

| | |
|------------------------|---|
| Cabinet Meeting | |
| Meeting Date | 26 September 2018 |
| Report Title | Financial Management Report – April – June 2018 |
| Cabinet Member | Cllr Duncan Dewar-Whalley, Cabinet Member for Finance & Performance |
| SMT Lead | Nick Vickers, Chief Financial Officer |
| Head of Service | Nick Vickers, Chief Financial Officer |
| Lead Officer | Phil Wilson, Financial Services Manager / Caroline Frampton, Principal Accountant |
| Key Decision | Yes |
| Classification | Open |
| Recommendations | <ol style="list-style-type: none"> 1. Note the projected revenue underspend on services of £54,000 (Table 1 refers). 2. Note the capital expenditure of £3,275,438 to end of June 2018 (Paragraph 3.13 and Table 4 Appendix I refers). 3. Approve the participation of the Council in an application to be a business rate pilot in 2019/20, subject to confirmation of the scheme with a delegation to the Leader and Cabinet Member for Finance and Performance in consultation with the Chief Financial Officer to agree the application. |

1. Purpose of Report and Executive Summary

- 1.1 This report shows the revenue and capital projected outturn activity for 2018/19 as at the end of June 2018. The report is based on service activity up to the end of June 2018 and is collated from monitoring returns from budget managers.
- 1.2 The headline figures are:
 - Total forecast revenue underspend of £54,000;
 - Capital expenditure of £3,275,438.

2. Background

- 2.1 The Council operates a monthly budget monitoring process for budget managers, with regular reports to the Cabinet Member for Finance & Performance and the Strategic Management Team.
- 2.2 Financial monitoring reports are presented to Cabinet on a quarterly basis, as well as to Scrutiny Committee.

3. Proposals

Revenue Outturn

- 3.1 As at the end of June the forecast revenue underspend projected to 31 March 2019 is £54,000.

Table 1: Projected Variance by Service

| | | Working Budget £ | Projected Outturn £ | Projected Variance £ |
|---|--------------|----------------------------|-------------------------------|--------------------------------|
| Chief Executive | M. Radford | 408,050 | 398,050 | (10,000) |
| Policy | D. Clifford | 223,320 | 210,320 | (13,000) |
| Economy & Communities | C. Hudson | 2,072,740 | 2,041,740 | (31,000) |
| Communications | P. Sutcliffe | 270,060 | 270,060 | 0 |
| Resident Services | A. Christou | 1,349,660 | 1,401,660 | 52,000 |
| Planning | J. Freeman | 875,190 | 846,190 | (29,000) |
| Commissioning & Customer Contact | M. Cassell | 5,450,390 | 5,386,390 | (64,000) |
| Director of Regeneration/ Emergency Planning | E. Wiggins | 261,130 | 261,130 | 0 |
| Information Technology | C. Woodward | 1,161,070 | 1,161,070 | 0 |
| Audit | R. Clarke | 176,160 | 176,160 | 0 |
| Environmental Health | T. Beattie | 531,090 | 523,090 | (8,000) |
| Finance (incl Data Protection) | N. Vickers | 3,190,070 | 3,208,070 | 18,000 |
| Human Resources | B. Sandher | 364,050 | 364,050 | 0 |
| Legal | P. Narebor | 434,280 | 434,280 | 0 |
| Democratic Services | K. Bescoby | 991,750 | 959,750 | (32,000) |
| Property | A. Adams | 564,060 | 572,060 | 8,000 |
| Corporate Items | | 254,930 | 309,930 | 55,000 |
| NET REVENUE SERVICE EXPENDITURE | | 18,578,000 | 18,524,000 | (54,000) |
| Financed by: | | | | |
| Revenue Support Grant | | 0 | 0 | 0 |
| Business Rates | | (8,441,000) | (8,441,000) | 0 |
| New Homes Bonus | | (2,046,000) | (2,046,000) | 0 |
| Collection Fund Surplus | | (178,000) | (178,000) | 0 |
| Council Tax | | (7,913,000) | (7,913,000) | 0 |
| TOTAL FINANCING | | (18,578,000) | (18,578,000) | 0 |
| NET EXPENDITURE | | 0 | (54,000) | (54,000) |

Table 2: Projected Variance by Directorate

| | Working Budget £ | Projected Outturn £ | Projected Variance £ |
|--|----------------------------|-------------------------------|--------------------------------|
| Chief Executive | 408,050 | 398,050 | (10,000) |
| Mid Kent Services | 2,666,650 | 2,658,650 | (8,000) |
| Commissioning & Customer Contact | 5,450,390 | 5,386,390 | (64,000) |
| Policy & Performance | 223,320 | 210,320 | (13,000) |
| Corporate Services | 4,790,290 | 4,784,290 | (6,000) |
| Regeneration | 4,784,370 | 4,776,370 | (8,000) |
| Corporate Items | 254,930 | 309,930 | 55,000 |
| NET REVENUE SERVICE EXPENDITURE | 18,578,000 | 18,524,000 | (54,000) |

