



AGENDA

CABINET MEETING

Date: Wednesday, 3 December 2014
Time: 7.00 pm
Venue: Council Chamber - Swale House

Membership:

Councillors Bowles (Chairman), Mike Cosgrove, Duncan Dewar-Whalley, Gerry Lewin (Vice-Chairman), Ken Pugh, David Simmons, Mike Whiting, Ted Wilcox and John Wright

Quorum = 3

RECORDING NOTICE

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

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

1. Apologies for Absence

Pages

2. Minutes

To approve the Minutes of the Meeting held on 5 November 2014 (Minute Nos. 323 - 333) as a correct record.

3. 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.

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 Director of Corporate Services as Monitoring Officer, the Head of Legal or from other Solicitors in Legal Services as early as possible, and in advance of the Meeting.

Part A Report for Recommendation to Council

4. Medium Term Financial Plan and 2015/16 Budget 1 - 18

Part B Report for Decision by Cabinet

5. Financial Management Report April - September 2014 19 - 36
6. Exclusion of the Press and Public

To decide whether to pass the resolution set out below in respect of the following item:

That under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act:

3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).

7. Award of Markets Service Contract to 2018 37 - 40

Issued on Monday 24 November 2014

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Cabinet	Agenda Item: 4
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Meeting Date	3 December 2014
Report Title	Medium Term Financial Plan and 2015/16 Budget
Cabinet Member	Cllr Duncan Dewar-Whalley, Cabinet Member for Finance
SMT Lead	Abdool Kara, Chief Executive
Head of Service	Nick Vickers, Head of Finance
Lead Officer	Nick Vickers, Head of Finance
Key Decision	Yes
Classification	Open
Forward Plan	Reference number: 5

Recommendations	1. To note the draft proposals.
	2. To note the Medium Term Financial Plan.

1. Purpose of the Report and Executive Summary

- 1.1 This report set out the Council's Medium Term Financial Plan and proposals for the 2015/16 Budget.
- 1.2 Over the last six years the Council has had to manage the implications of national deficit recovery funding reductions whilst at the same time continuing to develop our services for residents and achieve our Corporate Plan priorities.
- 1.3 We have achieved a stable financial position by rigorously prioritising our expenditure priorities. Our independent external auditor, Grant Thornton LP, stated in their Annual Letter:

“We concluded that the Council continues to have robust arrangements for financial management and budgetary control, and that it has an effective framework to address financial pressures.”

- 1.4 Whilst some councils seem to be locked in a downward spiral of lower spending and reduced services, we have taken a radically different approach. Fundamental to this is the identification and generation of new income sources to replace diminishing Government Revenue Support Grant. The two most important sources of new income are Business Rates and New Homes Bonus.
- 1.5 The Council has not yet received the Local Government Financial Settlement, which will be announced some time before Christmas. The implications of the final settlement will be addressed in the budget report to Cabinet on 4 February.

- 1.6 The budget proposals in this report will be submitted to Scrutiny Committee on 28 January.

2. Background

Local Government Finance

- 2.1 The Local Government Finance Settlement 2014/15 announced on 18 December 2013 included indicative figures for 2015/16. The headline figures were:

- (1) Nationally a 13.2% reduction in the Settlement Funding Assessment (compared with 9.4% for 2014/15).
- (2) For Swale the 2015/16 Settlement Funding Assessment was for a 15.7% reduction (compared with 13.6% in 2014/15).

So 2015/16 is to be one of the toughest settlements for local authorities in this whole period of deficit reduction. To date there has been no announcement from Government of a Council Tax Freeze Grant for 2015/16 - in the last few years these have provided the Council with some assistance.

- 2.2 The Council uses the independent financial research company LG Futures for support on financial forecasting. Their core forecasts are:

- (1) Funding reduction to the Settlement Funding Assessment nationally of 9%, 9% and 2% for 2016/17, 2017/18 and 2018/19.
- (2) The reduction in overall funding nationally between 2014/15 and 2018/19 is forecast at 27% of the 2014/15 base.
- (3) The total cut in Revenue Support Grant (RSG) between 2014/15 and 2018/19 is 60% of RSG in 2014/15.
- (4) The relative share of RSG as a share of external funding nationally is reduced by half to 22%.
- (5) The relative share of business rates as a share of external funding nationally increases by more than a third to 70%.

- 2.3 It is expected that in the summer of 2015 there will be a new Comprehensive Spending Review and this will allow us to update the figures for 2016/17 and beyond.

- 2.4 The impact of these forecasts on the Council will be set out later in the report.

Business Rates

- 2.5 From 1 April 2013 Business Rates were localised. Whilst the rate in the pound is still set nationally, local authorities retain 50% of income collected. The income is then split between the different tiers of councils with Swale retaining around £4m of the £40m it collects. The Council though retains 80% of 50% of any growth on the 1 April 2013 baseline.

- 2.6 The in-year cycle for business rates income forecasting is:
- (1) January NNDR1 – forecast for the following year reported to Government.
 - (2) June NNDR3 – out-turn statement for the previous financial year.
 - (3) October – half year monitoring.
- 2.7 However, in practice the NNDR1 forecast for the next year is made before the out-turn for the current year is known. Whilst the actual cash collected is known there are two variables which are hard to forecast:
- (1) Movements in the underlying business base - so whilst major new developments may be well known, for example, the opening of the two new Morrison's stores in 2013, closures of businesses are much harder to predict. So in the period since we have had localised business rates one of our largest properties, Thames Steel, has paid no business rates at all.
 - (2) The majority of businesses will appeal their valuation as they have no incentive not to. The appeal is made via the Valuation Office and decisions are made by the Tribunal. Since 2010 we have had 237 appeals. In making the NNDR1 return to Government, assumptions are made about the likely level of appeals, but it is only an estimate.
 - (3) There are also levies on councils where there has been significant business rate growth and safety net payments made to councils who have reduced business rate income.
- 2.8 Additionally, in looking at the 2015/16 position we do so only having one full year of operating the new system.
- 2.9 The forecast position for the Council is set out below in Appendix I.
- 2.10 In making these forecasts we have:
- (1) Made a prudent provision for appeals totalling £2.4m.
 - (2) Built into the forecast for 2015/16 only known changes at this point i.e. we are not forecasting any growth in 2015/16 and beyond.
- 2.11 The Council's total business rate income for 2014/15 is forecast to be £4.9m and £5.0m for 2015/16. Any surplus on the business rate income will be put into the business rate volatility reserve as agreed at Cabinet in February. For the current financial year a £1m levy payment to the Government is forecast – this is the highest for any of the Kent Borough Councils and implies strong growth in the underlying business rate base.
- 2.12 Legislation allows councils to voluntarily enter into a business rates retention pool. Councils within a pool are treated as a single entity with tariffs and top ups netted off and a single levy rate applied. In two tier areas this creates the potential for the levy paid by Borough Councils being reduced thus retaining more resources in the local area. In 2014/15 Kent County Council (KCC) and

Maidstone Borough Council created a pool. In September Cabinet agreed to the principle of participation in a pool and 10 of the 12 Borough Councils have now committed to a pool with KCC for 2015/16. Within the pool in each Borough area additional income is divided 30% Borough/30% KCC/30% for projects in the Borough area and 10% for a contingency. Any potential revenue will be one-off and not taken into the base budget.

