 Original Budget £</b>	<b>2016/17 Revised Budget £</b>	<b>2017/18 Original Budget £</b>	<b>2018/19 Original Budget £</b>	<b>Budget Later Years £</b>
<b><u>Housing - A. Christou</u></b>						
Disabled Facilities Grants - External Grant	P	1,140,000	1,943,100	1,664,800	1,664,800	1,664,800
Disabled Facilities Grants – Reserves	SBC	0	92,100	0	0	0
<b>Total Housing</b>		<b>1,140,000</b>	<b>2,035,200</b>	<b>1,664,800</b>	<b>1,664,800</b>	<b>1,664,800</b>
Total Capital Programme Funded by SBC	SBC	<b>635,000</b>	<b>1,210,900</b>	<b>50,000</b>	<b>15,000</b>	<b>15,000</b>
Total Capital Programme Funded by Partners	P	<b>2,104,000</b>	<b>3,374,100</b>	<b>1,664,800</b>	<b>1,664,800</b>	<b>1,664,800</b>
<b>Total Capital Programme</b>		<b>2,739,000</b>	<b>4,585,000</b>	<b>1,714,800</b>	<b>1,679,800</b>	<b>1,679,800</b>

Capital Programme

Appendix VIII

	<b>2016/17 Original Budget £</b>	<b>2016/17 Revised Budget £</b>	<b>2017/18 Original Budget £</b>	<b>2018/19 Original Budget £</b>	<b>Budget Later Years £</b>
<b>Total Capital Expenditure</b>	<b>2,739,000</b>	<b>4,585,000</b>	<b>1,714,800</b>	<b>1,679,800</b>	<b>1,679,800</b>
<b>Funding Analysis</b>					
<b>Partnership Funding</b>	<b>2,104,000</b>	<b>3,374,100</b>	<b>1,664,800</b>	<b>1,664,800</b>	<b>1,664,800</b>
<b>Revenue Contributions</b>					
<b>(a) Repairs &amp; Renewals Reserves</b>					
- CCTV	15,000	15,000	15,000	15,000	15,000
<b>(b) General Reserve</b>					
- Disabled Facilities Grant	0	92,100	0	0	0
- Cemeteries – Bell Road	0	20,500	0	0	0
- Car Park Information Boards	0	40,000	0	0	0
- Milton Creek Access Road	0	40,000	0	0	0
- Bridge Deck Replacement at Bartons Point	0	14,000	0	0	0
- Modular Toilet Kiosks	0	30,000	0	0	0
- Car Park Machines	15,000	45,000	0	0	0
<b>Sub total</b>	<b>15,000</b>	<b>281,600</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(c) Regeneration Fund</b>					
- The Meads Community Centre	0	11,100	0	0	0
<b>(d) Building Maintenance Fund</b>					
- Cemeteries – Bell Road	0	20,500	0	0	0
- Exercise Floor at Sheppey Leisure Centre	0	35,000	0	0	0
<b>Sub total</b>	<b>0</b>	<b>55,500</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(e) Performance Fund</b>					
- Uniform Licensing Implementation	0	17,000	0	0	0
<b>Total Revenue Contributions</b>	<b>30,000</b>	<b>380,200</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>

Capital Programme

Appendix VIII

	<b>2016/17 Original Budget £</b>	<b>2016/17 Revised Budget £</b>	<b>2017/18 Original Budget £</b>	<b>2018/19 Original Budget £</b>	<b>Budget Later Years £</b>
<b>Capital Receipts:-</b>					
- The Mill Project, Sittingbourne Skate Park	200,000	200,000	0	0	0
- Faversham Creek Basin Regeneration Project (Swing Bridge)	200,000	200,000	0	0	0
- Faversham Pools Refurbishment	150,000	150,000	0	0	0
- Newington Car Park Wall – Capital Receipts	0	125,000	0	0	0
- Beach Huts Leysdown – Capital Receipts	0	60,000	0	0	0
- Milton Creek Footpath and Viewing Platform	0	16,200	0	0	0
- Cemeteries - Future Burial Provision	0	22,000	0	0	0
- Income Management System	0	2,500	0	0	0
- Replacement of Air Quality Stations	55,000	55,000	35,000	0	0
<b>Total Capital Receipts</b>	<b>605,000</b>	<b>830,700</b>	<b>35,000</b>	<b>0</b>	<b>0</b>
<b>Total Funds Utilised</b>	<b>2,739,000</b>	<b>4,585,000</b>	<b>1,714,800</b>	<b>15,000</b>	<b>15,000</b>

(Very High=4, High=3, Medium=2, Low=1)

<b>Issue</b>	<b>Likelihood/Impact</b>	<b>Mitigation</b>
Funding reductions	L 4 x I 3 = 12	Medium term financial plan Income generation National and local intelligence
Sittingbourne Town Centre	L 3 x I 3 = 9	External advice Due diligence Regular reporting
Localisation of business rates, business rates appeals	L4 x I 2 = 8	Consultation responses In-depth research Modelling
Leisure centre contract renewal	L 4 x I 2 = 8	Early examination of all options Project planning
New Homes Bonus	L 3 x I 2 = 6	Consultation responses Lobbying Budgeting
Homelessness	L 3 x I 2 = 6	Alternative provision Limiting support to budget available
Judicial review of a key decision	L2 x I 3 = 6	Good governance Member and officer training
Delivery of 2017/18 budget savings	L 2 x I 2 = 4	Robust budget preparation Good monitoring
Loss of key staff	L 2 x I 2 = 4	Succession planning Staff development and training
Fraud	L 1 x I 3 = 3	Internal controls Internal audit review Member and staff awareness

The Department for Communities and Local Government's Guidance on Minimum Revenue Provision (issued in 2010) places a duty on local authorities to make a prudent provision for debt redemption. Guidance on Minimum Revenue Provision has been issued by the Secretary of State, and local authorities are required to "have regard" to such Guidance, under section 21(1A) of the Local Government Act 2003.

The Regulations require that "A local authority shall determine for the current financial year an amount of minimum revenue provision which it considers to be prudent".

The concept of Minimum Revenue Provision (MRP) was introduced in 1989 to prescribe the minimum amount which must be charged to the revenue account each year to meet credit liabilities (borrowing and leasing costs). MRP is charged to the General Fund and therefore does affect levels of Council Tax. Under the previous MRP regulations MRP was set at a uniform rate of 4% of the adjusted Capital Financing Requirement (CFR), which represents the underlying need to borrow for the Council.

The detailed rules and formulae to be used in the more recent method of calculation were laid down in Regulation 28 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003. This system was later radically revised, and now requires an annual statement setting out the method of calculation of MRP.

The Secretary of State for Communities and Local Government issued guidance under section 21(1A) of the Local Government Act 2003. This states that "the broad aim of prudent provision is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of the grant." This would affect any future borrowing that local authorities may be considering.

The four MRP options available are:

- Option 1: Regulatory Method
- Option 2: CFR Method
- Option 3: Asset Life Method (Equal Instalment or Annuity)
- Option 4: Depreciation Method

Note: This does not preclude other prudent methods.

**MRP in 2017/18:**

Options 1 and 2 may be used only for supported expenditure (i.e. financing costs deemed to be supported through Revenue Support Grant from Central Government). Methods of making prudent provision for self-financed expenditure include Options 3 and 4 (which may also be used for supported expenditure if the Council chooses).

The MRP Statement will be submitted to Council before the start of the 2017/18 financial year. If it is ever proposed to vary the terms of the original MRP Statement during the year, a revised statement should be put to Council at that time.

Council on 17 February 2016 resolved that for the 2016/17 financial year, the Council's policy for the calculation of Minimum Revenue Provision would be the asset life (equal instalment) method for Prudential Borrowing, and the "Regulatory Method" for calculating the MRP for the CFR created by unfunded capital expenditure before 1/4/2008. In this option, MRP is equal to the amount determined in accordance with the former regulations 28 and 29 of the 2003 Regulations as if they had not been revoked. MRP is set at a uniform rate of 4% of the adjusted CFR, i.e. adjusted for "Adjustment A" on a reducing balance method (which in effect means that MRP charges will stretch into infinity).

The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 does provide a number of options for local authorities to use to calculate their MRP, which must be then be approved by Council annually. Although options are recommended in the guidance the intention was not to be prescriptive, and local authorities can propose alternative approaches as long as they can demonstrate that the resulting MRP will be prudent.

Therefore it is proposed that the MRP element relating to unfunded capital expenditure incurred before 1 April 2008 is changed from 1 April 2017 from the Regulatory Method to the Annuity Method, based on full repayment of the CFR over 50 years, and using an interest rate of 2%. The Council believes that the 50 year period is prudent as the aim is to repay capital expenditure, and this matches the Council's existing accounting policies on the standard useful lives of assets used in our annual accounts. The 2% is taken from the Government's inflation target. The element of the CFR relating to unfunded capital expenditure before 1 April 2008 is forecast to be £4m on 1 April 2017. Using the proposed annuity method this will be fully repaid in 50 years; if the regulatory method had continued to be used, £780,000 would still be left unfunded after the 50 years.

This Policy will be reviewed on an annual basis.

For 2017/18 it is recommended that:

- for supported expenditure, and for all capital expenditure incurred prior to 1 April 2008, MRP will, under delegated authority, be calculated under the Annuity Method over 50 years;
- MRP for all self-financed capital expenditure incurred after 1 April 2008 will, under delegated authority, be calculated under the Asset Life (Equal Instalment) Method;
- MRP in respect of leases and Public Finance Initiative (PFI) schemes brought on Balance Sheet under the International Financial Reporting Standards based Accounting Code of Practice will match the principal repayment for the associated deferred liability, to ensure that the impact on the revenue account is neutral; and
- where loans are made to other bodies for their capital expenditure, no MRP will be charged but the Council would apply the capital receipt arising from the principal repayments to reduce the CFR instead.

# Revenue Budget and Capital Programme 2017/18







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## REPORT OF THE CABINET MEMBER FOR FINANCE AND PERFORMANCE AND THE HEAD OF FINANCE

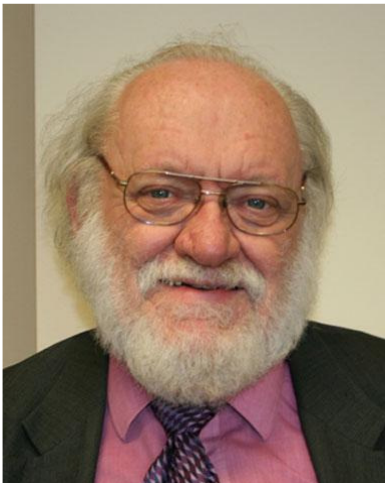
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The Council has established a strong track record for its financial management. In their 2016/17 audit letter Grant Thornton LLP, the Council's external auditors, concluded that "The Council has a history of sound financial management" and that "The Council is taking a pro-active approach to address these pressures, with action to deliver efficiencies and increase the focus on income generation as part of a wide-ranging transformation agenda".

The Local Government Finance Settlement 2017/18 was announced on 15 December 2016 and it made fairly minor changes to what we were expecting largely focussed on changes to New Homes Bonus which reduced the funding the Council will receive over the next three years by £805,000. The previous year's Settlement had set out Revenue Support Grant (RSG) figures for three years, and introduced the concept of Four Year Efficiency Plan where, in return for submitting such a plan, the Government would guarantee certain minimum funding levels, primarily for RSG. Cabinet agreed the Council's Efficiency Plan on 7 September 2016 and the acceptance of the plan has been confirmed. As a result, the Council has greater certainty over what has traditionally been a major funding source, although the reductions made in recent years has significantly reduced how much RSG the Council receives.

We also know that from 2019 or 2020 the Government will fully localise business rates but also cease to pay any Revenue Support Grant. The scale of the change that fully localised business rates will bring does mean that there are huge caveats about any forecasts which go beyond 2020 for this very significant revenue stream.

