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

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".

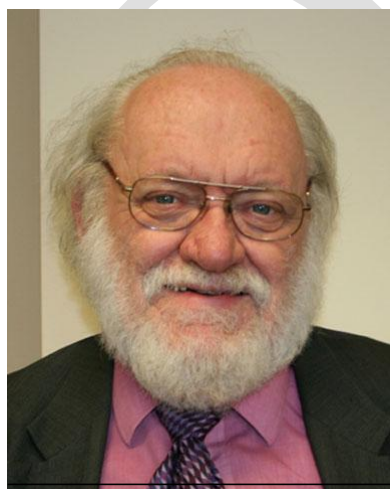
In the Local Government Finance Settlement 2016/17 the Government announced an intention to fully localise all business rates from 2019 or 2020. This is a huge change to local government finance, and poses some very significant challenges.

There is nothing new in there being uncertainty about local government finance, and our moves to self-sufficiency will remove this over time. But 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.

The Local Government Finance Settlement for 2016/17 received on 17 December 2015, 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 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.

The Chancellor of the Exchequer's Autumn Budget Statement was on 23 November. There were no major issues which will impact on the Council but we will examine the detail further for issues such as the increase in minimum wage, increases to employers National Insurance and Insurance Premium Tax and the changes to business rate relief.

The Council intends to balance the 2017/18 budget, and achieve financial self-sufficiency over the longer term. In this regard, the next few years represent a watershed for local authority financing. The approach will be based on further development of new income sources locally, continued growth in business rates from business expansion in the Borough, and transformation of services, led by an internal team which will review all the Council's services over an eighteen month period.



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
	£000	£000
Swale Budget Requirement	14,890,268	15,290,640
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)	(136,000)
Council Tax Requirement	7,030,398	7,410,530
Band D Council Tax	159.93	164.88
Tax Base	43,959.22	44,944.98

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: (to be updated in later version)

2016/17		Authority	2017/18	
Precept £	Band D Council Tax £		Precept £	Band D Council Tax £
49,829,974	1,133.55	Kent County Council		
6,688,395	152.15	Kent Police and Crime Commissioner		
3,165,064	72.00	Kent and Medway Towns Fire & Rescue Authority		
7,030,398	159.93	Swale Borough Council		
66,713,831	1,517.63	BASIC COUNCIL TAX		
1,038,628	23.63	Parish Council Precepts *		
67,752,459	1,541.26	Council Tax inc. Parish		

*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: (to be updated in later version)

Council Tax Bandings (to be updated in later version)

	Swale Borough Council	Kent Police & Crime Commissioner	Kent County Council	Kent and Medway Towns Fire and Rescue Authority	Total
	£	£	£	£	£
Band A	109.92				
Band B	128.24				
Band C	146.56				
Band D	164.88				
Band E	201.52				
Band F	238.16				
Band G	274.80				
Band H	329.76				

MEDIUM TERM FINANCIAL PLAN

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;
- 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	0	109	201	294
Other Pay Increases	0	78	125	150
Contribution to/(from) reserves	395	240	42	42
Revenue Support Grant	(2,086)	(1,238)	(707)	(113)
Business Rates	(5,682)	(6,506)	(7,040)	(7,120)
Contribution from Business Rates Reserve	0	(255)	0	0
Council Tax	(7,030)	(7,411)	(7,831)	(8,030)
New Homes Bonus	(3,482)	(3,097)	(2,273)	(2,272)
Collection Fund Surplus/Deficit C Tax	(261)	(136)	(158)	0
Savings Required	0	706	1,719	2,415
Service savings	0	(645)	(572)	(629)
Requirement for balanced position	0	(61)	(1,147)	(1,786)
Committed savings	0	(706)	(1,719)	(2,415)
Contribution (to) from General Fund	0	0	0	0