- 2.13 The localised business rates are probably the most complex area of local government finance. This Council is a significant beneficiary of the new flexibilities and business rates growth has made a major contribution to balancing the 2015/16 budget.

Council Tax

- 2.14 The proposed level of Council Tax for 2015/16 will be determined after details of the settlement are known.

New Homes Bonus

- 2.15 The New Homes Bonus is a specific Government grant where match funding is provided based upon additional Council Tax for new properties for a six year period. Our forward projections are:

2015/16	£2.7m
2016/17	£3.1m
2017/18	£2.7m

The actual allocation should be known in December.

- 2.16 The table above for 2017/18 shows a reduction in income as the first year of the six year period drops out.
- 2.17 The Council uses all of the income to support discretionary spend in the base budget except for £250,000, which is top-sliced to pump prime the Regeneration Fund.
- 2.18 The future of New Homes Bonus is a major financial risk for the Council. We will continue to budget on the basis that New Homes Bonus continues.

Fees & Charges

- 2.19 The annual review of Fees & Charges has been undertaken and reported to Cabinet and Council in November. The review covers charges for discretionary services.

Staff Pay

- 2.20 The Council has already agreed a 1% pay award for staff for 2015/16 as the second year of a two year agreement. The increase also applies to Members allowances.

2.21 Staff who are not on the top of their grade also receive an annual increment if they have achieved the required performance.

Lower Medway Internal Drainage Board

2.22 Parts of the Borough are covered by the Lower Medway Internal Drainage Board which is responsible for the maintenance of certain waterways and ditches. The Board also has to pay a levy to the Environment Agency. In 2014/15 our payment was £320,215.

2.23 The maintenance of the waterways is an important issue, but the constraints on all aspects of our expenditure means that the discussions over the precept increase have been very difficult in recent years. The Board meets on 1 December to set its precept.

Sittingbourne Town Centre Regeneration

2.24 With the planning application now submitted by Spirit of Sittingbourne the regeneration project starts to enter a new phase for the Council. There are some significant financial consequences which will impact in 2015/16:

- (1) Funding the construction of a 310 space multi-story car park – Council has agreed the project and funding will be via reserves or some degree of external funding. This will be determined when the actual cost of the project is known.
- (2) Prince's Street depot – Biffa's lease has been extended, but this site is earmarked for retail development. The £70,000 annual income from Biffa will be lost.
- (3) Car Park Income – there will be a potential impact on car parking income from the redevelopment of the car park. Timing and the actual loss of income are uncertain.

2.25 As the redevelopment proceeds there will be increased Council Tax, New Homes Bonus and Business Rates income.

Price Inflation

2.26 The Council's major contracts all have price uplifts linked to the Retail Price Index (normally for September – 2.3%) or the Consumer Price Index. We will continue to firm up on these figures for the February budget report.

Reserves

2.27 Over the last few years there has been an upward movement with reserves at 31 March 2014 totalling £13.8m including general reserves which can be spent on any activity, capital receipts from the sale of assets and earmarked reserves allocated for specific functions, The use of some of these reserves has already been committed. The reserves have allowed the Council to fund service improvements and developments even at a time when the base resources of the Council are reducing. It also means that we have the financial capacity to fund

a major project such as building a multi-story car park which will generate new revenue streams.

Capital Budget

2.28 The Council has a limited Capital Budget. The main source of external grant has been the Disabled Facilities Grant, but arrangements for this change for 2015/16 with it now being included in the Better Care Funding arrangements via KCC. The Council will receive £1.04m for 2015/16.

2.29 Other capital bids for projects will be brought to Cabinet in July.

3. Proposal

Medium Term Financial Plan

3.1 The purpose of the Medium term Financial Plan is to forecast the financial position over the next three years to assist the Council in meeting its objectives as set out in the Corporate Plan.

3.2 The Medium Term Financial Plan is attached in Appendix II. This is a key document as it summarises the Council's financial position for the next three years. The detailed budget variations are set out in Appendix III.

Unavoidable Cost Pressures;
Growth items;
Service Savings;
Increased Fees & Charges; and
Loss of Income.

Council Tax

3.3 The Council meeting on 18 February 2015 will determine the level of Council Tax.

Reserves

3.4 The main principles of the management of reserves moving forward will be:

maintain a prudent level of reserves to allow the Council to deal with unexpected one-off events; and

fund one-off items of expenditure against the Council's highest priorities, as determined by Members.

Capital

3.5 The Council's priorities for the use of available capital funds as set out in the agreed Capital Strategy will be:

Projects which support the Council's Corporate priorities;

Earmarked receipts related to specific projects e.g. Section 106 monies;

Acceptable meeting of legal duties e.g. Disabled Facilities Grant;

Essential remedial expenditure on the Council's IT systems.

- 3.6 The Council is debt free and has no firm plans at this time to borrow for capital purposes. Council in September did agree to allow for borrowing to be part of the solution to funding the multi-story car park.

4. Alternative Options

- 4.1 This paper details the budget proposals of the Cabinet, who invite alternative proposals to be put forward.

5. Consultation Undertaken or Proposed

- 5.1 The consultation will focus on:

Communication with representatives of local business groups; and

the budget proposals will be considered by Scrutiny on 28 January 2015.

- 5.2 There will also be appropriate consultation with service users on savings proposals.

6. Implications

Issue	Implications
Corporate Plan	The budget proposals for 2015/16 explicitly link to delivery of the Corporate Plan.
Financial, Resource and Property	This report sets out the approach to the 2015/16 budget and the Medium Term Financial Plan.
Legal and Statutory	The approach set out reflects the legal requirement for the Council to agree a balanced budget.
Crime and Disorder	Any potential impact will be addressed by service managers in their budget proposals
Sustainability	The sustainability implications of budget decisions will be fully investigated by service managers in drawing up their detailed proposals.
Health and Wellbeing	Any potential impact will be addressed by service managers in their budget proposals.
Risk Management and Health and Safety	Risks will be reviewed as part of the strategic risk update. Specific H&S risks will be addressed by service managers in their budget proposals.

Issue	Implications
Equality and Diversity	There will be full appropriate consultation with service users on savings proposals and this should specifically address equality and diversity issues with appropriate Community Impact Assessment undertaken.

7. Appendices

7.1 The following documents are published with this report:

- Appendix I: Business Rates Forecast Income
- Appendix II: Medium Term Financial Plan
- Appendix III: Budget Proposals

8. Background Papers

8.1 19 February 2014 Council Budget report.