There is nothing new in there being uncertainty about local government finance but these are massive changes and they all underline the need for financial self-sufficiency. If services to residents are not to face significant reductions the Council has to identify and deliver new income streams.



Duncan Dewar-Whalley  
Cabinet Member for Finance



Nick Vickers  
Head of Finance

## COUNCIL TAX 2017/18

Swale's Council Tax requirement is as follows:

	2016/17 £	2017/18 £
<b>Swale Budget Requirement</b>	<b>14,890,268</b>	<b>15,353,156</b>
Less Revenue Support Grant	(1,954,950)	(1,238,110)
Less Business Rates	(5,643,950)	(6,506,000)
Less Collection Fund surplus	(260,970)	(140,000)
<b>Council Tax Requirement</b>	<b>7,030,398</b>	<b>7,469,046</b>
Band D Council Tax	£159.93	£164.88
Tax Base	43,959.22	45,299.89

As well as our own Council Tax, we collect on behalf of the other 'precepting authorities', i.e. Kent County Council, the Kent and Medway Towns Fire & Rescue Authority and the Kent Police and Crime Commissioner. Where applicable there will be an additional sum collected on behalf of the Parish Councils which have chosen to levy a local precept.

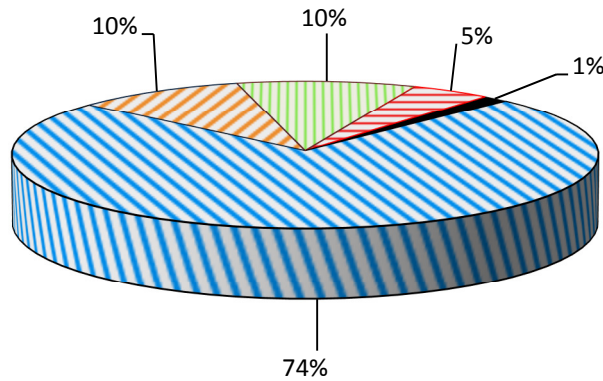
### Calculation of Band D Council Tax 2017/18:

2016/17		Authority	2017/18	
Precept £	Band D Council Tax £		Precept £	Band D Council Tax £
49,829,974	1,133.55	Kent County Council	53,400,416	1,178.82
6,688,395	152.15	Kent Police & Crime Commissioner	7,118,878	157.15
3,165,064	72.00	Kent and Medway Fire and Rescue Authority	3,322,747	73.35
7,030,398	159.93	Swale Borough Council	7,469,046	164.88
<b>66,713,831</b>	<b>1,517.63</b>	<b>BASIC COUNCIL TAX</b>	<b>71,311,087</b>	<b>1,574.20</b>
1,038,628	23.63	Parish Council Precepts *	1,099,953	24.28
67,752,459	1,541.26	Council Tax inc. Parish	72,411,040	1,598.48

\*The Band D Council Tax is the average tax in respect of Parish Council Precepts for the whole Borough.

# COUNCIL TAX 2017/18

## Allocation of Council Tax:



- Kent County Council**  
 £1,178.82 (74%)
  
- Kent Police & Crime Commissioner**  
 £157.15 (10%)
  
- Swale Borough Council** £164.88 (10%)
  
- Kent and Medway Fire and Rescue Authority**  
 £73.35 (5%)
  
- Parish Council Precepts** £24.28 (1%)

## Council Tax Bandings

	<b>Swale Borough Council</b>	<b>Kent Police &amp; Crime Commissioner</b>	<b>Kent County Council</b>	<b>Kent and Medway Fire and Rescue Authority</b>	<b>Total</b>
	£	£	£	£	£
Band A	109.92	104.77	785.88	48.90	1,049.47
Band B	128.24	122.23	916.86	57.05	1,224.38
Band C	146.56	139.69	1,047.84	65.20	1,399.29
<b>Band D</b>	<b>164.88</b>	<b>157.15</b>	<b>1,178.82</b>	<b>73.35</b>	<b>1,574.20</b>
Band E	201.52	192.07	1,440.78	89.65	1,924.02
Band F	238.16	226.99	1,702.74	105.95	2,273.84
Band G	274.80	261.92	1,964.70	122.25	2,623.67
Band H	329.76	314.30	2,357.64	146.70	3,148.40

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## MEDIUM TERM FINANCIAL PLAN

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The Council has been successful in dealing with the financial implications of deficit reduction without impacting on frontline services, but there does come a point where efficiency savings will no longer be enough to close the gap, and so there needs to be another way of securing the financial viability of the Council.

To achieve this our high level strategy is to:

- drive transformation - the Transformation Team is undertaking reviews of all services to drive digital access to services and other efficiencies to reduce costs over an 18 month period;
- drive up income - this is income in total, including Council Tax via growth in the Council Tax base, Business Rates, New Homes Bonus, existing Fees & Charges, and new sources of income such as proposed from the Sittingbourne Town Centre investment;
- review major contracts - the single largest contributor to savings in recent years has been the re-let Waste and Street Cleansing Contract. With the imminent renewal of the Grounds Maintenance Contract and then the Leisure Services Contract in 2019 the Council needs to look afresh at the configuration of service delivery and the options for savings; and
- deliver regeneration - delivery of regeneration projects will directly benefit the Council via additional Council Tax, Business rates and New Homes Bonus, and higher levels of income for residents will reduce demand for services.

## MEDIUM TERM FINANCIAL PLAN

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Base Budget	18,146	18,146	18,146	18,146
Growth items	0	78	82	94
Unavoidable cost pressures	0	364	470	525
Loss of income	0	213	213	214
Additional income	0	(259)	(273)	(308)
Committed price increases	0	144	250	305
Lower Medway Internal Drainage Board (LMIDB)	0	456	472	488
Contribution from reserves for LMIDB		(220)	0	0
<u>Salary Related:</u>				
Pay Award (1.2%)	0	109	201	294
Other Pay Increases	0	78	125	150
Contribution to/(from) reserves	395	3	42	42
Revenue Support Grant	(2,086)	(1,238)	(707)	(113)
Business Rates	(5,682)	(6,506)	(7,132)	(7,398)
Contribution from Business Rates Reserve	0	(255)	0	0
Council Tax	(7,030)	(7,469)	(7,831)	(8,030)
New Homes Bonus	(3,482)	(2,743)	(2,089)	(2,005)
Collection Fund Surplus C Tax	(261)	(140)	(72)	0
<b>Savings Required</b>	<b>0</b>	<b>761</b>	<b>1,897</b>	<b>2,404</b>
Service savings	0	(645)	(572)	(629)
Requirement for balanced position	0	0	(1,325)	(1,775)
<b>Committed savings</b>	<b>0</b>	<b>(645)</b>	<b>(1,897)</b>	<b>(2,404)</b>
<b>Contribution (to) from General Fund</b>	<b>0</b>	<b>116</b>	<b>0</b>	<b>0</b>

## MEDIUM TERM FINANCIAL PLAN

Swale Council Ten-Year MTFP	Budget 2016/17 £'000	Plan 2017/18 £'000	Plan 2018/19 £'000	Plan 2019/20 £'000	Plan 2020/21 £'000	Plan 2021/22 £'000	Plan 2022/23 £'000	Plan 2023/24 £'000	Plan 2024/25 £'000	Plan 2025/26 £'000
<b>Expenditure</b>										
Net service expenditure c/f	17,914	18,146	18,684	19,114	19,279	19,121	18,965	18,810	18,658	18,508
Net forecast cost/ (savings)	66	(105)	275	31	56	57	58	59	60	61
Lower Medway Internal Drainage Board	0	456	16	16	17	17	17	18	18	19
Pay award	109	109	92	93	94	95	95	96	97	98
Non pay award salary increases	57	78	47	25	25	25	25	25	25	25
Efficiency savings					(350)	(350)	(350)	(350)	(350)	(350)
<b>Net Service Expenditure b/f</b>	<b>18,146</b>	<b>18,684</b>	<b>19,114</b>	<b>19,279</b>	<b>19,121</b>	<b>18,965</b>	<b>18,810</b>	<b>18,658</b>	<b>18,508</b>	<b>18,361</b>
<b>Financing Sources</b>										
<u>Government Support</u>										
Revenue Support Grant	(2,086)	(1,238)	(707)	(113)	0	0	0	0	0	0
New Homes Bonus	(3,482)	(2,743)	(2,089)	(2,005)	(2,005)	(2,005)	(2,005)	(2,005)	(2,005)	(2,005)
Council Tax	(7,030)	(7,469)	(7,831)	(8,030)	(8,347)	(8,669)	(8,997)	(9,330)	(9,669)	(10,014)
Business Rates	(5,682)	(6,506)	(7,132)	(7,398)	(7,472)	(7,547)	(7,622)	(7,698)	(7,775)	(7,853)
Collection Fund surplus for C Tax	(261)	(140)	(72)	0	0	0	0	0	0	0
Contribution to/(from) reserves	395	(588)	42	42	42	42	42	42	42	42
Net Sittingbourne Town Centre rental income	0	0	0	0	(500)	(500)	(500)	(500)	(500)	(500)
<b>Total Financing</b>	<b>(18,146)</b>	<b>(18,684)</b>	<b>(17,789)</b>	<b>(17,504)</b>	<b>(18,282)</b>	<b>(18,679)</b>	<b>(19,082)</b>	<b>(19,491)</b>	<b>(19,907)</b>	<b>(20,330)</b>
<b>Budget Gap (surplus)/ deficit</b>	<b>0</b>	<b>0</b>	<b>1,325</b>	<b>1,775</b>	<b>839</b>	<b>286</b>	<b>(272)</b>	<b>(833)</b>	<b>(1,399)</b>	<b>(1,969)</b>
<b>Cumulative Budget Gap (surplus)/ deficit</b>	<b>0</b>	<b>0</b>	<b>1,325</b>	<b>3,100</b>	<b>3,939</b>	<b>4,225</b>	<b>3,953</b>	<b>3,120</b>	<b>1,721</b>	<b>(248)</b>

## MEDIUM TERM FINANCIAL PLAN

### Growth items

No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
<b>Economy &amp; Community Services</b>				
1	Swale Contribution to Kent Integrated Domestic Abuse Commissioning Contract	Cllr A. Horton / C. Hudson	0	21,040
2	Communications - Squiz CMS licence and support costs	Cllr A. Bowles / E. Wiggins	530	8,250
<b>Mid Kent Improvement Partnership (MKIP) Services</b>				
3	Essential Users Car Allowance	Cllr D. Dewar-Whalley / D. Smart	44,600	4,130
<b>Democratic Services</b>				
4	Members' Allowances	Cllr A. Bowles / M. Radford	397,060	38,840
<b>Environmental Health</b>				
5	Single Employing Proposal for the Mid Kent Environmental Health Service	Cllr D. Simmons / T. Beattie	51,160	5,800
<b>Total Growth Items</b>				<b>78,060</b>

### Unavoidable Cost Pressures

No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
<b>Mid Kent ICT</b>				
1	Increase in licence fees due to Microsoft realigning prices in British pounds to be close to Euro levels	Cllr D. Dewar-Whalley / A. Cole	148,730	3,600