MEDIUM TERM FINANCIAL PLAN

Swale Council 10 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
Expenditure										
Net Service Expenditure c/f (based on 16/17 budget)	17,914	18,146	18,684	19,114	19,049	19,011	18,975	18,940	18,908	18,878
Net forecast cost/ (savings) (approved in previous years)	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	0	0	0	(230)	(230)	(230)	(230)	(230)	(230)	(230)
Net Service Expenditure b/f	18,146	18,684	19,114	19,049	19,011	18,975	18,940	18,908	18,878	18,851
Financing Sources										
Government Support										
Revenue Support Grant	(2,086)	(1,238)	(707)	(113)	0	0	0	0	0	0
New Homes Bonus	(3,482)	(3,097)	(2,273)	(2,272)	(2,272)	(2,272)	(2,272)	(2,272)	(2,272)	(2,272)
Council Tax	(7,030)	(7,411)	(7,831)	(8,264)	(8,583)	(8,907)	(9,238)	(9,574)	(9,915)	(10,263)
Business Rates	(5,682)	(6,506)	(7,040)	(7,120)	(7,191)	(7,263)	(7,336)	(7,409)	(7,483)	(7,558)
Collection Fund Surplus C Tax	(261)	(136)	(158)	0	0	0	0	0	0	0
Contribution to/(from) reserves	395	(235)	42	42	42	42	42	42	42	42
Sittingbourne Town Centre rental income	0	0	0	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Total Financing	(18,146)	(18,623)	(17,967)	(18,227)	(18,504)	(18,900)	(19,304)	(19,713)	(20,128)	(20,551)
Budget Gap (surplus)/ deficit	0	61	1,147	822	507	75	(364)	(805)	(1,250)	(1,700)
Cumulative Budget Gap (surplus)/ deficit	0	61	1,208	2,030	2,537	2,612	2,248	1,443	193	(1,507)

MEDIUM TERM FINANCIAL PLAN

Growth items				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
Economy & Community Services				
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
Mid Kent Improvement Partnership (MKIP) Services				
3	Essential Users Car Allowance	Cllr D. Dewar-Whalley / D. Smart	44,600	4,130
Democratic Services				
4	Members' Allowances	Cllr A. Bowles / M. Radford	397,060	38,840
Environmental Health				
5	Single Employing Proposal for the Mid Kent Environmental Health Service	Cllr D. Simmons / T. Beattie	51,160	5,800
Total Growth Items				78,060

Unavoidable Cost Pressures				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
Mid Kent ICT				
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 £
Resident Services				
2	Increase in homelessness costs	Cllr K. Pugh / A. Christou	237,600	170,000
Economy & Community Services				
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
Mid Kent Improvement Partnership (MKIP) Services				
4	Auto enrolment in the 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
Mid Kent Legal Services (MKLS)				
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
Director Of Corporate Services				
7	Duty officer charge not previously budgeted for	Cllr D. Dewar-Whalley / M. Radford	0	2,000
Finance				
8	Increase in Pension Costs	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 £
	Environmental Health			
9	Shellfish Sampling - Port of London passing on sampling costs to SBC for monthly monitoring.	Cllr D. Simmons / T. Beattie	17,500	7,500
	Total Unavoidable Cost Pressures			364,320

Additional Income				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
	Resident Services			
1	In-House Enforcement Service	Cllr D. Dewar-Whalley / A. Christou	0	(50,000)
	Property Services			
2	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 Sateda	Cllr D. Dewar-Whalley / A. Adams	0	(6,200)
	Economy & Community Services			
5	Environmental Response Team - Fixed Penalty Notices	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 £
Commissioning & Customer Contact				
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 stable and significantly 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)
Mid Kent Legal Services (MKLS)				
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)
Environmental Health				
13	Management of the new Kent & Medway Air Quality monitoring contract	Cllr D. Simmons / T. Beattie	0	(5,000)
Finance				
14	Increased income from external interest of investments	Cllr D. Dewar-Whalley / N. Vickers	(100,480)	(10,000)
Total Additional Income				(258,700)

MEDIUM TERM FINANCIAL PLAN

Loss Of Income				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
	Property Services			
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
	Economy & Community Services			
3	Reduced income from ending of CCTV monitoring contract by third party	Cllr A. Horton / C. Hudson	(8,150)	6,210
	Commissioning & Customer Contact			
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 no. 19	Cllr D. Simmons / D. Thomas	(138,660)	138,660
5	No longer operating Queenborough Harbour moorings	Cllr D. Simmons / D. Thomas	0	2,000
	Mid Kent Legal Services (MKLS)			
6	Saving in post on MKLS. This saving will be offset by the loss of income from the resulting lower contributions from the other Legal shared service authorities. See service savings no.1	Cllr D. Dewar-Whalley / E. Culligan	(1,039,970)	49,500
	Total Loss Of Income			212,880

MEDIUM TERM FINANCIAL PLAN

Service Savings				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
	Mid Kent Legal Services (MKLS)			
1	Saving in post on MKIP Legal. This saving will be offset by the loss of income from the resulting lower contributions from the other Legal shared service authorities. See loss of income no. 6	Cllr D. Dewar-Whalley / E. Culligan	1,316,000	(66,000)
	Resident Services			
2	£3,000 paid 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)