Business Rates Forecast Income

Row		2013/14 Outturn £m	2014/15 Forecast £m	2015/16 Forecast £m	2016/17 Forecast £m	2017/18 Forecast £m	
(A)	Total Business Rates Collected	38.736	41.079	42.024	42.821	43.633	
(B)	Business Rates paid to Govt, KCC and Kent Fire	-23.242	-24.647	-25.214	-25.692	-26.179	
(C)	Business Rates Income for Council	(A)-(B)	15.494	16.432	16.810	17.129	17.454
(D)	Grants and reliefs from changes to the business rates system	0.590	0.841	0.860	0.877	0.894	
(E)	Business Rates income before Tariff payment	(C)+(D)	16.084	17.273	17.670	18.006	18.348
(F)	The Tariff the Council pays to the Govt (Govt forecast on business rates income to Council less Govt forecast on what Council will need to fund services)	-11.087	-11.303	-11.563	-11.783	-12.007	
(G)	Pre Levy Income (Business Rate income less the Tariff to be paid to Govt)	(E)-(F)	4.997	5.970	6.107	6.223	6.341
(H)	Less Baseline Funding (Govt set figure equivalent to what the Council used to get as business rates from the National Pool)	-3.748	-3.821	-3.909	-3.983	-4.059	
(I)	Difference	(G)-(H)	1.249	2.149	2.198	2.240	2.282
(J)	Less 50% levy paid to the Govt on above	I*50%	-0.625	-1.075	-1.099	-1.120	-1.141
(K)	Business Rates Income less Levy	(G)-(J)	4.372	4.895	5.008	5.103	5.200
(L)	Other adjustments	-0.047	0.045	0.045	-0.013	-0.012	
(M)	Final Business Rates Forecast for MTFP	(K)+/-(L)	4.325	4.940	5.053	5.090	5.188

Medium Term Financial Plan

	2014/15 Forecast £'000	2015/16 Forecast £'000	2016/17 Forecast £'000	2017/18 Forecast £'000
Base Budget	17,583	17,583	17,583	17,583
Growth Items	0	243	193	193
Unavoidable cost pressures	0	115	62	90
Loss of income	0	190	190	190
Additional income	0	(157)	(136)	(137)
Committed price increases	0	186	329	475
Salary Related:				
Increments	0	89	139	168
Pay Award	0	118	237	358
Contribution to/(from) reserves	931	237	317	317
Revenue Support Grant (RSG)	(4,296)	(2,930)	(2,222)	(1,633)
Business Rates	(4,940)	(5,053)	(5,090)	(5,188)
Council Tax (nil increase assumed)	(6,690)	(6,756)	(6,824)	(6,892)
Council Tax Freeze Grant 2014/15	(79)	(79)	(79)	(79)
Council Tax Freeze Grant 2015/16		(80)	(80)	(80)
Council Tax Freeze Grant 2016/17			(80)	(80)
Council Tax Freeze Grant 2017/18				(80)
New Homes Bonus	(2,269)	(2,724)	(3,134)	(2,754)
Collection Fund (Surplus)/ Deficit	(178)	(30)	0	0
Savings Required	62	952	1,405	2,451
Preceptors Council Tax Support	(125)	(125)	(125)	0
Service savings	0	(731)	(751)	(815)
Requirement for a balanced position	0	(96)	(529)	(1,636)
Committed savings	(125)	(952)	(1,405)	(2,451)
Contribution (to) / from General Fund	(63)	0	0	0
Balance of General Fund at 31 March	(3,650)	(3,650)	(3,650)	(3,650)

Budget Proposals

Growth Items:

No.	Description	Cabinet Member / Head of Service	2015/16 over 2014/15 £
	Commissioning & Customer Contact		
1	Procurement - greater use of electronic procurement systems to advertise contract opportunities.	Cllr D. Dewar-Whalley / D. Thomas	10,000
2	Swale Community Leisure Ltd grant for Executive officer post - one off cost to be met from the General Reserve.	Cllr D. Simmons / D. Thomas	50,000
3	Additional waste contract monitoring activity.	Cllr D. Simmons / D. Thomas	50,000
	Director of Regeneration		
4	Increase Director post by two days.	Cllr M. Cosgrove / P. Raine	53,540
	Economic & Community Services		
5	Heritage activities.	Cllr M. Whiting / E. Wiggins	10,000
6	New structure in the Communications Team.	Cllr A. Bowles / E. Wiggins	16,290
7	Increased grants for the First World War commemoration.	Cllr M. Whiting / E. Wiggins	5,000
	Environmental Health		
8	Shellfish Sampling - increase to fee.	Cllr D. Simmons / M. Radford	9,620
	Service Delivery		
9	Christmas car parking concessions.	Cllr D. Simmons / B. Planner	25,000
10	Resilience Officer - increase in hours.	Cllr D. Simmons / B. Planner	13,700
	Total Growth Items		243,150

Budget Proposals

Unavoidable Cost Pressures:

No.	Description	Cabinet Member / Head of Service	2015/16 over 2014/15 £
	Democratic Services		
1	Elections - one off cost to be met from the General Reserve.	Cllr A. Bowles / M. Radford	80,000
2	Members Allowances – 1% increase.	Cllr A. Bowles / M. Radford	3,600
	Finance		
3	Insurance increase from annual renewal. The projection assumes a 3% increase pa.	Cllr D. Dewar-Whalley / N. Vickers	10,000
4	Increase in precept from Lower Medway Internal Drainage Board 2%	Cllr D. Dewar-Whalley / N. Vickers	3,200
	Property Services		
5	Maintenance cost of new equipment in Print Room.	Cllr D. Dewar-Whalley / A. Adams	2,210
6	Maintenance cost of new equipment in Council Chamber.	Cllr D. Dewar-Whalley / A. Adams	850
	Service Delivery		
7	Increase in electricity charges for SBC owned street lighting.	Cllr D. Simmons / B. Planner	880
8	Council Tax - Single person discount review.	Cllr D. Dewar-Whalley / B. Planner	4,000
9	Council Tax - court costs of recovery action.	Cllr D. Dewar-Whalley / B. Planner	10,000
	Total Unavoidable Cost Pressures		114,740

Budget Proposals

Loss of Income:

No.	Description	Cabinet Member / Head of Service	2015/16 over 2014/15 £
	Commissioning & Customer Contact		
1	Kent County Council recycling credits replaced by enabling payments as part of the new joint waste contract.	Cllr D. Simmons / D. Thomas	83,000
	Economic & Cultural Services		
2	CCTV - loss of income.	Cllr K. Pugh / E. Wiggins	12,150
	Property Services		
3	Transfer of Princes Street Depot – Sittingbourne Town Centre Regeneration.	Cllr D. Dewar-Whalley / A. Adams	70,000
	Service Delivery		
4	Parking Enforcement – reduced income	Cllr D. Simmons / B. Planner	25,000
	Total Loss of Income		190,150

Budget Proposals

Service Savings:

No.	Description	Cabinet Member / Head of Service	2015/16 over 2014/15 £
	Commissioning & Customer Contact		
1	Reduce the number of play area inspections by Zurich from two to one per year.	Cllr D. Simmons / D. Thomas	(5,000)
2	Reduce budget commitment for contract variations for the leisure contract.	Cllr D. Simmons / D. Thomas	(1,200)
3	Graffiti cleaning – now included in the main waste contract.	Cllr D. Simmons / D. Thomas	(6,000)
4	Bring site repairs - cease to exist.	Cllr D. Simmons / D. Thomas	(1,000)
5	Bring site maintenance - cease to exist.	Cllr D. Simmons / D. Thomas	(2,840)
6	Recycling credit payments	Cllr D. Simmons / D. Thomas	(58,700)
7	Additional waste contract savings.	Cllr D. Simmons / D. Thomas	(250,000)
8	Channel shift – greater use of digital as opposed to face to face contact.	Cllr A. Bowles / D. Thomas	(19,000)
9	Automated switchboard facility, fewer calls handled by Customer Services Centre staff - channel shift.	Cllr A. Bowles / D. Thomas	(9,000)
10	Swale Community Leisure Ltd reduction in utility levy.	Cllr D. Simmons / D. Thomas	(40,000)
	Economic & Community Services		
11	Kemsley Hall - asset transfer efficiencies.	Cllr M. Whiting / E. Wiggins	(10,000)
	Finance		
12	Minimum Revenue Provision Reduction – accountancy charge for capital expenditure.	Cllr D. Dewar-Whalley / N. Vickers	(56,600)
	Housing		
13	Reduction in use of emergency accommodation in Medway through the provision of a Council owned House in Multiple Occupation (HMO).	Cllr J. Wright/ A. Christou	(6,000)
14	Council tax payment for housing in Teynham owned by the Council.	Cllr J. Wright/ A. Christou	(1,500)

Budget Proposals

No.	Description	Cabinet Member / Head of Service	2015/16 over 2014/15 £
15	Cost of maintenance for the Council owned Teynham house by using in house handyperson.	Cllr J. Wright/ A. Christou	(1,000)
16	Private Sector Housing Manager - reduced hours.	Cllr J. Wright/ A. Christou	(20,000)
17	Enhancements to the Housing ICT system following new allocations policy enabling management of homeless register and greater use of digital services.	Cllr J. Wright/ A. Christou	(23,600)
	Planning		
18	Non-salary shared service efficiency savings e.g. printing, advertising etc.	Cllr G. Lewin/ J. Freeman	(10,000)
	Policy		
19	Revised Team Structure.	Cllr A. Bowles / A. Kara	(5,860)
	Property Services		
20	Reduction in the cost of trade waste at Swale House.	Cllr D. Dewar-Whalley / A. Adams	(1,250)
21	End of leases at New Road Industrial Estate.	Cllr D. Dewar-Whalley / A. Adams	(33,110)
22	Reduction in running costs at Sheerness District office following move to Gateway and re-letting of building on FRI terms.	Cllr D. Dewar-Whalley / A. Adams	(6,950)
23	Reduction in staffing costs of community halls due to community asset transfer.	Cllr D. Dewar-Whalley / A. Adams	(11,100)
24	Reduction in utility costs at Swale House.	Cllr D. Dewar-Whalley / A. Adams	(8,640)
	Service Delivery		
25	Retirement of Head of Service.	Cllr D. Dewar-Whalley / B. Planner	(94,470)

Budget Proposals

No.	Description	Cabinet Member / Head of Service	2015/16 over 2014/15 £
	Mid Kent Improvement Partnership (MKIP) Services		
26	ICT predicted savings as agreed by Cabinet in April 2012 and based on savings against 2011/12 base budgets.	Cllr D. Dewar-Whalley / M. Radford	(15,000)
27	Savings on move to MKIP GIS service.	Cllr D. Dewar-Whalley / M. Radford	(5,000)
28	Corporate training budget to be reduced by 10%, this reflects the reduced staffing levels but also the increased efficiencies of purchasing for the three MKIP councils.	Cllr T. Wilcox/ D. Smart	(9,000)
29	Extension of HR shared service to Tunbridge Wells Borough Council.	Cllr T. Wilcox/ D. Smart	(19,690)
	Total Service Savings		(731,510)

Budget Proposals

Additional Income:

No.	Description	Cabinet Member / Head of Service	2015/16 over 2014/15 £
	Commissioning & Customer Contact		
1	Introduction of extra beach huts to sell and lease on to the public.	Cllr D. Simmons / D. Thomas	(20,000)
2	Ground rent for extra beach huts.	Cllr D. Simmons / D. Thomas	(2,500)
3	Sell space for memorial plaques at the new Iwade cemetery.	Cllr D. Simmons / D. Thomas	(3,000)
4	Swale Indoor bowls - increasing existing fees & charges.	Cllr D. Simmons / D. Thomas	(2,500)
5	Increased income from seafront concessions.	Cllr D. Simmons / D. Thomas	(4,600)
6	Increased subscriptions to garden waste service.	Cllr D. Simmons / D. Thomas	(12,430)
	Finance		
7	Investment income.	Cllr D. Dewar-Whalley / N. Vickers	(10,000)
	Planning		
8	Anticipated increase in planning fees.	Cllr G. Lewin/ J. Freeman	(34,000)
9	Anticipated increase in pre-application advice fees.	Cllr G. Lewin/ J. Freeman	(20,000)
	Property Services		
10	Increase in rental income from miscellaneous properties.	Cllr D. Dewar-Whalley / A. Adams	(47,500)
	Total Additional Income		(156,530)

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Cabinet	Agenda Item: 5
Meeting Date	3 December 2014
Report Title	Financial Management Report – April – September 2014
Cabinet Member	Cllr Duncan Dewar-Whalley, Cabinet Member for Finance
SMT Lead	Nick Vickers, Head of Finance
Head of Service	Nick Vickers, Head of Finance
Lead Officer	Phil Wilson, Chief Accountant
Key Decision	Yes
Classification	Open
Forward Plan	Yes
Recommendations	<ol style="list-style-type: none"> 1. To note the projected revenue underspend of £687,720. 2. To note the projected capital underspend for 2014/15 of £175,270 and to approve the additional funding of £6,200 for the Kemsley West Play Area from capital receipts. 3. To agree a £100,000 addition from Council funds towards Disabled Facilities Grants.

1. Purpose of Report and Executive Summary

- 1.1 This report shows the revenue and capital projected outturn for 2014/15 as at the end of period six, covering the period from April to September 2014. The report is based on service activity up to the end of September 2014, and is collated from monitoring reports from budget managers.

2. Background

- 2.1 As part of the monthly financial reporting arrangements, detailed reports by Heads of Service have been produced to help focus accountability and reporting at the overall level. Based on the responses and discussions with Service Managers, a budget underspend of £687,720 is projected for the period April 2014 to September 2014 (six months).
- 2.2 Financial monitoring reports are presented to Cabinet on a quarterly basis as well as to Scrutiny Committee.

3. Proposal

Revenue Spend

3.1 Based on the responses and discussions with Service Managers, a projected underspend of £687,720 is forecast compared with £406,000 when last reported to Cabinet in September - a movement of £281,720.

3.2 The main movements from September over £25,000 are as follows:

- Housing – additional cost for bed and breakfast landlord payments £47k;
- Planning – additional planning fees income £136k;
- Planning – estimated additional cost for implementing Mid Kent Planning Service £50k;
- Planning – net additional Agency/Contract staff costs to meet the high workloads within the Mid Kent Planning Service - £62k;
- Refuse Collection, special collections, additional income £30k;
- Refuse Collection, additional properties, reduced costs £35k;
- Street Cleansing, contract savings £54k;
- Recycling & Waste, Garden Waste Scheme additional income £101k;
- Parking – reduced income from fees and penalty charge notices (PCN's) £24k;
- Sittingbourne Town Centre, Consultancy costs £43k;
- Additional second homes grant from Kent County Council (KCC) £28k;
- Earmarked reserves no longer required and approved by Cabinet 10 September 2014 can be added back to the General Fund - £46k;
- Non service items including interest savings on finance leases, business rates grants and reduction in bad debt provision £50k;
- Salaries – net savings (offset against agency) as a result of vacant posts £65k.