## MEDIUM TERM FINANCIAL PLAN

Unavoidable Cost Pressures				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
<b>Resident Services</b>				
2	Increase in homelessness costs	Cllr K. Pugh / A. Christou	237,600	170,000
<b>Economy &amp; Community Services</b>				
3	Potential increase in costs of dog kennelling and re-homing service - currently out to tender, so increase is based upon maximum predicted costs for the service	Cllr A. Horton / C. Hudson	17,800	20,000
<b>Mid Kent Improvement Partnership (MKIP) Services</b>				
4	Auto enrolment in the Local Government Pension Scheme (LGPS) for those that currently opt out - estimate based on 90% take up	Cllr D. Dewar-Whalley / D. Smart	0	51,990
5	Apprenticeship levy	Cllr D. Dewar-Whalley / D. Smart	0	29,230
<b>Mid Kent Legal Services (MKLS)</b>				
6	Swale BC is increasing its use of MKLS resources - so the Council will have to increase its contribution by approximately 3%, though possibly more in 2017/18	Cllr D. Dewar-Whalley / E. Culligan	0	20,000
<b>Director Of Corporate Services</b>				
7	Duty officer charge not previously budgeted for	Cllr D. Dewar-Whalley / M. Radford	0	2,000
<b>Finance</b>				
8	Increase in Pension Costs to Kent County Council (KCC) as a result of triennial revaluation	Cllr D. Dewar-Whalley / N. Vickers	0	60,000

## MEDIUM TERM FINANCIAL PLAN

Unavoidable Cost Pressures				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
<b>Environmental Health</b>				
9	Shellfish Sampling - Port of London passing on sampling costs to SBC for monthly monitoring	Cllr D. Simmons / T. Beattie	17,500	7,500
<b>Total Unavoidable Cost Pressures</b>				<b>364,320</b>

Additional Income				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
<b>Resident Services</b>				
1	In-House Enforcement Service	Cllr D. Dewar-Whalley / A. Christou	0	(50,000)
<b>Property Services</b>				
2	Queenborough Guildhall - additional rental income	Cllr D. Dewar-Whalley / A. Adams	(1,300)	(1,100)
3	Miscellaneous properties - additional rental income	Cllr D. Dewar-Whalley / A. Adams	(13,000)	(3,000)
4	Rental/Service charge income from Swale Action to End Domestic Abuse (SATEDA)	Cllr D. Dewar-Whalley / A. Adams	0	(6,200)
<b>Economy &amp; Community Services</b>				
5	Environmental Response Team - Fixed Penalty Notice's	Cllr D. Simmons / C. Hudson	(3,000)	(3,000)

## MEDIUM TERM FINANCIAL PLAN

Additional Income				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
<b>Commissioning &amp; Customer Contact</b>				
6	Increase in season ticket charges to bring these closer in line with the current Pay & Display tariff	Cllr A. Horton / D. Thomas	(50,000)	(8,500)
7	Increase in resident and visitor parking permit charges	Cllr A. Horton / D. Thomas	(97,000)	(13,000)
8	Garden Waste collections - Increased subscriber base	Cllr D. Simmons / D. Thomas	(367,500)	(17,500)
9	Refuse collection contract	Cllr D. Simmons / D. Thomas	(57,000)	(20,000)
10	Current pay and display income remains above expectation following the uplift in parking tariffs last year. This will enable the budget expectation to be increased	Cllr A. Horton / D. Thomas	(1,564,900)	(100,000)
<b>Mid Kent Legal Services (MKLS)</b>				
11	Proposal to charge a flat rate of £210 per hour for all legal work may see a slight rise in legal income	Cllr D. Dewar-Whalley / E. Culligan	(12,300)	(1,400)
12	Significant increase in S106 receipts in 16/17 is expected to be continued in 17/18	Cllr D. Dewar-Whalley / E. Culligan	(9,000)	(20,000)
<b>Environmental Health</b>				
13	Management of the new Kent & Medway Air Quality monitoring contract	Cllr D. Simmons / T. Beattie	0	(5,000)
<b>Finance</b>				
14	Increased income from external interest of investments	Cllr D. Dewar-Whalley / N. Vickers	(100,480)	(10,000)
<b>Total Additional Income</b>				<b>(258,700)</b>

## MEDIUM TERM FINANCIAL PLAN

Loss Of Income				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
<b>Property Services</b>				
1	Net loss of income due to vacant site at Gas Road and other rent increases	Cllr D. Dewar-Whalley / A. Adams	(336,270)	15,000
2	Faversham Dry Sports. No recharge from tenant for insurance premium but offset by reduction in amount recharged from insurance budget	Cllr D. Dewar-Whalley / A. Adams	(1,510)	1,510
<b>Economy &amp; Community Services</b>				
3	Reduced income from ending of CCTV monitoring contract by third party	Cllr A. Horton / C. Hudson	(8,150)	6,210
<b>Commissioning &amp; Customer Contact</b>				
4	The Council will no longer be undertaking the Kent Highways Service Maintenance work with the consequent reduction in income from KCC offset by a saving to the ground maintenance budget (see service savings).	Cllr D. Simmons / D. Thomas	(138,660)	138,660
5	No longer operating Queenborough Harbour moorings	Cllr D. Simmons / D. Thomas	0	2,000
<b>Mid Kent Legal Services (MKLS)</b>				
6	Saving through restructure in MKS Legal. This saving will be offset by the loss of income from the resulting lower contributions from the other Legal shared service authorities.	Cllr D. Dewar-Whalley / E. Culligan	(1,039,970)	49,500
<b>Total Loss Of Income</b>				<b>212,880</b>

## MEDIUM TERM FINANCIAL PLAN

Service Savings				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
<b>Mid Kent Legal Services (MKLS)</b>				
1	Savings through restructure in MKS Legal. This saving will be offset by the loss of income from the resulting lower contributions from the other Legal shared service authorities.	Cllr D. Dewar-Whalley / E. Culligan	1,316,000	(66,000)
<b>Resident Services</b>				
2	Payment made to Kent Rural Housing Enabler to develop their rural housing policy and carry out housing needs surveys. There is little demand for the surveys and there is little to no funding available to build rural affordable housing at present. Continuing to make the full contribution to fund the agency may not provide value for money	Cllr K. Pugh/ A. Christou	4,000	(2,000)
3	Mileage, no longer needed to send staff to other offices on such a regular basis. There are also no longer Visiting Officers; we therefore have less mileage claims going through	Cllr K. Pugh/ A. Christou	8,530	(7,000)
4	Staff restructuring in Housing	Cllr K. Pugh/ A. Christou	271,600	(15,000)
5	Homeless hostel budget. New agreement with Amicus Horizon to use Housing Benefit Subsidy to cover management costs of this accommodation mean a reduction in this expenditure	Cllr K. Pugh/ A. Christou	35,000	(20,000)
6	Saving in Fraud Partnership	Cllr K.Pugh / A. Christou	75,530	(74,000)
<b>Property Services</b>				

## MEDIUM TERM FINANCIAL PLAN

Service Savings				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
7	Queenborough Guildhall - budget not required	Cllr D. Dewar-Whalley / A. Adams	330	(330)
8	Health & Safety budget reduction possible as Technical Index cancelled	Cllr D. Dewar-Whalley / A. Adams	3,250	(2,000)
9	Print Room. Reduction in hours of print room operator	Cllr D. Dewar-Whalley / A. Adams	39,800	(9,000)
<b>Economy &amp; Community Services</b>				
10	Rates - budget no longer required	Cllr A.Horton / C. Hudson	3,460	(3,460)
11	Cancellation of fibre optic lines, following decommissioning of cameras from CCTV effectiveness review	Cllr A.Horton / C. Hudson	48,080	(6,180)
<b>Commissioning &amp; Customer Contact</b>				
12	A249 litter picking reduced cost	Cllr D. Simmons / D. Thomas	4,800	(800)
13	Wheeled bins - Reduced need	Cllr D. Simmons / D. Thomas	5,000	(1,000)
14	Procurement reduction	Cllr D. Simmons / D. Thomas	10,000	(2,000)
15	Reduction in bin purchases	Cllr D. Simmons / D. Thomas	14,000	(2,000)
16	Activity programme at Milton Creek Country park	Cllr D. Simmons / D. Thomas	7,440	(2,440)
17	Cancelled subscription to Cleaner Kent	Cllr D. Simmons / D. Thomas	3,000	(3,000)
18	Grounds Maintenance Contract	Cllr D. Simmons / D. Thomas	1,409,000	(50,000)

## MEDIUM TERM FINANCIAL PLAN

### Service Savings

No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
19	The Council will no longer be undertaking the Kent Highways Service Maintenance work with the consequent reduction in income from KCC offset by a saving to the ground maintenance budget (see loss of income).	Cllr D. Simmons / D. Thomas	135,430	(135,430)
<b>Planning</b>				
20	Dangerous Structures - reflects underspend over past few years	Cllr G. Lewin / J. Freeman	3,000	(2,000)
21	MKS Planning Support and Local Land Charges - SBC contribution revision	Cllr G. Lewin / J. Freeman	312,910	(87,080)
<b>Director Of Corporate Services</b>				
22	Savings on newspapers & periodicals, officers subscriptions, cellphone and Warning and Informing budgets	Cllr D. Dewar-Whalley / M. Radford	7,830	(1,390)
<b>Finance</b>				
23	Reduction in cost of adding interest to selected funds	Cllr D. Dewar-Whalley / N. Vickers	8,210	(1,000)
24	Reduction on interest element of a finance lease	Cllr D. Dewar-Whalley / N. Vickers	72,570	(3,910)
25	Contributions to risk management reserve originally agreed from 2009 insurance tender no longer required as a result of the 2016 insurance tender	Cllr D. Dewar-Whalley / N. Vickers	15,000	(15,000)
26	Tender for the cost of processing debit and credit card transactions resulted in a reduction in costs	Cllr D. Dewar-Whalley / N. Vickers	79,970	(30,000)
27	Change in the basis of the calculation of the Minimum Revenue Provision	Cllr D. Dewar-Whalley / N. Vickers	318,040	(100,000)

**MEDIUM TERM FINANCIAL PLAN**

<b>Service Savings</b>				
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 over 2016/17 £</b>
	<b>Environmental Health</b>			
28	Renewal of Air Quality station data monitoring contract with Kent & Medway Air Quality Monitoring Network. In addition a review of the number of monitoring stations from 4 to 3	Cllr D. Simmons / T. Beattie	10,000	(2,500)
	<b>Total Service Savings</b>			<b>(644,520)</b>