MEDIUM TERM FINANCIAL PLAN

Service Savings				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
Property Services				
7	Guildhall - budget not required	Cllr D. Dewar-Whalley / A. Adams	330	(330)
8	Health & Safety budget. 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)
Economy & Community Services				
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)
Commissioning & Customer Contact				
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 no. 4	Cllr D. Simmons / D. Thomas	135,430	(135,430)
Planning				
20	Dangerous Structures - reflects underspend over past few years	Cllr G. Lewin / J. Freeman	3,000	(2,000)
21	Mid Kent Planning Support and Local Land Charges - SBC contribution revision	Cllr G. Lewin / J. Freeman	312,910	(87,080)
Director Of Corporate Services				
22	Savings on newspapers & periodicals, officers subscriptions, mobile phone and warning and informing budgets	Cllr D. Dewar-Whalley / M. Radford	7,830	(1,390)
Finance				
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	Due to recent increases in costs, Finance department went out to tender for the cost of processing debit and credit card transactions. The result has been a reduction in costs	Cllr D. Dewar-Whalley / N. Vickers	79,970	(30,000)

MEDIUM TERM FINANCIAL PLAN

Service Savings				
No.	Description	Cabinet Member / Head of Service	2016/17 Original Budget £	2017/18 over 2016/17 £
27	Finance proposal to change the basis of the calculation of the Minimum Revenue Provision	Cllr D. Dewar-Whalley / N. Vickers	318,040	(100,000)
	Environmental Health			
28	Renewal of Air Quality station data monitoring contract with Kent & Medway Air Quality Monitoring Network contract. In addition a review of the number of continuous monitoring stations from four to three.	Cllr D. Simmons / T. Beattie	10,000	(2,500)
	Total Service Savings			(644,520)

PARISH COUNCIL PRECEPTS 2017/18

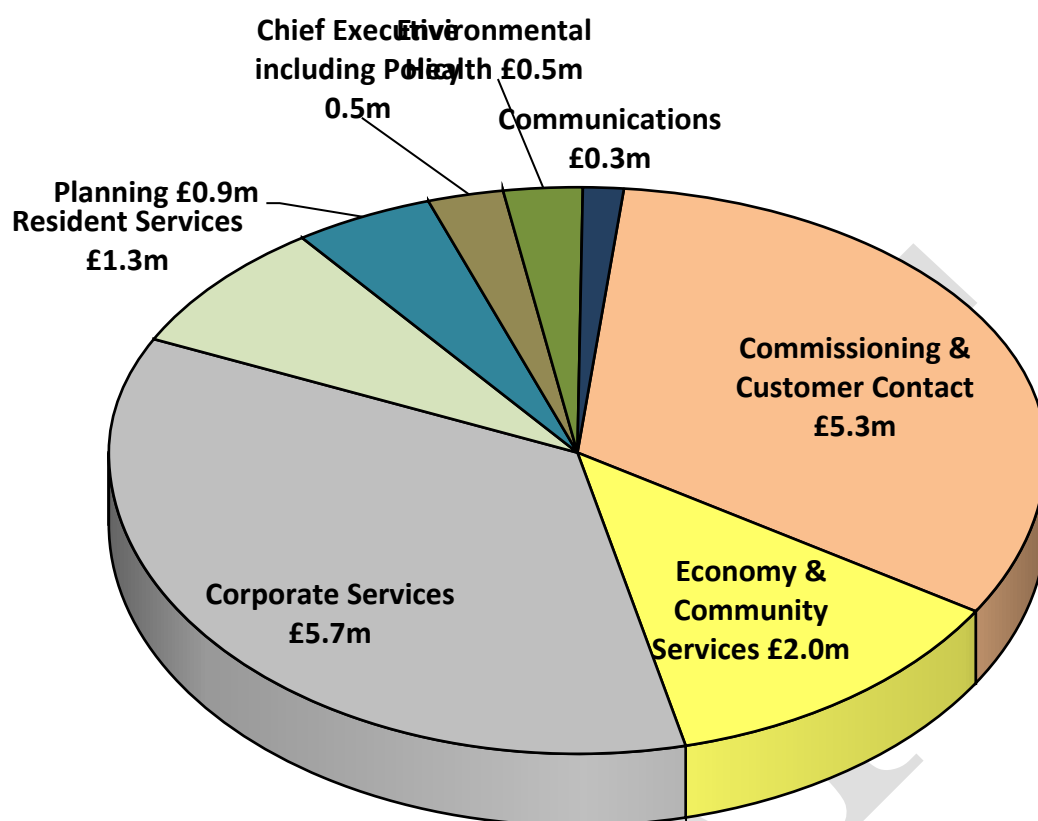
Parish/Town Council	Tax Base 2017/18	Parish Precept (rounded) 2017/18 £	Additional Council Tax for Band D 2017/18 £	Parish Precept 2017/18 % change
BAPCHILD BOBBING BORDEN BOUGHTON-UNDER-BLEAN BREDGAR DODDINGTON DUNKIRK EASTCHURCH EASTLING FAVERSHAM TOWN COUNCIL GRAVENEY & GOODNESTONE HARTLIP HERNHILL IWADE LEYSDOWN LOWER HALSTOW LUDDENHAM LYNSTED MILSTEAD MINSTER NEWINGTON NEWNHAM NORTON & BUCKLAND OARE OSPRINGE QUEENBOROUGH TOWN COUNCIL RODMERSHAM SELLING SHELDWICH/LEAVELAND/ BADLESMERE STALISFIELD TEYNHAM THROWLEY TONGE TUNSTALL UPCHURCH WARDEN				
TOTAL		0		