The balance of movements from September is additional costs £37k.

3.3 Table 1 analyses the projected variance by Service.

Table 1: Underspend by Service

	Service Manager	Working Budget	Projected Outturn 2014/15	Projected Variance
		£	£	£
Chief Executive	A. Kara	253,900	238,900	(15,000)
Policy	D. Clifford	203,900	190,900	(13,000)
Economy & Communities	E. Wiggins	2,129,040	2,148,040	19,000
Communications	E. Wiggins	239,760	239,760	0
Housing	A. Christou	1,157,410	1,153,410	(4,000)
Planning	J. Freeman	981,340	962,340	(19,000)
Commissioning & Customer Contact	D. Thomas	6,816,470	6,331,470	(485,000)
Service Delivery	B. Planner	(645,360)	(657,360)	(12,000)
Director of Corporate Services & Director of Regeneration	M. Radford / P. Raine	355,930	355,930	0
Information Technology	A. Cole	979,790	984,790	5,000
Audit	R. Clarke	150,910	150,910	0
Environmental Health	T. Beattie	472,460	484,460	12,000
Finance	N. Vickers	974,090	954,090	(20,000)
Human Resources	D. Smart	387,040	387,040	0
Legal	J. Scarborough	330,010	307,010	(23,000)
Democratic Services	K. Bescoby	806,060	829,060	23,000
Property	A. Adams	659,190	574,190	(85,000)
Other Variances		0	48,000	48,000
KCC Second Homes Discount		(46,000)	(73,530)	(27,530)
Provision for Bad Debts		217,440	207,440	(10,000)
New Burden CT & Bus. Rates Grant		0	(20,300)	(20,300)
Corporate Items		1,650,640	1,573,750	(76,890)
TOTAL SERVICE EXPENDITURE		18,074,020	17,370,300	(703,720)
Rollover Specific and Other Grants		0	16,000	16,000
Contribution to/ (from) General Fund (after requests for roll forward of ring fenced grants)		63,000	63,000	0
NET EXPENDITURE		18,137,020	17,449,300	(687,720)

3.4 Table 2 below details the main variations by Service:

Table 2: Main variations by Service

Projected Net (Under)/Overspend / Income Shortfall as at end of September 2014		
Service – Cabinet Member (Head of Service)	£'000	Explanation
CHIEF EXECUTIVE - Cllr A. Bowles (Abdool Kara)		
Chief Executive	(2)	Various underspends.
Corporate Costs	(13)	Reduced Consultancy/ Specialist Advice expenditure.
Policy	(13)	Salary underspend as result of vacant posts.
TOTAL	(28)	
ECONOMY AND COMMUNITIES – Cllrs M. Cosgrove, M. Whiting & K. Pugh (Emma Wiggins)		
Environmental Initiatives	4	Overspend on signage costs re litter campaign £2k and legal fees on illegal Travellers' sites £2k.
CCTV	12	Reduced income for CCTV re previous customers cancelling use of the service.
Community Halls/Centres	3	Quinton Hall additional costs (rates £1.5k and estimated utility costs £1.5k).
TOTAL	19	
COMMUNICATIONS, PRINTING, ADVERTISING & PROMOTION – Cllrs M. Cosgrove, M. Whiting & K. Pugh (Emma Wiggins)		
Communications	0	Nil net variances – overspend Licence fees £5k, underspend Advertising & Promotion costs £5k.
TOTAL	0	
HOUSING – Cllr J. Wright (Amber Christou)		
Housing Development and Strategy	(19)	Staff costs savings £18k, other net savings £1k
Private Sector Housing	(17)	Staff costs savings £13k, mileage and lump sum savings £3k, other minor savings £1k.
Stay Put Scheme	(15)	Salary costs savings £15k; unachievable Disabled Facilities Grant income, offset by an underspend on salaries as a result of new grant funding.
Housing Options	47	Projected overspend of £46k on Bed & Breakfast landlord payments; other minor overspends £1k.
TOTAL	(4)	
PLANNING – Cllr G. Lewin (James Freeman)		
Development Control	(142)	Additional planning fees £150k, net IT Development costs £8k.
Development Services	67	£69k net additional staffing costs to meet the high workloads the Swale Development teams are now experiencing. £2k office move & redecoration costs.
Local Planning & Conservation	6	Anticipated staff vacancies savings not achievable re Spatial Planning and Conservation & Design Teams.
Planning Mid Kent Planning Service (MKPS)	50	The cost of implementing the planning MKIP service is £75k. However, £25k can be met from reserves.

Projected Net (Under)/Overspend / Income Shortfall as at end of September 2014		
Service – Cabinet Member (Head of Service)	£'000	Explanation
TOTAL	(19)	
COMMISSIONING AND CUSTOMER CONTACT – Cllrs D. Simmons & M. Whiting (Dave Thomas)		
Cemeteries and Closed Churchyards	27	Additional grounds maintenance required to trees and footpaths in cemeteries.
Countryside & Country Parks	(4)	Staff costs savings £5k, additional rates £1k.
Client & Amenity Services	(3)	Staff costs savings.
Harbour & Quays	2	Reduced mooring fees.
Parks & Open Spaces	5	Overspend on equipment maintenance.
Seafront	(1)	Net additional chalets income.
Sports Pitches & Pavilions	2	Minor overspends.
Commissioning & Customer Contact	8	Net staff costs overspend £4k and £4k rent & rates for Alexander Centre office.
Cleansing	(9)	Staff costs savings.
Public Conveniences	(9)	Underspend on contract costs and energy costs.
Recycling & Waste Minimisation	(119)	Net additional income from Garden Waste Scheme and savings on Recycling Credits.
Refuse Collection	(175)	Net underspend on contract costs (including savings on cost of additional properties, increased Bulky Waste, Special Collections and bin sales income and additional costs for purchase of bins).
Street Cleansing	(209)	Net underspend on contract costs.
TOTAL	(485)	
SERVICE DELIVERY – Cllr D. Simmons (Brian Planner)		
Parking Management	24	Net additional cost from increase in contract costs, reduced income from fees and PCN's, and increased income from permit fees.
Service Delivery	(36)	Salary underspend on Head of Service Delivery post.
TOTAL	(12)	
DIRECTOR OF CORPORATE SERVICES – Cllrs D. Dewar-Whalley & T. Wilcox (Mark Radford)		
Corporate Costs	0	Nil variance reported to date.
TOTAL	0	
EMERGENCY PLANNING – Cllr A. Bowles (Della Fackrell)		
Emergency Planning	0	Nil variance reported to date.
TOTAL	0	
DIRECTOR OF REGENERATION (Pete Raine)		
Strategic Directors	0	Nil variance reported to date.
TOTAL	0	