## PARISH COUNCIL PRECEPTS 2017/18

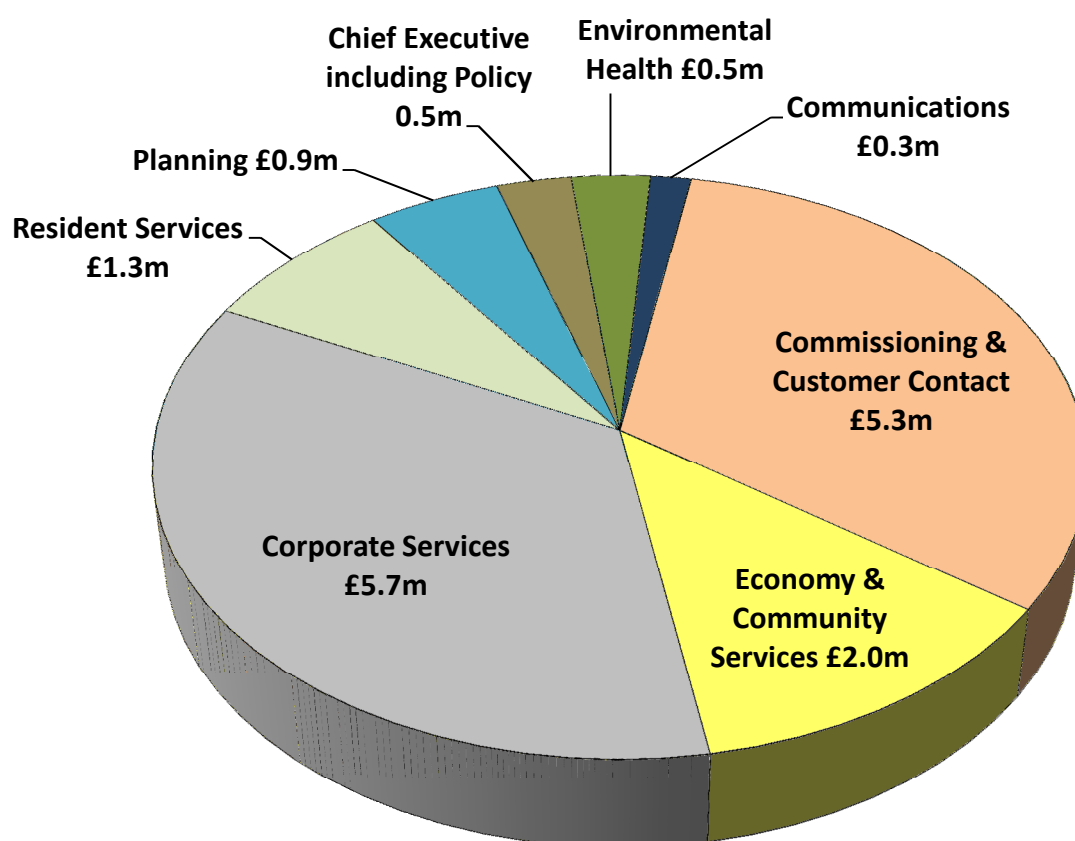
Parish/Town Council	Tax Base 2017/18	Parish Precept (rounded) 2017/18 £	Additional Council Tax for Band D 2017/18 £	Parish Precept 2017/18 % Change
Bapchild	461.95	11,000	23.81	3.75%
Bobbing	902.12	18,000	19.95	0.66%
Borden	1,071.93	51,250	47.81	2.88%
Boughton-under-Blean	680.48	49,195	72.29	9.03%
Bredgar	286.21	9,615	33.59	1.54%
Doddington	218.69	8,302	37.96	5.53%
Dunkirk	495.44	11,792	23.80	-2.54%
Eastchurch	732.80	30,000	40.94	-4.21%
Eastling	145.99	5,110	35.00	56.67%
Faversham Town Council	6,193.73	328,638	53.06	0%
Goodnestone & Graveney	184.29	6,118	33.20	9.32%
Hartlip	361.56	7,500	20.74	7.02%
Hernhill	283.86	9,000	31.71	12.29%
Iwade	1,361.82	48,250	35.43	0%
Leysdown	1,083.36	25,000	23.08	1.85%
Lower Halstow	446.49	33,933	76.00	17.50%
Luddenham	46.03	0	0	0%
Lynsted	462.38	17,049	36.87	-1.89%
Milstead	91.28	5,500	60.25	2.52%
Minster	5,216.95	144,056	27.61	2.68%
Newington	871.04	45,760	52.53	3.92%
Newnham	150.67	5,355	35.54	0.23%
Norton & Buckland	182.71	5,847	32.00	2.20%
Oare	168.23	8,568	50.93	-1.36%
Ospringe	278.31	7,250	26.05	2.92%
Queenborough Town Council	780.72	65,225	83.54	41.81%
Rodmersham	240.71	7,750	32.20	2.09%
Selling	346.70	10,384	29.95	25.21%
Sheldwich, Leaveland & Badlesmere	348.27	8,600	24.69	0.53%
Stalisfield	99.96	2,600	26.01	-2.95%
Teynham	868.43	47,480	54.67	3.58%
Throwley	139.84	3,166	22.64	-2.16%
Tonge	140.61	2,200	15.65	10.76%
Tunstall	702.95	17,560	24.98	3.10%
Upchurch	921.95	27,900	30.26	4.89%
Warden	484.70	15,000	30.95	-2.37%
<b>TOTAL</b>		1,099,953		

## REVENUE BUDGET – SUMMARY – BY SERVICE

	<b>Actual</b>	<b>Original</b>	<b>Working</b>	<b>Original</b>
	<b>2015/16</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
	<b>£</b>	<b>2016/17</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
The Chief Executive	420,550	474,280	479,670	479,150
Economy & Community Services	2,173,160	1,973,990	2,104,880	2,044,930
Communications	232,550	258,540	274,170	260,480
Resident Services	1,062,030	1,277,490	1,298,670	1,270,540
Planning	1,114,160	921,230	1,056,940	849,130
Commissioning & Customer Contact	4,553,200	5,284,810	5,501,280	5,255,770
Environmental Health	447,320	502,090	515,790	505,790
The Director of Corporate Services & The Director of Regeneration	292,490	359,990	400,240	368,520
Information Technology	1,182,130	1,081,500	1,090,540	1,106,090
Audit	140,260	156,990	156,990	156,990
Finance	1,256,620	1,391,880	1,405,140	1,846,980
Legal	357,910	381,270	395,640	376,140
Property	304,730	569,460	801,000	569,800
Human Resources	350,680	342,010	371,150	361,000
Democratic	923,850	910,910	928,320	956,340
<b>NET EXPENDITURE BEFORE CONTRIBUTION TO GENERAL FUND</b>	<b>14,811,640</b>	<b>15,886,440</b>	<b>16,780,420</b>	<b>16,407,650</b>
Contribution (from) / to General Fund	241,000	0	0	(116,000)
<b>NET EXPENDITURE BEFORE FUNDING</b>	<b>15,052,640</b>	<b>15,886,440</b>	<b>16,780,420</b>	<b>16,291,650</b>
Net below the line items (see page 19)	4,370,200	2,654,560	1,760,580	2,059,350
Revenue Support Grant	(2,929,300)	(2,086,000)	(2,086,000)	(1,238,000)
New Homes Bonus	(2,810,840)	(3,482,000)	(3,482,000)	(2,743,000)
Business Rates	(6,650,400)	(5,682,000)	(5,682,000)	(6,506,000)
Contribution from Business Rates Reserve	0	0	0	(255,000)
Collection Fund Surplus	(176,180)	(261,000)	(261,000)	(140,000)
Council Tax	(6,856,120)	(7,030,000)	(7,030,000)	(7,469,000)
<b>NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## REVENUE BUDGET – SUMMARY – BY SERVICE

Net Expenditure by Service – 2017/18 (expenditure less income and before recharges):



	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
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### BELOW THE LINE ITEMS:

Backfunding superannuation costs	1,736,310	1,678,080	1,675,840	1,676,980
Accounting adjustments	(22,760)	263,440	(628,300)	(138,160)
2014/15 rollovers	1,635,520	0	0	0
Contributions to/from reserves	1,054,750	395,000	395,000	3,500
Minimum Revenue Provision	335,830	318,040	318,040	218,040
Unallocated pay and pension	0	0	0	298,990
Corporate grants	(369,450)	0	0	0
<b>Total Below the Line Items</b>	<b>4,370,200</b>	<b>2,654,560</b>	<b>1,760,580</b>	<b>2,059,350</b>

## REVENUE BUDGET BY SERVICE

	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
<b>Chief Executive</b>				
<b>Cllr A. Bowles (A. Kara)</b>				
Chief Executive	216,950	238,750	241,060	240,930
Climate Change	25,010	27,050	27,580	27,540
Corporate Costs	18,330	24,750	24,750	24,750
Policy & Performance	160,260	183,730	186,280	185,930
<b>NET DIRECT EXPENDITURE</b>	<b>420,550</b>	<b>474,280</b>	<b>479,670</b>	<b>479,150</b>
<b>Economy &amp; Community Services</b>				
<b>Cllrs A. Horton, D. Simmons, M. Cosgrove, A Bowles, D Dewar-Walley and K. Pugh (C. Hudson)</b>				
Animal Welfare	(7,520)	(8,000)	(8,000)	(8,000)
Arts Events & Activities	38,360	25,000	32,800	25,000
Closed Circuit Television (CCTV)	278,290	254,250	254,250	254,280
Communities & Economic Development Staffing	381,850	328,590	411,650	328,350
Community Halls/Centres	68,490	45,930	45,930	45,930
Community Safety	207,020	226,890	226,700	247,400
Community Services Grants/ Support	261,900	229,730	229,730	229,730
Dog Warden Service	42,950	50,180	50,550	70,470
Environmental Anti Litter/ Graffiti Response	(8,390)	(1,100)	(1,100)	(4,100)
Environmental Response Staffing	427,890	440,310	444,670	443,840
Heritage	10,000	10,000	10,000	10,000
Learning & Skills	49,300	68,390	79,160	98,230
Local Heritage Centres	6,240	4,880	4,880	4,880
Members' Grants	118,630	59,000	65,800	59,000

## REVENUE BUDGET BY SERVICE

	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
Markets	(28,590)	(13,850)	(13,850)	(13,850)
Pest Control	(5,270)	(2,000)	(2,000)	(2,000)
Regeneration	48,860	0	15,830	0
Sittingbourne Town Centre Development	56,340	29,000	29,000	29,000
Sports Development	99,420	94,460	95,600	93,640
Tourism	126,540	123,750	124,700	124,550
Unauthorised Encampments	0	3,150	3,150	3,150
Youth	850	5,430	5,430	5,430
<b>NET DIRECT EXPENDITURE</b>	<b>2,173,160</b>	<b>1,973,990</b>	<b>2,104,880</b>	<b>2,044,930</b>
<b>Communications</b>				
<b>Cllr A. Bowles (E. Wiggins)</b>				
Advertising	27,600	26,080	26,080	26,080
Communications	204,950	232,460	248,090	234,400
<b>NET DIRECT EXPENDITURE</b>	<b>232,550</b>	<b>258,540</b>	<b>274,170</b>	<b>260,480</b>
<b>Resident Services</b>				
<b>Cllr K. Pugh, Cllr D. Dewar-Whalley (A. Christou)</b>				
Benefits	(687,650)	(262,780)	(292,830)	(262,780)
Benefit Administration	455,490	205,900	233,450	97,860
Council Tax and Business Rates Collection	108,070	150,350	165,730	112,370
Housing Advice/ Homelessness	710,980	666,380	686,110	835,190
Housing Development Strategy and Health	198,740	241,960	234,820	232,510
Private Sector Housing	278,710	298,880	293,170	277,560
Stay Put Scheme Grants	(2,310)	(23,200)	(21,780)	(22,170)
<b>NET DIRECT EXPENDITURE</b>	<b>1,062,030</b>	<b>1,277,490</b>	<b>1,298,670</b>	<b>1,270,540</b>

## REVENUE BUDGET BY SERVICE

	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
<b>Planning</b>				
<b>Cllr G. Lewin (J. Freeman)</b>				
Building Control	78,990	81,450	81,440	79,440
Local Land Charges	(257,640)	(147,670)	(160,270)	(175,940)
Local Planning & Conservation	284,920	196,640	196,640	196,640
Mid Kent Planning Support	235,620	250,580	263,180	191,770
Planning Applications and Fees	(618,260)	(623,780)	(632,820)	(633,020)
Planning Staffing	1,390,530	1,164,010	1,308,770	1,190,240
<b>NET DIRECT EXPENDITURE</b>	<b>1,114,160</b>	<b>921,230</b>	<b>1,056,940</b>	<b>849,130</b>
<b>Legal</b>				
<b>Cllr D. Dewar-Whalley (E. Culligan)</b>				
External Legal Fees	55,530	34,930	34,930	34,930
Mid Kent Legal Services	341,360	375,000	389,370	391,270
S106 Income	(38,980)	(28,660)	(28,660)	(50,060)
<b>NET DIRECT EXPENDITURE</b>	<b>357,910</b>	<b>381,270</b>	<b>395,640</b>	<b>376,140</b>
<b>Commissioning &amp; Customer Contact</b>				
<b>Cllrs A. Horton, D. Simmons (D. Thomas)</b>				
Allotments	2,300	2,360	2,360	2,360
Cemeteries & Closed Churchyards	(65,460)	(22,760)	(22,760)	(20,760)
Client & Amenity Services Staffing	208,040	311,710	312,350	311,820
Coast Protection	(12,810)	(13,470)	(13,470)	(13,470)
Contracts and Procurement	332,940	342,590	346,180	345,580
Countryside & Country Parks	77,130	97,530	117,550	114,990
Customer Service Centre – Sheerness Gateway	17,650	62,990	63,010	62,990
Customer Service Centre Staffing	462,320	463,320	469,500	468,220