REVENUE BUDGET – SUMMARY – BY SERVICE

	Actual	Original	Working	Original
	2015/16	Budget	Budget	Budget
	£	2016/17	2016/17	2017/18
	£	£	£	£
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
NET EXPENDITURE BEFORE CONTRIBUTION TO GENERAL FUND	14,811,640	15,886,440	16,780,420	16,407,650
Contribution (from) / to General Fund	241,000	0	0	0
NET EXPENDITURE BEFORE FUNDING	15,052,640	15,886,440	16,780,420	16,407,650
Net below the line items (see page 19)	4,370,200	2,654,560	1,760,580	2,296,350
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)	(3,097,000)
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)	(136,000)
Council Tax	(6,856,120)	(7,030,000)	(7,030,000)	(7,411,000)
NET EXPENDITURE	0	0	0	61,000

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 £
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)	82,340
2014/15 rollovers	1,635,520	0	0	0
Contributions to/from reserves	1,054,750	395,000	395,000	20,000
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
Total Below the Line Items	4,370,200	2,654,560	1,760,580	2,296,350

REVENUE BUDGET BY SERVICE

	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
Chief Executive				
Cllr A. Bowles (A. Kara)				
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
NET DIRECT EXPENDITURE	420,550	474,280	479,670	479,150
Economy & Community Services				
Cllrs A. Horton, D. Simmons and K. Pugh (C. Hudson)				
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
Markets	(28,590)	(13,850)	(13,850)	(13,850)

REVENUE BUDGET BY SERVICE

	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
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
NET DIRECT EXPENDITURE	2,173,160	1,973,990	2,104,880	2,044,930
Communications				
Cllr A. Bowles (E. Wiggins)				
Advertising	27,600	26,080	26,080	26,080
Communications	204,950	232,460	248,090	234,400
NET DIRECT EXPENDITURE	232,550	258,540	274,170	260,480
Resident Services				
Cllr K. Pugh, Cllr D. Dewar-Whalley (A. Christou)				
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)
NET DIRECT EXPENDITURE	1,062,030	1,277,490	1,298,670	1,270,540

REVENUE BUDGET BY SERVICE

	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
Planning				
Cllr G. Lewin (J. Freeman)				
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
NET DIRECT EXPENDITURE	1,114,160	921,230	1,056,940	849,130
Legal				
Cllr D. Dewar-Whalley (E. Culligan)				
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)
NET DIRECT EXPENDITURE	357,910	381,270	395,640	376,140
Commissioning & Customer Contact				
Cllrs A. Horton, D. Simmons (D. Thomas)				
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
NET DIRECT EXPENDITURE	4,553,200	5,284,810	5,501,280	5,255,770
Information Technology				
Cllr D. Dewar-Whalley (A. Cole)				
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
NET DIRECT EXPENDITURE	1,182,130	1,081,500	1,090,540	1,106,090

REVENUE BUDGET BY SERVICE

	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
Property				
Cllr D. Dewar-Whalley (A. Adams)				
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)
NET DIRECT EXPENDITURE	304,730	569,460	801,000	569,800
Finance				
Cllr D. Dewar-Whalley (N. Vickers)				
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
NET DIRECT EXPENDITURE	1,256,620	1,391,880	1,405,140	1,846,980
Democratic Services				
Cllr A. Bowles (K. Bescoby)				
Democratic Process	583,520	585,540	588,000	628,530
Elections & Electoral Registration	340,330	325,370	340,320	327,810
NET DIRECT EXPENDITURE	923,850	910,910	928,320	956,340