Projected Net (Under)/Overspend / Income Shortfall as at end of September 2014		
Service – Cabinet Member (Head of Service)	£'000	Explanation
IT SERVICES – Cllr D. Dewar-Whalley (Andy Cole)		
IT MKIP	0	Nil variance reported to date.
GIS	5	Outstanding holiday pay and related on costs.
TOTAL	5	
ENVIRONMENTAL HEALTH – Cllr. D. Simmons (Tracey Beattie)		
Environmental Services	10	Additional staff costs £5k, additional mileage costs £6k and minor savings £1k.
Health & Safety	(4)	Additional fee income.
Pollution Control	6	Net reduced fees received.
TOTAL	12	
INTERNAL AUDIT – Cllr D. Dewar-Whalley (Rich Clarke)		
Audit Services	0	Nil variance reported to date.
TOTAL	0	
FINANCE – Cllr D. Dewar-Whalley (Nick Vickers)		
Financial Services	(20)	Savings on Minimum Revenue Provision (MRP).
TOTAL	(20)	
HUMAN RESOURCES – Cllr T. Wilcox (Dena Smart)		
Organisational Development	0	Nil variance reported to date.
TOTAL	0	
LEGAL – Cllr D. Dewar-Whalley (John Scarborough)		
Legal	(23)	Net staff & Agency staff costs savings £40k, net additional fees income/recovery £8k, overspend lump sum/mileage costs £6k, overspend Books & Journals £14k, other additional costs and charges £5k.
TOTAL	(23)	
DEMOCRATIC SERVICES – Cllr A. Bowles (Katherine Bescoby)		
Democratic Process	(4)	Additional staff costs £2k, savings on training courses £5k, other miscellaneous savings £1k.
Administration	4	Net staff costs overspend.
Elections & Electoral Registration	23	Additional canvassers fees £18k, additional stationery costs £3k, net general other costs £2k.
TOTAL	23	
PROPERTY – Cllr D. Dewar-Whalley (Anne Adams)		
Health & Safety	(2)	Saving on books & journals.
Property Services	(3)	Staff costs savings £1k and other minor savings.
Administrative Buildings	(28)	Net utility costs savings £22k, savings re rates £4k and other miscellaneous savings £2k.

Projected Net (Under)/Overspend / Income Shortfall as at end of September 2014		
Service – Cabinet Member (Head of Service)	£'000	Explanation
Property Management	(52)	Net additional property rental income based on 14/15 forecast.
TOTAL	(85)	
OTHER VARIANCES (TO BE MET FROM TOTAL UNDERSPEND)		
Sittingbourne Town Centre Development	43	Variance to be funded out of general year-end corporate underspend.
Arts Events & Activities	5	Additional spend will be funded out of general year-end corporate underspend.
TOTAL	48	
NON-SERVICE BUDGETS		
KCC 2 nd Homes Discount	(28)	Additional KCC 2 nd Homes Discount grant.
Corporate Provision for bad debt	(10)	Improvement in outstanding debt.
Business Rates	(20)	Additional income 'New Burden – Council Tax & Business Rates' Grant.
Corporate Items	(77)	Interest savings on finance leases £20k, unspent earmarked reserves £46k and grant received £16k offset by pensions adjustment £5k. (£16k will be requested to roll forward into 2015/16 of unspent non-ring fenced grants.)
TOTAL	(135)	
NET EXPENDITURE	(704)	

Sensitivity Analysis

3.5 The Council has a small number of large and volatile budgets which will be the main cause of any significant variation in the Council's final outturn.

Table 3:

Budget Head	2014/15 Working Budget	Current Forecast	Current Projected Variance (as per table 2)	Range of Variance Options (increased / decreased cost or income)		Notes
				Min	Max	
	£	£	£	£	£	
Car Park Income	(1,522,900)	(1,500,900)	20,000	0	40,000	
PCN Income	(499,890)	(479,890)	20,000	10,000	30,000	
Planning Fees	(600,930)	(750,930)	(150,000)	(150,000)	(260,000)	(i)
Homelessness – Bed & Breakfast costs	253,600	299,600	46,000	0	52,000	(ii)
Housing Benefits	56,840,000	56,840,000	0	(100,000)	100,000	(iii)

- (i) We have received several major planning applications with significant fee income. Further major applications are also expected by the end of the

financial year which should give rise to fee income significantly above forecast.

- (ii) There has been a recent increase in emergency accommodation placements as predicted and the costs have therefore slightly increased. This is currently offset by income and Homelessness Grant and will be closely monitored, but the alternative emergency accommodation arrangements owned by SBC should be in place by January 2015 which should reduce costs by year-end.
- (iii) This is an extremely volatile budget and could vary by +/- £100,000 at year-end on a gross budget of £57m.

Improvement and Regeneration Funds

3.6 The balance as at the end of September 2014 on these funds is shown in Table 4 below:

Table 4: Improvement & Regeneration Funds

	Balance Unallocated as at 1 April 2014	2014/15 Approved Allocations	Balance Unallocated as at 30 September 2014
Funds:	£	£	£
Performance	598,264	69,955	528,309
Regeneration	368,290	90,060	278,230
Localism	48,793	14,906	33,887
Transformation	252,418	108,333	144,085
Local Loan Fund	250,000	50,000	200,000
TOTAL	1,517,765	333,254	1,184,511

3.7 The Regeneration Fund was topped up by £250,000 from the 2014/15 budget.

3.8 The Localism Fund was topped up by £26,400 from the 2013/14 underspend.

3.9 Further details of the approved allocations to the end of September 2014 are available in Appendix I.

3.10 Appendix I provides details of how to submit bids against these funds.

3.11 If any of the above allocations are not required the balance will be added back to the relevant fund as at 31 March 2015.

Reserves

3.12 Departmental budgets have been increased by £153,940 and this is funded from the 2013/14 underspend as agreed by Cabinet in 16 July 2014.

3.13 For 2014/15 to date, the reserves have funded service expenditure totalling £691,033.

Capital Expenditure

3.14 This report details the latest position on the 2014/15 capital programme and highlights any variations between the 2014/15 capital budget and expenditure to the end of period 6 (September 2014). An underspend of £175,720 is forecast on the capital budget.

3.15 Actual expenditure to end of September 2014 (month 6) is £640,970. This represents 26.4% of the working budget (as per Appendix II).

3.16 The main issues on the projected variances are set out in table 5 below.

Table 5: Capital programme – main projected variances

Variance	Specific Issues
Managed Underspends	Waste Collection & Recycling £35k: recent years' spend on wheeled bins has been treated as revenue; part-funded by the revenue budget and also the repairs and renewals reserve. Further on-going expenditure for replacement bins is expected to continue as revenue expenditure. Disabled Facilities Grants £120k: these grants will all be committed by the end of 2014/15 but payments are unlikely to be made until early 2015/16.
Deferred Projects	Swale House Window Replacement and Building Refurbishment £26k: until we have definite plans regarding future office space we will not be planning to invest in Swale House. However, as plant and equipment is increasingly likely to fail the longer that Swale House remains in use, capital funded projects may be required to replace this equipment on a reactive basis.
Overspends	Kemsley West Play Area: £6k overspend as a result of unforeseen ground conditions during the building phase. Additional footings were required to strengthen due to a layer of gravel and ground water.