## REVENUE BUDGET BY SERVICE

	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
Grounds Maintenance	1,133,050	1,262,550	1,240,710	1,275,090
Harbour & Quays	2,270	(2,930)	(2,930)	(930)
Head of Commissioning & Support	109,590	96,490	98,520	98,440
Highways	6,840	11,900	36,740	11,900
Leisure & Sports Centres	370,770	469,130	519,130	478,150
Parking Management	(1,491,970)	(1,311,220)	(1,310,190)	(1,432,720)
Parking Staffing	130,730	152,590	153,580	153,260
Parks & Open Spaces	48,150	82,130	12,160	82,130
Procurement & Commissioning	3,340	10,000	10,000	8,000
Public Conveniences	310,720	314,710	317,030	322,030
Recycling & Waste Minimisation	(633,980)	(663,400)	(663,400)	(680,900)
Refuse Collection	2,399,690	2,417,210	2,523,470	2,443,210
Seafront	184,240	183,120	185,210	184,870
Sports Pitches & Pavilions	(1,320)	(11,350)	(11,350)	(11,350)
Street Cleansing	835,130	879,120	879,120	900,920
Technical Services Staffing	123,840	150,490	152,150	151,940
Transformation Project	0	0	86,610	0
<b>NET DIRECT EXPENDITURE</b>	<b>4,553,200</b>	<b>5,284,810</b>	<b>5,501,280</b>	<b>5,255,770</b>
<b>Information Technology</b>				
<b>Cllr D. Dewar-Whalley (A. Cole)</b>				
Administrative Buildings - Telephones	60,210	65,630	65,630	65,630
IT Maintenance & Equipment	687,660	559,150	560,610	569,730
Mid Kent Information Technology	434,260	456,720	464,300	470,730
<b>NET DIRECT EXPENDITURE</b>	<b>1,182,130</b>	<b>1,081,500</b>	<b>1,090,540</b>	<b>1,106,090</b>

## REVENUE BUDGET BY SERVICE

	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
<b>Property</b>				
<b>Cllr D. Dewar-Whalley (A. Adams)</b>				
Administrative Buildings	208,920	225,800	225,800	220,800
Buildings Maintenance	158,690	237,500	317,500	237,500
Health & Safety	930	4,580	12,580	2,580
Property Services Staffing	503,390	547,230	580,770	542,490
Property Management	(567,200)	(445,650)	(335,650)	(433,570)
<b>NET DIRECT EXPENDITURE</b>	<b>304,730</b>	<b>569,460</b>	<b>801,000</b>	<b>569,800</b>
<b>Finance</b>				
<b>Cllr D. Dewar-Whalley (N. Vickers)</b>				
Financial Services	650,420	648,570	666,320	659,670
Insurance	350,880	350,160	350,160	356,560
Interest on Balances & Payable	(155,520)	(20,430)	(20,430)	(35,340)
Lower Medway Internal Drainage Board	326,660	326,840	326,840	782,840
Parish Councils (Footway Lighting)	41,680	46,170	41,680	41,680
Sale of Council House Mortgages	2,260	4,980	4,980	4,980
Treasury Management & Bank Charges	40,240	35,590	35,590	36,590
<b>NET DIRECT EXPENDITURE</b>	<b>1,256,620</b>	<b>1,391,880</b>	<b>1,405,140</b>	<b>1,846,980</b>
<b>Democratic Services</b>				
<b>Cllr A. Bowles (K. Bescoby)</b>				
Democratic Process	583,520	585,540	588,000	628,530
Elections & Electoral Registration	340,330	325,370	340,320	327,810
<b>NET DIRECT EXPENDITURE</b>	<b>923,850</b>	<b>910,910</b>	<b>928,320</b>	<b>956,340</b>



## REVENUE BUDGET BY SERVICE

	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
<b>Director of Corporate Services &amp; Director of Regeneration</b>				
<b>Cllr D. Dewar-Whalley (M. Radford &amp; E. Wiggins)</b>				
Corporate Costs Inc. External Audit Fee	55,060	62,890	62,890	62,890
Emergency Planning	65,430	66,440	79,510	78,850
Licences	(107,860)	(55,140)	(22,490)	(53,250)
Strategic Directors	279,860	285,800	280,330	280,030
<b>NET DIRECT EXPENDITURE</b>	<b>292,490</b>	<b>359,990</b>	<b>400,240</b>	<b>368,520</b>
<b>Environmental Health</b>				
<b>Cllr D. Simmons (T. Beattie)</b>				
Environmental Services Staffing	419,530	462,430	486,890	479,390
Food Safety	14,350	17,500	17,500	25,000
Noise Control	900	2,360	2,360	2,360
Pollution Control	13,260	19,250	8,490	(1,510)
Public Health Burials	3,150	1,820	1,820	1,820
Public Health	(3,870)	(1,270)	(1,270)	(1,270)
<b>NET DIRECT EXPENDITURE</b>	<b>447,320</b>	<b>502,090</b>	<b>515,790</b>	<b>505,790</b>
<b>Human Resources</b>				
<b>Cllr D. Dewar-Whalley (D. Smart)</b>				
Mid Kent Human Resources	259,540	236,580	243,940	255,570
Salaries Overheads	91,140	105,430	127,210	105,430
<b>NET DIRECT EXPENDITURE</b>	<b>350,680</b>	<b>342,010</b>	<b>371,150</b>	<b>361,000</b>
<b>Audit</b>				
<b>Cllr D. Dewar-Whalley (R. Clarke)</b>				
Audit Shared Services	140,260	156,990	156,990	156,990
<b>NET DIRECT EXPENDITURE</b>	<b>140,260</b>	<b>156,990</b>	<b>156,990</b>	<b>156,990</b>

Please note that the budgeted pay award for 2017/18 has not yet been allocated to services.

## RESERVES 2017/18

Note: This shows the Base position, but in-year expenditure will only be reflected in the Council's financial accounts

Description	Balance as at 31/03/16 £'000	Forecast Contributions to / from Reserves 2016/17 £'000	Balance as at 31/03/17 £'000	Forecast Contributions to / from Reserves 2017/18 £'000	Balance as at 31/03/18 £'000
General Reserve	(3,088)	230	(2,858)		(2,858)
Performance Fund	(537)		(537)		(537)
Transformation Fund	(212)		(212)		(212)
Regeneration Fund	(362)	(522)	(884)		(884)
Swale Local Loan Fund	(250)		(250)		(250)
Building Maintenance Fund	(818)		(818)		(818)
Housing Reserves	(198)		(198)		(198)
Repairs and Renewals Funds	(289)	(90)	(379)	(90)	(469)
Local Development Framework Fund	(70)		(70)		(70)
Stay Put Grants Reserve	(152)		(152)		(152)
Revenues Main Reserve	(277)		(277)		(277)
Business Rates Volatility Reserve	(2,649)	1,348	(1,301)	(724)	(2,025)
Preceptors Council Tax Support Reserve	(250)	66	(184)	66	(118)
Commuted Sums	(259)		(259)		(259)
Other Reserves	(1,643)	(79)	(1,722)	21	(1,701)
<b>Total Earmarked Reserves</b>	<b>(11,054)</b>	<b>953</b>	<b>(10,101)</b>	<b>(727)</b>	<b>(10,828)</b>
<b>Usable Capital Receipts Reserve</b>	<b>(1,127)</b>		<b>(1,127)</b>		<b>(1,127)</b>
<b>Capital Grants Unapplied Account</b>	<b>(312)</b>		<b>(312)</b>		<b>(312)</b>
<b>General Fund</b>	<b>(5,365)</b>	<b>1,377</b>	<b>(3,988)</b>	<b>336</b>	<b>(3,652)</b>
<b>Total Usable Reserves</b>	<b>(17,858)</b>	<b>2,330</b>	<b>(15,528)</b>	<b>(391)</b>	<b>(15,919)</b>

## CAPITAL PROGRAMME 2017/18 – 2018/19

	Funding SBC / Partnership	2016/17 Original Budget £	2016/17 Revised Budget £	2017/18 Original Budget £	2018/19 Original Budget £	Budget Later Years £
<b><u>Commissioning &amp; Customer Contact - D.Thomas</u></b>						
Cemeteries - future burial provision - Capital Receipts	SBC	0	22,000	0	0	0
Cemeteries – Bell Road - Reserves	SBC	0	41,000	0	0	0
Sheppey Leisure Centre – Exercise Studio Floor – Reserves	SBC	0	35,000	0	0	0
Milton Creek Footpath & Viewing platform - Capital Receipts	SBC	0	16,200	0	0	0
Newington Car Park Wall – Capital Receipts	SBC	0	125,000	0	0	0
Beach Huts, Leysdown – Capital Receipts	SBC	0	60,000	0	0	0
Resurfacing Promenade, The Leas – Capital Grant	P	0	306,000	0	0	0
Whistle Hill Community Woodland - Trim Trail - S106	P	0	35,000	0	0	0
New Play Area - Iwade Schemes - S106	P	0	92,200	0	0	0
Borden Playstool Playground Equipment – S106	P	0	13,100	0	0	0
Car Park Machines – Reserves	SBC	15,000	45,000	0	0	0
Car Park Information Boards – Reserves	SBC	0	40,000	0	0	0
Milton Creek Access Road – Reserves	SBC	0	40,000	0	0	0
Bridge Deck Replacement at Bartons Point – Reserves	SBC	0	14,000	0	0	0
Modular Toilet Kiosks – Reserves	SBC	0	30,000	0	0	0
Oare Gunpowder Works - S106	P	0	9,000	0	0	0
<b>Total Commissioning &amp; Customer Contact</b>		<b>15,000</b>	<b>923,500</b>	<b>0</b>	<b>0</b>	<b>0</b>

## CAPITAL PROGRAMME 2017/18 – 2018/19

	Funding SBC / Partnership	2016/17 Original Budget £	2016/17 Revised Budget £	2017/18 Original Budget £	2018/19 Original Budget £	Budget Later Years £
<b><u>Corporate Services – M. Radford</u></b>						
Uniform Licensing Implementation – Capital Receipts	SBC	0	17,000	0	0	0
<b>Total Corporate Services</b>		<b>0</b>	<b>17,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Economy &amp; Community Services – C. Hudson</u></b>						
CCTV – Reserves - Repairs & Renewals	SBC	15,000	15,000	15,000	15,000	15,000
The Mill Project, Sittingbourne Skate Park - Capital Receipts	SBC	200,000	200,000	0	0	0
Faversham Creek Basin Regeneration Project (Swing Bridge) Capital Receipts	SBC	200,000	200,000	0	0	0
Faversham Pools refurbishment - Capital Receipts	SBC	150,000	150,000	0	0	0
The Meads Community Centre - Reserves – Regen Fund	SBC	0	11,100	0	0	0
The Meads Community Centre - S106	P	0	6,800	0	0	0
Easthall Farm Community Centre - S106	P	964,000	964,000	0	0	0
Kemsley Community Facilities - S106	P	0	4,900	0	0	0
<b>Total Economy &amp; Community Services</b>		<b>1,529,000</b>	<b>1,551,800</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>
<b><u>Environmental Health - T. Beattie</u></b>						
Replacement of Air Quality Stations - Capital Receipts	SBC	55,000	55,000	35,000	0	0
<b>Total Environmental Health</b>		<b>55,000</b>	<b>55,000</b>	<b>35,000</b>	<b>0</b>	<b>0</b>