REVENUE BUDGET BY SERVICE

	Actual 2015/16 £	Original Budget 2016/17 £	Working Budget 2016/17 £	Original Budget 2017/18 £
Director of Corporate Services & Director of Regeneration				
Cllr D. Dewar-Whalley (M. Radford & E. Wiggins)				
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
NET DIRECT EXPENDITURE	292,490	359,990	400,240	368,520
Environmental Health				
Cllr D. Simmons (T. Beattie)				
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)
NET DIRECT EXPENDITURE	447,320	502,090	515,790	505,790
Human Resources				
Cllr D. Dewar-Whalley (D. Smart)				
Mid Kent Human Resources	259,540	236,580	243,940	255,570
Salaries Overheads	91,140	105,430	127,210	105,430
NET DIRECT EXPENDITURE	350,680	342,010	371,150	361,000
Audit				
Cllr D. Dewar-Whalley (R. Clarke)				
Audit Shared Services	140,260	156,990	156,990	156,990
NET DIRECT EXPENDITURE	140,260	156,990	156,990	156,990

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	Forecast Contributions		Forecast Contributions		Balance as at 31/03/18 £'000
	Balance as at 31/03/16 £'000	to / from Reserves 2016/17 £'000	Balance as at 31/03/17 £'000	to / from Reserves 2017/18 £'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)	(237)	(1,121)
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)		(2,649)	255	(2,394)
Preceptors Council Tax Support Reserve	(250)	66	(184)	66	(118)
Commuted Sums	(259)		(259)		(259)
Other Reserves	(1,643)	(79)	(1,722)	20	(1,702)
Total Earmarked Reserves	(11,054)	(395)	(11,449)	14	(11,435)
Usable Capital Receipts Reserve	(1,127)		(1,127)		(1,127)
Capital Grants Unapplied Account	(312)		(312)		(312)
General Fund	(5,365)	1,377	(3,988)	220	(3,768)
Total Usable Reserves	(17,858)	982	(16,876)	234	(16,642)

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 £
<u>Commissioning & Customer Contact - D.Thomas</u>						
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
Thistle 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
Total Commissioning & Customer Contact		15,000	923,500	0	0	0

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 £
<u>Corporate Services – M. Radford</u>						
Uniform Licensing Implementation – Capital Receipts	SBC	0	17,000	0	0	0
Total Corporate Services		0	17,000	0	0	0
<u>Economy & Community Services – C. Hudson</u>						
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
Total Economy & Community Services		1,529,000	1,551,800	15,000	15,000	15,000
<u>Environmental Health - T. Beattie</u>						
Replacement of Air Quality Stations - Capital Receipts	SBC	55,000	55,000	35,000	0	0
Total Environmental Health		55,000	55,000	35,000	0	0

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 £
<u>Finance - N. Vickers</u>						
Cash Receipting System - Replacement - Capital Receipts	SBC	0	2,500	0	0	0
Total Finance		0	2,500	0	0	0
<u>Housing - A. Christou</u>						
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
Total Housing		1,140,000	2,035,200	1,664,800	1,664,800	1,664,800
Total Capital Programme Funded by SBC	SBC	635,000	1,210,900	50,000	15,000	15,000
Total Capital Programme Funded by Partners	P	2,104,000	3,374,100	1,664,800	1,664,800	1,664,800
Total Capital Programme		2,739,000	4,585,000	1,714,800	1,679,800	1,679,800

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 £
Total Capital Expenditure	2,739,000	4,585,000	1,714,800	1,679,800	1,679,800
Funding Analysis					
Partnership Funding	2,104,000	3,374,100	1,664,800	1,664,800	1,664,800
Revenue Contributions:-					
(a) Repairs & Renewals Reserves					
- CCTV	15,000	15,000	15,000	15,000	15,000
(b) General Reserve					
- 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
Sub total	15,000	281,600	0	0	0
(c) Regeneration Fund					
- The Meads Community Centre	0	11,100	0	0	0
(d) Building Maintenance Fund					
- Cemeteries – Bell Road	0	20,500	0	0	0
- Exercise Floor at Sheppey Leisure Centre	0	35,000	0	0	0
Sub total	0	55,500	0	0	0
(e) Performance Fund					
- Uniform Licensing Implementation	0	17,000	0	0	0
Total Revenue Contributions	30,000	380,200	15,000	15,000	15,000

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 £
Capital Receipts:-					
- 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
- Replacement of Cash Receipting System	0	2,500	0	0	0
- Replacement of Air Quality Stations	55,000	55,000	35,000	0	0
Total Capital Receipts	605,000	830,700	35,000	0	0
Total Funds Utilised	2,739,000	4,585,000	1,714,800	1,679,800	1,679,800

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