3.17 A £100,000 top up from reserve funds to Disabled Facilities Grants is proposed.

3.18 A request is made to fund the Kemsley play area overspend of £6,200 from Capital Receipts.

3.19 Table 6 details the movement from the Original 2014/15 budget to the Working Budget 2014/15.

Table 6: Actual Expenditure to Date and Forecast Variations

	£
Original Estimate	1,106,740
Add Supplementary Approvals:	
Rollovers agreed at Cabinet 16 July 2014	372,150
External Funding	508,420
Capital Receipts	198,880
Earmarked Reserve	242,000
Total Working Budget	2,428,190
Actual to end of September 2014	640,970
Variance to date	(1,787,220)
Projected Variance	(175,270)

3.20 Further details are available in Appendix II.

Capital Receipts

3.21 Balance of capital receipts as at 31 March 2014 was £1,330,818.

Payment of Creditors

3.22 The latest monitoring position is shown in Table 7.

Table 7: Invoice payment

	Target 2014/15	Cumulative year to date	September 2014	August 2014	July 2014
Invoices paid in 30 days	97.00%	97.06%	96.11%	93.88%	96.45%

Debtors

3.23 Tables 8, 9 and 10 analyse the debt outstanding. The debt over six years old relates to charges on property, i.e. where the debt cannot be collected until the property concerned is sold.

Table 8: Debt outstanding by due date (not including Rent Deposit Scheme)

	Current Year		Previous Year
	September 2014	August 2014	September 2013
	£'000	£'000	£'000
0 – 2 Months	229	76	108
2 – 6 Months	67	108	49
6 – 12 Months	53	23	61
1 – 2 Years	13	14	15
2 – 3 Years	11	13	27
3 – 4 Years	27	27	13
4 – 5 Years	12	11	7
5 – 6 Years	6	6	1
6 Years +	15	28	27
Total	433	306	308
Total Over 2 Months	204	230	200

Increase in 0-2 months is as a result of quarterly rental invoices and KCC preceptors invoice (£104k).

Table 9: Debt outstanding by due date (including Rent Deposit Scheme)

	Current Year		Previous Year
	September 2014	August 2014	September 2013
	£'000	£'000	£'000
0 – 2 Months	229	75	109
2 – 6 Months	67	112	80
6 – 12 Months	28	-9	65
1 – 2 Years	44	45	20
2 – 3 Years	17	20	41
3 – 4 Years	39	45	285
4 – 5 Years	257	255	7
5 – 6 Years	6	6	1
6 Years +	15	27	27
Total	702	576	635
Total Over 2 Months	473	501	526

Increase in 0-2 months is as a result of quarterly rental invoices and KCC preceptors invoice (£104k).

Table 10: Debt outstanding (including Rent Deposit Scheme) by Head of Service

	September 2014	August 2014
	£'000	£'000
Rent Deposit Scheme	269	270
Commissioning & Customer Contact	20	54
Property	185	116
Housing	42	43
Legal	7	36
Economy & Communities	18	25
Planning	1	1
Environmental Health	3	3
Service Delivery	24	20
Finance	125	0
Policy	3	3
Other	5	5
Total	702	576

Increase in Property and Finance are as a result of quarterly rental income invoices and KCC preceptors invoice (£104k).

Business Rates Monitoring

3.24 In 2013/14 the Council's total business rate income was £4.3m and for 2014/15 it is forecast to be £4.9m. Any surplus on the business rate income will be put into the business rate volatility reserve as agreed at Cabinet in February. A Business Rate Group consisting of representatives from Finance, Revenues and Economic Development has been established to regularly review the factors that may affect the forecast income for this item.

Discretionary Rate Relief

3.25 A full consultation process will be undertaken on the scheme in 2015, for implementation April 2016. It should also be noted that Rural Rate Relief can only be awarded in rural settlements with a population that is less than 3,000. Using the latest census population figures from 1 January 2015, Rural Rate Relief will no longer be awarded in Iwade and Queenborough.

4. Alternative Options

4.1 None identified – this report is largely for information.

5. Consultation Undertaken or Proposed

5.1 Heads of Service and Strategic Management Team have been consulted in preparing this report.

6. Implications

Issue	Implications
Corporate Plan	Embracing Localism Open for Business Healthy Environment
Financial, Resource and Property	As detailed in the report
Legal and Statutory	None identified at this stage
Crime and Disorder	None identified at this stage
Sustainability	None identified at this stage
Health & 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

7.1 The following documents are published with this report and forms part of the report:

Appendix I – Improvement and Regeneration Fund allocations as at end of September 2014;

Appendix II – Capital Programme - Projected outturn as at end of September 2014.

8. Background Papers

8.1 The Budget 2014/15 and Medium Term Financial Strategy 2014/15 to 2016/17.

IMPROVEMENT AND REGENERATION FUND ALLOCATIONS (PERIOD 6)

	Amount £
Performance Fund	
Communications Service Interim Support	10,027
Grove toilets, Leysdown	4,995
Local Area Perception Survey 2014/15	12,000
Annual Contribution to MKIP 2014/15	34,425
Softphone Licences for Remote Working	1,908
Analytical reviews of income from Business Rates	6,600
Total Approved as at September 2014	69,955
Regeneration Fund	
Members Regeneration Grants	47,000
Trademarks - Faversham Hop Festival	1,520
Magna Carta 800 Celebrations, Faversham 2015	9,950
Small Business Saturday 2014	5,590
Christmas Car Parking Concession 2014	26,000
Total Approved as at September 2014	90,060
Localism Fund	
Volunteer Week Campaign	1,186
Funding Fair	1,050
Heritage Projects	10,000
Volunteer Swale Awards 2014/15	2,670
Total Approved as at September 2014	14,906
Transformation Fund	
Redundancy Payments 2014/15	108,333
Total Approved as at September 2014	108,333
Swale Local Loan Fund	
Queenborough Harbour Trust	50,000
Total Approved as at September 2014	50,000
TOTAL APPROVED AS AT SEPTEMBER 2014	333,254

Fund	Purpose	Authorisation Process
Performance Fund	To improve overall performance. Officers are invited to submit a bidding list of proposals.	Bids are to be submitted to Finance and agreed and signed by the Head of Finance and Cabinet Member for Finance. The Strategic Management Team will then consider the bids as part of the Financial Monitoring process.
Regeneration Fund	To fund regeneration projects in the Borough.	<ol style="list-style-type: none"> 1. The application should be agreed by the Relevant Cabinet Member for his/her endorsement before submission. 2. Email copy to Head of ECS who will then forward to Director of Regeneration and the Head of Finance who will sign to approve. 3. The form is forwarded to the Council Leader and Cabinet Member for Finance for their sign off. 4. The fully approved bid form will be returned to the relevant Head of Service.
Localism Fund	To drive the Localism agenda by delivering the actions and projects under the Embracing Localism priority in the Council's Corporate Plan.	Sign off will be through Head of ECS, Head of Finance, Director of Regeneration and Cabinet Member Localism.