## CAPITAL PROGRAMME 2017/18 – 2018/19

	Funding SBC / Partnership	2016/17 Original Budget £	2016/17 Revised Budget £	2017/18 Original Budget £	2018/19 Original Budget £	Budget Later Years £
<b><u>Finance - N. Vickers</u></b>						
Income Management System - Replacement - Capital Receipts	SBC	0	2,500	0	0	0
<b>Total Finance</b>		<b>0</b>	<b>2,500</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Housing - A. Christou</u></b>						
Disabled Facilities Grants - External Grant	P	1,140,000	1,943,100	1,664,800	1,664,800	1,664,800
Disabled Facilities Grants – Reserves	SBC	0	92,100	0	0	0
<b>Total Housing</b>		<b>1,140,000</b>	<b>2,035,200</b>	<b>1,664,800</b>	<b>1,664,800</b>	<b>1,664,800</b>
Total Capital Programme Funded by SBC	SBC	<b>635,000</b>	<b>1,210,900</b>	<b>50,000</b>	<b>15,000</b>	<b>15,000</b>
Total Capital Programme Funded by Partners	P	<b>2,104,000</b>	<b>3,374,100</b>	<b>1,664,800</b>	<b>1,664,800</b>	<b>1,664,800</b>
<b>Total Capital Programme</b>		<b>2,739,000</b>	<b>4,585,000</b>	<b>1,714,800</b>	<b>1,679,800</b>	<b>1,679,800</b>

**CAPITAL PROGRAMME 2017/18 – 2018/19**

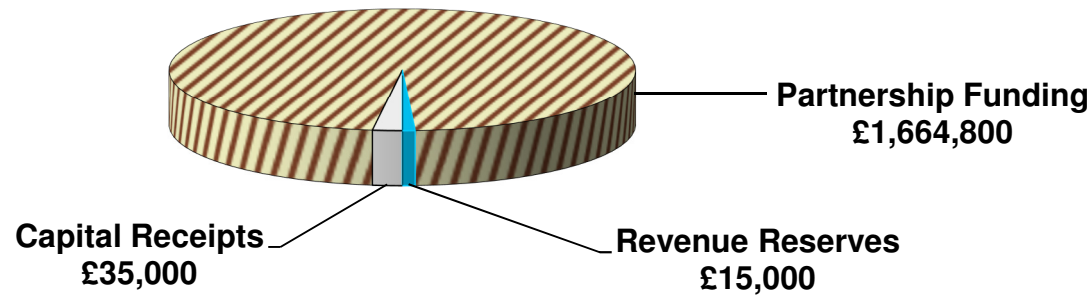
	2016/17 Original Budget £	2016/17 Revised Budget £	2017/18 Original Budget £	2018/19 Original Budget £	Budget Later Years £
<b>Total Capital Expenditure</b>	<b>2,739,000</b>	<b>4,585,000</b>	<b>1,714,800</b>	<b>1,679,800</b>	<b>1,679,800</b>
<b>Funding Analysis</b>					
<b>Partnership Funding</b>	<b>2,104,000</b>	<b>3,374,100</b>	<b>1,664,800</b>	<b>1,664,800</b>	<b>1,664,800</b>
<b>Revenue Contributions</b>					
<b>(a) Repairs &amp; Renewals Reserves</b>					
- CCTV	15,000	15,000	15,000	15,000	15,000
<b>(b) General Reserve</b>					
- Disabled Facilities Grant	0	92,100	0	0	0
- Cemeteries – Bell Road	0	20,500	0	0	0
- Car Park Information Boards	0	40,000	0	0	0
- Milton Creek Access Road	0	40,000	0	0	0
- Bridge Deck Replacement at Bartons Point	0	14,000	0	0	0
- Modular Toilet Kiosks	0	30,000	0	0	0
- Car Park Machines	15,000	45,000	0	0	0
<b>Sub total</b>	<b>15,000</b>	<b>281,600</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(c) Regeneration Fund</b>					
- The Meads Community Centre	0	11,100	0	0	0
<b>(d) Building Maintenance Fund</b>					
- Cemeteries – Bell Road	0	20,500	0	0	0
- Exercise Floor at Sheppey Leisure Centre	0	35,000	0	0	0
<b>Sub total</b>	<b>0</b>	<b>55,500</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(e) Performance Fund</b>					
- Uniform Licensing Implementation	0	17,000	0	0	0
<b>Total Revenue Contributions</b>	<b>30,000</b>	<b>380,200</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>

## CAPITAL PROGRAMME 2017/18 – 2018/19

	2016/17 Original Budget £	2016/17 Revised Budget £	2017/18 Original Budget £	2018/19 Original Budget £	Budget Later Years £
<b>Capital Receipts:-</b>					
- The Mill Project, Sittingbourne Skate Park	200,000	200,000	0	0	0
- Faversham Creek Basin Regeneration Project (Swing Bridge)	200,000	200,000	0	0	0
- Faversham Pools Refurbishment	150,000	150,000	0	0	0
- Newington Car Park Wall – Capital Receipts	0	125,000	0	0	0
- Beach Huts Leysdown – Capital Receipts	0	60,000	0	0	0
- Milton Creek Footpath and Viewing Platform	0	16,200	0	0	0
- Cemeteries - Future Burial Provision	0	22,000	0	0	0
- Income Management System	0	2,500	0	0	0
- Replacement of Air Quality Stations	55,000	55,000	35,000	0	0
<b>Total Capital Receipts</b>	<b>605,000</b>	<b>830,700</b>	<b>35,000</b>	<b>0</b>	<b>0</b>
<b>Total Funds Utilised</b>	<b>2,739,000</b>	<b>4,585,000</b>	<b>1,714,800</b>	<b>1,679,800</b>	<b>1,679,800</b>

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How we are intending to fund our 2017/18 Capital Programme:









## Contacting Swale Borough Council

The Customer Service Centre deals with all enquiries across the Council; it should be your first stop when contacting us.

Copies of this Revenue Budget and Capital Programme are available on the council website [www.swale.gov.uk](http://www.swale.gov.uk).

If you would like further hard copies or alternative versions (i.e. large print, audio, different language) we will do our best to accommodate your request. Please contact the council at:

Swale Borough Council  
Swale House, East Street  
Sittingbourne  
Kent, ME10 3HT

**Customer Service Centre** ☎ **01795 417850**

<b>Council</b>	<b>Agenda Item: X</b>
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<b>Meeting Date</b>	15 February 2017
<b>Report Title</b>	Treasury Management Strategy 2017/18
<b>Cabinet Member</b>	Cllr. Duncan Dewar-Whalley, Cabinet Member for Finance & Performance
<b>SMT Lead</b>	Nick Vickers, Head of Finance
<b>Head of Service</b>	Nick Vickers, Head of Finance
<b>Lead Officer</b>	Olga Cole, Management Accountant
<b>Key Decision</b>	Yes
<b>Classification</b>	Open
<b>Forward Plan</b>	Reference number:

<b>Recommendations</b>	1. To approve the Treasury Strategy 2017/18 and the Prudential and Treasury Management Indicators.
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## 1. Purpose of Report and Executive Summary

- 1.1 The Chartered Institute of Public Finance and Accountancy’s Code of Practice for Treasury Management in Public Services and the Prudential Code require the Council to approve a Treasury Strategy and Prudential Indicators before the start of each financial year.
- 1.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) has defined Treasury Management as: “The management of the organisation’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.
- 1.3 In addition, the Department for Communities and Local Government (DCLG) issued revised Guidance on Local Authority Investments in March 2010 that requires the Authority to approve an investment strategy before the start of each financial year.
- 1.4 This report sets out and seeks approval of the proposed Treasury Management Strategy and Prudential and Treasury Management Indicators for 2017/18. It was agreed by Cabinet on 1 February 2017.
- 1.5 This report fulfils the Authority’s legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the DCLG Guidance. Should the assumptions upon which this report is based change significantly, then a revised Treasury Strategy will be submitted for approval.

## 2. Background

### Interest rate Forecast and Market Outlook

- 2.1 The Council's treasury adviser Arlingclose's central case is for UK Bank Rate to remain at 0.25% during 2017/18. A more detailed economic and interest rate forecast provided by Arlingclose is attached at Appendix I. Given this view and the current inflation outlook, further falls in the Bank Rate look less likely. Negative Bank Rate cannot be entirely ruled out in the medium term. Gilt yields have risen sharply, but remain at low levels. The Arlingclose central case is for yields to decline when the Government triggers Article 50.
- 2.2 Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the European Union, Switzerland and USA, while Australia and Canada are progressing with their own plans. The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Authority; returns from cash deposits however continue to fall.

### Borrowing Strategy

- 2.3 The Council is currently debt free. In March 2016 Council agreed to a borrowing facility of up to £30m subject to individual business case and in November and December Cabinet agreed an outline business case for borrowing up to £28m for Sittingbourne Town Centre regeneration. This all remains subject to due diligence. In the budget report agreement is sought to extending the borrowing facility to £60m, again subject to business cases to Cabinet. The Prudential Indicators have been prepared on the basis of this higher borrowing figure.
- 2.4 The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead of borrowing at fixed rates for long periods. The Council may arrange forward starting loans during 2017/18, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period. In addition, the Council may borrow short-term loans to cover unplanned cash flow shortages.
- 2.5 The approved sources of long-term and short-term borrowing are:
  - Public Works Loan Board (PWLB) and any successor body;
  - any institution approved for investments;
  - any other bank or building society authorised to operate in the UK;
  - UK public and private sector pension funds (except the Kent Pension Fund);
  - capital market bond investors.

## Investment Strategy

- 2.6 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £26.3 and £50 million with an average of £37m. Given the plans for the Sittingbourne Town Centre project there will need to be very careful management of the cash flow implications, balancing the need for liquidity with deferring borrowing costs as much as possible.
- 2.7 In considering investing in assets there are two overriding principles to be applied:
- Minimising the cost to the revenue budget - given the continued reductions in local government financing there is no scope within the revenue budget to meet debt charge costs. If the Council incurred debt charge costs then, unless the investment generated sufficient income to cover these costs, the Council effectively would have to reduce services to fund the costs. In the case of the Sittingbourne Town Centre investment all the capital financing costs will be wholly funded from rental income; and
  - Strategic impact - if the Council is going to invest in property it needs to support wider Council objectives around regeneration of the borough and creating new employment. This means there needs to be additionality in-terms of the wider economic benefits eg higher business rates.
- 2.8 The Council uses a cash flow forecast to determine the maximum period for which funds may prudently be committed and which aims to minimise the risk of borrowing on unfavourable terms to meet its financial commitments.
- 2.9 Both the CIPFA Code and the CLG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield.
- 2.10 If the UK enters into a recession in 2017/18, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in some European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.
- 2.11 The Council has had a risk averse investment strategy focussing on deposits with major financial institutions and Money Market Funds. The main diversification has been an investment of £3m in the CCLA Property Fund.
- 2.12 The Council could make use of the following asset classes:

Government	Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
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Banks Unsecured	Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.
Banks Secured	Covered bonds and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.
Corporates	Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.
Registered Providers	Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain the likelihood of receiving government support if needed.
Pooled Funds	Shares in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

- 2.13 Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.
- 2.14 Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
  - any existing investments that can be recalled or sold at no cost will be, and
  - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
- 2.15 Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as “rating watch negative” or “credit watch negative”) so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.
- 2.16 The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.
- 2.17 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.
- 2.18 The CLG Guidance defines specified investments as those:
- denominated in pound sterling,
  - due to be repaid within 12 months of arrangement,
  - not defined as capital expenditure by legislation, and
  - invested with one of:
    - the UK Government,
    - a UK local authority, parish council or community council, or
    - a body or investment scheme of “high credit quality”.
- 2.19 The Council defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds “high credit quality” is defined as those having a credit rating of A- or higher.

2.20 Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality.

### 3. Proposal

3.1 Very limited changes to the current counter parties are proposed for 2017/18. The most important areas to highlight are:

- With returns on unsecured bank deposits continuing to reduce the Council will consider the use of some well established Cash Plus and Short Dated Bond Funds.
- Multi Asset Income Funds which typically target a return of around 5% and focus on a diversified range of assets primarily focussed on an income return rather than capital growth.

3.2 The Council may invest its surplus funds with any of the counterparty types in the table below, subject to the cash limits (per counterparty) and the time limits shown.

Debt Management Office (Debt Management Account Deposit Facility) and Treasury Bills	Unlimited
Major UK banks / building societies. (Barclays, HSBC, Lloyds Banking Group, RBS Group, Santander UK, Nationwide, Standard Chartered) unsecured deposits	£3m
Svenska Handelsbanken unsecured deposits	£3m
Leeds Building Society unsecured deposits	£1.5m
Close Brothers unsecured deposits	£1.5m
Major overseas banks unsecured deposits (to be determined based upon Arlingclose advice) Netherlands: Bank Nederlande Gemeeten, Rabobank Singapore: OCBC, UOB, DBS Sweden: Nordea Bank Denmark: Danske Bank USA: JP Morgan Chase Australia: Australian and New Zealand Banking Group, Commonwealth Bank of Australia, National Australian Bank Ltd, Westpac Banking Corp Canada: Bank of Montreal, Bank of Nova Scotia, Canadian Imperial Bank of Commerce, Royal Bank of Canada, Toronto Dominion Bank	£1.5m limit per bank, £3m country limit



Short Term Money Market Funds	£3m each
Cash Plus Funds and Short Dated Bond Funds	£3m each
Multi Asset Income Funds	£3m each
CCLA LAMIT Local Authority Property Fund	£3m
Supranational Bonds	£3m in aggregate
Corporate Bond Funds and Corporate Bonds	£3m in aggregate
Covered Bonds	£9m in aggregate with £3m limit per bank
Absolute return funds	£3m in aggregate
Equity income funds	£3m in aggregate

- 3.3 Currently the maximum duration for unsecured term deposits is 13 months. The Head of Finance in consultation with the Cabinet Member for Finance and Performance may consider longer duration depending on market conditions. For bonds the maximum duration will be five years including, where applicable, the 5-year benchmark bond which may at the point of issue have a maturity a few months in excess of five years.

#### **Treasury Adviser**

- 3.4 The Council has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues. Officers meet with Arlingclose on a quarterly basis, receive information daily and attend relevant training courses.

### **4. Alternative Options**

- 4.1 The strategy is intended to give flexibility with regard to borrowing and investment options.

### **5. Consultation Undertaken or Proposed**

- 5.1 Consultation has been taken with Arlingclose.

### **6. Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	Good management of the Council's cash balances assists the overall financial position of the Council and this helps meet its objective to be a Council to be proud of.
Financial, Resource and Property	The budget for investment income in 2017/18 is £110,000, based on an average investment portfolio of £33 million at an interest rate of 0.33%.

<b>Issue</b>	<b>Implications</b>
Legal and Statutory	DCLG and CIPFA requirements complied with.
Crime and Disorder	Not applicable
Sustainability	Not applicable
Health and Wellbeing	Not applicable
Risk Management and Health and Safety	Risk is controlled through adherence to specific guidance included in CIPFA's Treasury Management Code of Practice and Cross-Sectoral Guidance Notes. The principle of security of funds over-rides investment performance considerations.
Equality and Diversity	Not applicable

## **7. Appendices**

7.1 The following appendices are published with this report and form part of the report.

- Appendix I Arlingclose interest rate forecast
- Appendix II Prudential and Treasury Management Indicators

## **8. Background Papers**

None

## ArlingClose Interest Rate Forecast November 2016

## Forecast:

- Globally, the outlook is uncertain and risks remain weighted to the downside. The UK domestic outlook is uncertain, but likely to be weaker in the short term than previously expected.
- The likely path for Bank Rate is weighted to the downside. The Arlingclose central case is for Bank Rate to remain at 0.25%, but there is a 25% possibility of a drop to close to zero, with a very small chance of a reduction below zero.
- Gilt yields have risen sharply, but remain at low levels. The Arlingclose central case is for yields to decline when the government triggers Article 50.

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Average
<b>Official Bank Rate</b>														
Upside risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.12
<b>Arlingclose Central Case</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>
Downside risk	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.40
<b>3-month LIBID rate</b>														
Upside risk	0.05	0.05	0.10	0.10	0.10	0.15	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.18
<b>Arlingclose Central Case</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.29</b>
Downside risk	0.20	0.25	0.25	0.25	0.30	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.34
<b>1-yr LIBID rate</b>														
Upside risk	0.10	0.10	0.15	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.23
<b>Arlingclose Central Case</b>	<b>0.60</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.60</b>	<b>0.70</b>	<b>0.85</b>	<b>0.90</b>	<b>0.90</b>	<b>0.90</b>	<b>0.65</b>
Downside risk	0.10	0.15	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.24
<b>5-yr gilt yield</b>														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
<b>Arlingclose Central Case</b>	<b>0.50</b>	<b>0.40</b>	<b>0.35</b>	<b>0.35</b>	<b>0.35</b>	<b>0.40</b>	<b>0.40</b>	<b>0.40</b>	<b>0.45</b>	<b>0.50</b>	<b>0.55</b>	<b>0.60</b>	<b>0.65</b>	<b>0.45</b>
Downside risk	0.30	0.45	0.45	0.45	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.47
<b>10-yr gilt yield</b>														
Upside risk	0.30	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
<b>Arlingclose Central Case</b>	<b>1.15</b>	<b>0.95</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.90</b>	<b>0.95</b>	<b>1.00</b>	<b>1.05</b>	<b>1.10</b>	<b>1.15</b>	<b>0.96</b>
Downside risk	0.30	0.45	0.45	0.45	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.47
<b>20-yr gilt yield</b>														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
<b>Arlingclose Central Case</b>	<b>1.70</b>	<b>1.50</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.45</b>	<b>1.50</b>	<b>1.55</b>	<b>1.60</b>	<b>1.65</b>	<b>1.70</b>	<b>1.75</b>
Downside risk	0.40	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.57
<b>50-yr gilt yield</b>														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
<b>Arlingclose Central Case</b>	<b>1.60</b>	<b>1.40</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.35</b>	<b>1.40</b>	<b>1.45</b>	<b>1.50</b>	<b>1.55</b>	<b>1.60</b>	<b>1.41</b>
Downside risk	0.40	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.57

## Prudential and Treasury Management Indicators

### Background

There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

#### 1. Gross Debt and the Capital Financing Requirement (CFR)

This is a key indicator of prudence. In order to ensure that over the medium term net debt will only be for a capital purpose, the local authority should ensure that the net debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional increases to the capital financing requirement for the current and next two financial years.

<b>Gross Debt and the Capital Financing Requirement</b>	<b>2016/17 Revised £'000</b>	<b>2017/18 Estimate £'000</b>	<b>2018/19 Estimate £'000</b>	<b>2019/20 Estimate £'000</b>
Gross CFR	4,488	60,363	58,908	57,533
Less: Other Long Term Liabilities	(382)	(181)	(24)	(3)
<b>Borrowing CFR</b>	<b>4,106</b>	<b>60,182</b>	<b>58,884</b>	<b>57,530</b>
Less: External Borrowing	0	(56,206)	(55,059)	(53,912)
<b>Cumulative Maximum External Borrowing Requirement</b>	<b>4,106</b>	<b>3,976</b>	<b>3,825</b>	<b>3,618</b>

#### 2. Estimates of Capital Expenditure

This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax. (See Capital Programme in 2017/18 Budget Report)

<b>Capital Expenditure and Financing</b>	<b>2016/17 Revised £'000</b>	<b>2017/18 Estimate £'000</b>	<b>2018/19 Estimate £'000</b>	<b>2019/20 Estimate £'000</b>
<b>Total Expenditure</b>	<b>4,585</b>	<b>1,715</b>	<b>1,680</b>	<b>1,680</b>
Capital receipts	831	35	0	0
Grants	3,374	1,665	1,665	1,665
Revenue contributions	380	15	15	15
<b>Total Financing</b>	<b>4,585</b>	<b>1,715</b>	<b>1,680</b>	<b>1,680</b>

## Prudential and Treasury Management Indicators

### 3. Ratio of Financing Costs to Net Revenue Stream

This is an indicator of affordability, highlighting the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>2016/17 Revised</b>	<b>2017/18 Estimate</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>Total</b>	<b>1.51</b>	<b>12.13</b>	<b>15.29</b>	<b>14.72</b>

### 4. Incremental Impact of Capital Investment Decision

This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax levels. The incremental impact on Council Tax is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement from the capital programme proposed.

<b>Incremental Impact of Capital Investment Decisions</b>	<b>2017/18 Estimate</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Increase/(Decrease) in Band D Council tax	50.50	59.81	47.75

### 5. Estimates of Capital Financing Requirement

The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose.

<b>Capital Financing Requirement</b>	<b>2016/17 Revised</b>	<b>2017/18 Estimate</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Total CFR</b>	4,488	60,363	58,908	57,533

### 6. Authorised Limit for External Debt

The Authorised Limit sets the maximum level of external borrowing on a gross basis (i.e., not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e., long and short-term borrowing, overdrawn bank balances and long-term liabilities). This Prudential Indicator separately identifies borrowing from other long-term liabilities such as finance leases. It is consistent

## Prudential and Treasury Management Indicators

with the Council's existing commitments, its proposals for capital expenditure and financing, and its approved treasury management policy statement and practices.

The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.

The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).

<b>Authorised Limit for External Debt</b>	<b>2016/17 Revised £'000</b>	<b>2017/18 Estimate £'000</b>	<b>2018/19 Estimate £'000</b>	<b>2019/20 Estimate £'000</b>
Borrowing	35,000	65,000	65,000	65,000
Other Long-term Liabilities	2,000	2,000	2,000	2,000
<b>Total</b>	<b>37,000</b>	<b>67,000</b>	<b>67,000</b>	<b>67,000</b>

### 7. Operational Boundary for External Debt

The operational boundary is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease and other liabilities that are not borrowing.

<b>Operational Boundary</b>	<b>2016/17 Revised £'000</b>	<b>2017/18 Estimate £'000</b>	<b>2018/19 Estimate £'000</b>	<b>2019/20 Estimate £'000</b>
Borrowing	30,000	60,000	60,000	60,000
Other Long-term Liabilities	382	181	24	3
<b>Total</b>	<b>30,382</b>	<b>60,151</b>	<b>60,024</b>	<b>60,003</b>

### 8. Adoption of the CIPFA Treasury Management Code

This indicator demonstrates that the Council has adopted the principles of best practice.

The Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* on 22 February 2012.