	Funding SBC / P	2014/15 Original Budget £	Approved Rollovers £	Other Adjustments £	2014/15 Working Budget £	2014/15 Budget to end of period 06 September 2014 £	2014/15 Actual to End of period 6 £	Projected Variance £
SUMMARY								
<u>PARTNERSHIP FUNDING SCHEMES</u>								
Economy & Communities	P	0	0	399,770	399,770	199,885	40,245	0
Commissioning & Customer Contact	P	0	127,200	106,000	233,200	116,600	70,051	6,200
Housing	P	926,740	0	0	926,740	463,370	398,660	0
Corporate Services	P	0	0	6,200	6,200	3,100	6,216	0
Property	P	0	0	4,550	4,550	2,275	4,554	0
TOTAL PARTNERSHIP FUNDING SCHEMES	P	926,740	127,200	516,520	1,570,460	785,230	519,726	6,200
<u>SWALE BOROUGH COUNCIL FUNDING SCHEMES</u>								
Commissioning & Customer Contact	SBC	35,000	39,760	110,300	185,060	92,530	0	-35,000
Economy & Communities	SBC	15,000	0	0	15,000	7,500	0	0
Housing	SBC	100,000	152,150	165,000	417,150	208,575	52,208	-120,000
Finance	SBC	30,000	26,570	0	56,570	28,285	0	0
Property	SBC	0	26,470	112,480	138,950	69,475	68,587	-26,470
Service Delivery	SBC	0	0	45,000	45,000	22,500	449	0
TOTAL SBC FUNDING SCHEMES	SBC	180,000	244,950	432,780	857,730	428,865	121,244	-181,470
TOTAL CAPITAL PROGRAMME		1,106,740	372,150	949,300	2,428,190	1,214,095	640,970	-175,270

CAPITAL MONITORING TO END OF SEPTEMBER 2014 (PERIOD 06)

Appendix II

	Funding SBC / P	2014/15 Original Budget £	Approved Rollovers £	Other Adjustments £	2014/15 Working Budget £	2014/15 Budget to end of period 06 September 2014 £	2014/15 Actual to End of period 6 £	Projected Variance
<u>ECONOMY & COMMUNITIES - E.WIGGINS</u>								
CCTV	SBC	15,000	0	0	15,000	7,500	0	0
Capital Expansion of CCTV Service	P	0	0	38,800	38,800	19,400	0	0
Meads Community Centre - S106	P	0	0	348,000	348,000	174,000	35,379	0
Sittingbourne War Memorial	P	0	0	8,100	8,100	4,050	0	0
Kemsley Community Facilities- S106	P	0	0	4,870	4,870	2,435	4,866	0
TOTAL ECONOMY & COMMUNITIES		15,000	0	399,770	414,770	207,385	40,245	0
<u>CORPORATE SERVICES - M.RADFORD</u>								
Miscellaneous I.T Equipment - Scanners	P	0	0	6,200	6,200	3,100	6,216	0
TOTAL CORPORATE SERVICES		0	0	6,200	6,200	3,100	6,216	0
<u>COMMISSIONING & CUSTOMER CONTACT - D.THOMAS</u>								
Cemeteries - future burial provision in the borough	SBC	0	32,590	0	32,590	16,295	0	0
Waste Collection and Recycling (Wheelie bins) (R&R)	SBC	35,000	0	0	35,000	17,500	0	-35,000
Beach Huts, Minster Leas, Sheppey	SBC	0	7,170	0	7,170	3,585	0	0
Cemetery Chapel, Love Lane Faversham- Capital Receipts	SBC	0	0	25,300	25,300	12,650	0	0
Milton Creek Footpath	SBC	0	0	30,000	30,000	15,000	0	0
High Risk Tree Wroks in 3 Cemeteries - Capital Receipts	SBC	0	0	45,000	45,000	22,500	0	0
Medium Risk Tree Wroks in 3 Cemeteries- Capital Receipts	SBC	0	0	10,000	10,000	5,000	0	0
Thistle Hill Community Woodland Trim Trail - S106	P	0	35,000	0	35,000	17,500	0	0
New Play Area - Iwade Schemes	P	0	92,200		92,200	46,100	0	0
Kemsley West Play Area - S106	P	0	0	56,000	56,000	28,000	62,199	6,200
Kemsley East Play Area - S106	P	0	0	50,000	50,000	25,000	7,852	0
TOTAL COMMISSIONING & CUSTOMER CONTACT		35,000	166,960	216,300	418,260	209,130	70,051	-28,800

	Funding SBC / P	2014/15 Original Budget £	Approved Rollovers £	Other Adjustments £	2014/15 Working Budget £	2014/15 Budget to end of period 06 September 2014 £	2014/15 Actual to End of period 6 £	Projected Variance £
SERVICE DELIVERY - B. PLANNER								
Ground Floor Reception Area - Revenue Funding	SBC	0	0	25,000	25,000	12,500	449	0
Ground Floor Reception Area - Capital Receipts	SBC	0	0	20,000	20,000	10,000	0	0
TOTAL SERVICE DELIVERY		0	0	45,000	45,000	22,500	449	0
HOUSING - A. CHRISTOU								
DFG Mandatory Grants	SBC	100,000	152,150	0	252,150	126,075	0	-120,000
DFG Mandatory Grants - External Grant	P	926,740		0	926,740	463,370	398,660	0
HARG - Housing Repair Grants Over 60	SBC	0	0	0	0	0	13,328	0
HARG - DFG Remedial	SBC	0	0	0	0	0	2,717	0
RHB2 - Decent Home Loans Owner Occupier	SBC	0	0	0	0	0	36,163	0
Emergency Accommodation - House Purchase	SBC	0	0	165,000	165,000	82,500	0	
TOTAL HOUSING		1,026,740	152,150	165,000	1,343,890	671,945	450,868	-120,000

	Funding SBC / P	2014/15 Original Budget £	Approved Rollovers £	Other Adjustments £	2014/15 Working Budget £	2014/15 Budget to end of period 06 September 2014 £	2014/15 Actual to End of period 6 £	Projected Variance £
<u>FINANCE - N. VICKERS</u>								
Cash Receipting System - Replacement - Capital Receipts	SBC	30,000	26,570	0	56,570	28,285	0	0
TOTAL FINANCE AND PERFORMANCE PORTFOLIO		30,000	26,570	0	56,570	28,285	0	0
<u>PROPERTY - A. ADAMS</u>								
Wyale House Window Rep & Blding Refurbishment - Capital Receipts	SBC	0	26,470	0	26,470	13,235	0	-26,470
Central Plaza Sittingbourne - Capital Receipts	SBC	0	0	25,740	25,740	12,870	0	0
Folder Inserter Machine - Capital Receipts	SBC	0	0	15,970	15,970	7,985	15,970	0
Folder Inserter Machine - Revenue Grant	P	0	0	4,550	4,550	2,275	4,554	0
Committee Room Adaptations - Capital Receipts	SBC	0	0	18,770	18,770	9,385	0	0
Council Chamber Digital System - Reserves	SBC	0	0	52,000	52,000	26,000	52,617	0
TOTAL PROPERTY		0	26,470	117,030	143,500	71,750	73,141	-26,470

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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