### 9. Interest Rate Exposures

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of net principal borrowed will be:

### Prudential and Treasury Management Indicators

<b>Upper Limit</b>	<b>2017/18 Estimate</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>
Interest on fixed rate borrowing	100%	100%	100%
Interest on fixed rate investments	-100%	-100%	-100%
<b>Upper Limit for Fixed Interest Rate</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
Interest on variable rate borrowing	100%	100%	100%
Interest on variable rate investments	-100%	-100%	-100%
<b>Upper Limit on Variable Interest Rate Exposure</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

#### 10. Maturity Structure of Borrowing

This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

<b>Maturity Structure of Borrowing</b>	<b>Lower Limit for 2017/18 %</b>	<b>Upper Limit for 2017/18 %</b>
Under 12 months	0	100
12 months and within 24 months	0	100
24 months and within 5 years	0	100
5 years and within 10 years	0	100
10 years and above	0	100

#### 11. Principal Sums Invested for Periods Longer than 364 days

The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	<b>2017/18 £'000</b>	<b>2018/19 £'000</b>	<b>2019/20 £'000</b>
Limit on principal invested longer than 364 days	10,000	10,000	10,000

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<b>Council Meeting</b>	<b>Agenda Item:</b>
<b>Meeting Date</b>	15 February 2017
<b>Report Title</b>	Scrutiny Review of Leisure and Tourism
<b>Cabinet Member</b>	Cllr Andrew Bowles, Leader of the Council
<b>SMT Lead</b>	Mark Radford, Acting Chief Executive
<b>Head of Service</b>	N/A
<b>Lead Officer</b>	N/A
<b>Key Decision</b>	No
<b>Classification</b>	<b>Open</b>
<b>Forward Plan</b>	<b>Reference number:</b>
<b>Recommendations</b>	1. Council is asked to note the recommendations made by Scrutiny Committee on their review of Leisure and Tourism and Cabinet's response to them.

## 1 Purpose of Report and Executive Summary

- 1.1 The purpose of this report is for Council to note the recommendations made by the Scrutiny Committee in their report on Leisure and Tourism, and Cabinet's response to those recommendations.

## 2 Background

- 2.1 The Scrutiny Committee established a Task and Finish Group (TFG) to review whether the Council was making the most of Swale's leisure and tourism offer in order to encourage people to visit the Borough.
- 2.2 The review was conducted principally through a number of meetings between the TFG and people from the local tourism sector and officers at Swale Borough Council. Members of the TFG also took the opportunity of visiting other local authorities in the South East.
- 2.3 The final report of the review was agreed by the Scrutiny Committee on 12 October 2016 and it was submitted to Cabinet on 7 December 2016. Cabinet agreed its response to the report's recommendations at its meeting on 1 February 2017.

## 3 Proposals

- 3.1 The Scrutiny Committee's recommendations and Cabinet's response to them are set out in Appendix I.

## 4 Alternative Options

4.1 None.

## 5 Consultation Undertaken or Proposed

5.1 The Scrutiny Committee's Task and Finish Group consulted widely with people and organisations from the local tourism sector in Swale, and further afield, before reaching their findings. The responses were considered through Cabinet and officer discussions.

## 6 Implications

Issue	Implications
Corporate Plan	The subject matter supports Priority Theme One: A Borough to be proud of.
Financial, Resource and Property	The report makes a number of recommendations for increasing funding to further support the promotion of tourism to Swale.
Legal and Statutory	None. Tourism activity is a discretionary service.
Crime and Disorder	None.
Sustainability	The report makes several recommendations for further promoting sustainable tourism.
Health and Wellbeing	None.
Risk Management and Health and Safety	None.
Equality and Diversity	None.

## 7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Scrutiny Committee's recommendations on leisure and tourism, together with Cabinet's response.

## **8 Background Papers**

The Scrutiny Committee's report was submitted to Cabinet on 7 December 2016:

<http://services.swale.gov.uk/meetings/documents/s6587/Item%207%20Leisure%20and%20tourism%20review%20-%20Report%20to%20Cabinet.pdf>

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## Cabinet Response to the Scrutiny Committee Recommendations

### Leisure and Tourism Review

Scrutiny Recommendations	Cabinet Response	Cabinet Member	Lead Officer
<b>(a) Promotion and marketing</b>		Cllr Mike Cosgrove	Lyn Newton
i) to commit a minimum of £25,000 to the tourism base budget to allow for substantial marketing and promotion of Swale as a tourist destination;	A Visitor Economy Strategy is currently being developed and will identify tourism priorities and make budget recommendations		
ii) to agree an objective of growing Swale tourism by 5 – 10% over the next four years;	Visitor Economy Strategy will set out target market segments in conjunction with industry		
iii) to consider as part of the future tourism plans the best forms of branding of Swale.	To be included as part of the work to be undertaken Visitor Economy Strategy		
<b>(b) Visitors and local infrastructure</b>		Cllr Mike Cosgrove	Lyn Newton
i) SBC should identify and provide sufficient coach parking in convenient locations to meet the demands of all visitors to Swale;	Internal discussions with parking team underway on this critical issue		
ii) SBC should work closely with tourist attractions to ensure the Borough has a comprehensive coverage of up to date “brown tourist signs”, including on strategic routes;	Technical help is provided to visitor attractions through Visit Swale and Visit Kent using national visitor signing guidance and will continue		
iii) provision of more local signs;	Will be reviewed as part of Visitor Economy Strategy		
iv) consideration given to whether the funding of these signs could be	Will be reviewed as part of Visitor Economy Strategy		

supported by SBC, either through a new fund, Member grants, Section 106 grants or a combination of these;			
v) SBC should make sustained efforts to influence KCC Highways and Highways England to fulfil their responsibilities to keep roads clean, and do the same with Network Rail in relation to the approaches to local stations.	Establish high level tourism stakeholder group to monitor Visitor Economy Strategy including external drivers impacting on tourism, leisure and hospitality		
<b>(c) Working with the local tourism sector:</b>		Cllr Mike Cosgrove	Lyn Newton
i) that SBC facilitates the establishment of collaborative groups preferably led by the private sector and/or voluntary sector;	This is a model that has worked well in other LA areas where Visitor Economy Strategies and/or Destination Management Plans have been developed		
ii) that SBC establishes a challenge fund of £3,000 to support new activities or events.	Will be reviewed as part of Visitor Economy Strategy		
<b>(d) Research and intelligence:</b>			
i) to conduct a full economic assessment of tourism in Swale. It is understood that this has been arranged to cover 2015 using "Destination Research". This should be repeated strictly every three years which has not recently been met;	Model has been run based on 2015 data and the Visitor Economy Strategy will contain performance measures including volume and value data ; noted requirement for performance monitoring every three years		
ii) additionally extra information should be sought from useful reports available on the tourism market;	Council is in membership of Visit Kent and British Destinations Association and has access to tourism research and data on demand. The services of these and other agencies will be used in the preparation of the Visitor Economy Strategy		
iii) to make contact with several other similar Boroughs to develop a	Districts meet twice a year through Visit Kent and		

benchmarking programme to seek the best ways of increasing the economic and cultural effects of tourism. A minimum of £2,000 pa should be set aside for research.	the matter can be considered through this Forum.		
<b>(e) Financial and other support to the sector:</b>			
i) SBC to proactively assist local tourist organisations to find and bid for grants to increase tourism;	Noted		
ii) consider the creation and promotion of a challenge fund worth around £5,000, subject to future review, which local tourism businesses could bid for;	State Aid rules may apply and a review will be undertaken to see how/if this might be best achieved		
iii) that SBC increases the availability of officer time to ensure the best possible potential achievement of all the recommendations made by the Scrutiny Committee.	Will be reviewed as part of the Visitor Economy Strategy		

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<b>Council Meeting</b>
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<b>Meeting Date</b>	15 February 2017
<b>Report Title</b>	Timetable of Meetings
<b>Cabinet Member</b>	Leader
<b>SMT Lead</b>	Acting Chief Executive
<b>Head of Service</b>	n/a
<b>Lead Officer</b>	Democratic and Electoral Services Manager
<b>Key Decision</b>	No
<b>Classification</b>	Open
<b>Forward Plan</b>	Reference number: n/a

<b>Recommendations</b>	1. That Annual Council agrees the programme of meetings set out in Appendix I to this report.
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## 1 Purpose of Report and Executive Summary

1.1 Each year the Timetable of Meetings is submitted to Annual Council to agree the programme for the next Municipal Year. To allow for future programming, the timetable is submitted to Council in February for ratification and then presented to Annual Council for noting.

## 2 Background

2.1 The Constitution requires the Council to approve a programme of meetings for the forthcoming Municipal Year.

2.2 Appendix I sets out a suggested programme of meetings (including foot notes). This is based on the previous year's programme and covers the following criteria:

- (i) Planning meetings set to meet planning targets;
- (ii) Council meetings set to ensure financial decisions are made on time;
- (iii) Cabinet meetings have been scheduled almost monthly, however not all these may be required;
- (iv) Scrutiny Committee set to meet monthly if it has business to consider;
- (v) Certain meetings meet on an 'as and when' basis and as such are not programmed into the timetable;

### **3 Proposal**

- 3.1 That Members agree the proposed programme of meetings for the ensuing municipal year.

### **4 Alternative Options**

- 4.1 Any changes to the Committee structure would lead to amendments to the timetable of meetings. Any additional meetings would have financial and human resource implications.

### **5 Consultation Undertaken or Proposed**

- 1.2 The draft timetable has previously been circulated to the Group Leaders, the Scrutiny Committee Chairman, the Policy Development and Review Committee Chairman, Management Team and Heads of Services.

### **6 Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	A Council to be proud of.
Financial, Resource and Property	The cost of servicing the Council's committees will be met within existing budgets. The establishment of any additional Committee dates would have financial and human resource implications.
Legal and Statutory	None identified at this stage.
Crime and Disorder	None identified at this stage.
Sustainability	None identified at this stage.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	None identified at this stage.
Equality and Diversity	None identified at this stage.

### **7 Appendices**

The following documents are to be published with this report and form part of the report

- Appendix I: Timetable Of Meetings

### **8 Background Papers**

None.

## Timetable of Meetings 2017/18

Meeting	Day	May 2017	June 2017	July 2017	Aug 2017	Sept 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	March 2018	April 2018	May 2018
Council	Wed	16,17	28	26		20	18	22	13	24	21	21		15,16
Cabinet	Wed	24	14	12		6	4	8	6	10 <sup>reserve</sup>	7	7		23
Cabinet Agenda Planning	Mon	8,30 <sup>Tue</sup>	26		21	18	23	20	18	29	19			8 <sup>Tue</sup>
Audit Committee	Wed		21			13		29				14		
General Licensing Committee	Thurs			6						18				
General Purposes Committee <sup>i</sup>														
Licensing Act 2003 Committee	Thurs					7						8		
Local Dev. Framework Panel <sup>ii</sup>	Thurs					21		30			8			
Planning Committee	Thurs	25	22	20	17	14	12	9	7	4	1	1,29	26	24
Policy Dev. & Review Committee	Wed		7	19		27	25	28 <sup>Tue</sup>		17	13 <sup>Tue</sup>			
Scrutiny Committee <sup>iii</sup>	Wed		8 <sup>Thu</sup>	5	30		11	15		11,25	28	22 <sup>Thu</sup>		
Standards Committee <sup>iv</sup>	Tues			18				14						
Swale Joint Transportation Board	Mon		26			11			18			19		
Member Training	Thurs	23 <sup>Tue</sup>	15	27		26 <sup>Tue</sup> or 28	5,19,26	2,23	14	9 <sup>Tue</sup>	15	13 <sup>Tue</sup>	5,12,17 <sup>Tue</sup>	
Swale Stars	Thurs		29											
Conservative Group Meeting - 7pm	Tue	9,15 <sup>Mon</sup>	13,27	11,25		5,19	3,17	7,21	5,12	2,23	6,20	6,20		14 <sup>Mon</sup>
UKIP Group Meeting - 4pm	Tue	9 or 15 <sup>Mon</sup>	27	25		19	17	21	12	23	6	6		8 or 14 <sup>Mon</sup>

There are no elections scheduled for May 2018

<sup>i</sup> None scheduled at the moment (merged with Appointments Committee, with Appointments Committee as a Sub-Committee)

<sup>ii</sup> A further LDF Panel meeting may need to be arranged in spring /summer 2017 once the Examination in Public is over and subject to receipt of the Inspector's Report on the Local Plan

<sup>iii</sup> 25 January 2018 – meeting for consideration of the budget (Cabinet Members invited to attend)

<sup>iv</sup> Hearing sub-Committees will be arranged as and when, similar to the arrangement of Licensing Sub-Committee

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