3.2 Table 1 in Appendix I details the significant service movements by type of variance.

3.3 Table 2 in Appendix I details the line-by-line service variations.

Business Rates

- 3.4 The Council is due to collect £48m of business rates in 2018/19. After the complicated system of levies and tariffs has been accounted for, the Council is forecast to receive £8.4m.
- 3.5 Council has previously agreed to the establishment of a Business Rates Volatility Reserve, in order to assist the Council in managing the anticipated volatility in business rate income resulting from the introduction of business rate localisation from 2013/14. There are a number of causes of this volatility, such as new businesses opening, existing business growing or closing, rating appeals, and collection rates. The balance on the reserve is currently £3.5m.
- 3.6 The Council has set aside £8.5m for business rate appeals. This indicates how business rate income can vary greatly as a result of a decision made on business rate appeals.
- 3.7 The Council is participating in the pilot full localisation of business rates as one of 11 pilots being run nationally. As previously reported in the budget report, Swale will benefit significantly from this and in the budget we allowed for an additional £250,000 of income. Initial monitoring suggests that this figure will be exceeded. Work has already started on a bid for pilot status in 2019/20. The Government recently announced that the 2019/20 pilots will be based upon 75% rather than 100% of local business rate retention. Nonetheless, the initial discussions between Kent Councils still indicate support across the board for another application.

Improvement and Regeneration Funds

- 3.8 Table 3 below details the position on a number of reserve funds. Total budget not committed is £1,215k.
- 3.9 Cabinet in July approved the topping up of funds as detailed in the table below.
- 3.10 Table 3 in Appendix I details the approvals from the Improvement and Regeneration Funds during 2018/19. These total £69k.

Table 3: Improvement and Regeneration Funds

| Funds | Balance as at 1 April 2018 | Topping up of funds in 2018/19 | Budget Committed as at 1 April 2018 | Budget Committed (refer to Appendix I) 2018/19 | Budget Not Committed |
|----------------------|-----------------------------------|---------------------------------------|--|---|-----------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Performance | 316 | 300 | (277) | (22) | 317 |
| Pension & Redundancy | 205 | 0 | 0 | 0 | 205 |
| Regeneration | 350 | 300 | (251) | (47) | 352 |
| Communities | 111 | 75 | (45) | 0 | 141 |
| Local Loan Fund | 200 | 0 | 0 | 0 | 200 |
| TOTAL | 1,182 | 675 | (573) | (69) | 1,215 |

Capital Expenditure

3.11 This section of the report details actual capital expenditure and highlights any variations between the revised 2018/19 capital budget and the projected outturn.

3.12 A reconciliation between the original and revised capital budgets is set out below:

Table 4: Reconciliation of Original to Revised Capital Budget

| | £ |
|--|-------------------|
| Original Budget | 33,717,120 |
| 2017/18 rollovers (Minute 112/07/2018) | 1,935,872 |
| Leisure Centres (Minute 40/05/2018) | 1,000,000 |
| Queenborough Causeway (Minute 104/07/2015) | 60,000 |
| Former Bus Depot, East Street (Minute 198/09/2017) | 1,111,194 |
| Revised Budget | 37,824,186 |

3.13 Actual expenditure to end of June 2018 is £3,275,438 (Table 5 below refers). This represents 9% of the revised budget. An overspend of £112k is forecast for the year. Further details by Head of Service are set out in Table 4 in Appendix I.

Table 5: Capital Programme Expenditure

| | Revised Budget 2018/19 | Actual to end of June 2018 | Projected Full Year Variance 2018/19 |
|--|------------------------------|----------------------------------|---|
| | £'000 | £'000 | £'000 |
| Commissioning & Customer Contact | 2,384 | 102 | 38 |
| Economy & Communities | 32,537 | 2,851 | 0 |
| Property | 0 | 49 | 74 |
| Environmental Services MKS | 57 | 7 | 0 |
| ICT MKS | 103 | 0 | 0 |
| Residents Services | 2,743 | 266 | 0 |
| Total Swale Borough Council funded | 34,691 | 2,967 | 74 |
| Total Partnership funded | 3,133 | 308 | 38 |
| Total Capital Programme | 37,824 | 3,275 | 112 |
| | | | |
| % spent to date compared to Revised Budget | | 9% | |

3.14 The 2018/19 capital programme expenditure of £3,275,438 is funded as set out in Table 6 below. As yet the Council has not undertaken any external borrowing.

Table 6: Capital Programme Funding

| Source of funding | Revised Budget 2018/19 | Actual to end of June 2018 | Projected Full Year Variance 2018/19 |
|---|------------------------|----------------------------|--------------------------------------|
| | £'000 | £'000 | £'000 |
| Internal Borrowing | 32,834 | 1,740 | 0 |
| Partnership funding (including S106 Grants) | 3,133 | 308 | 38 |
| Earmarked Reserves | 1,400 | 1,220 | 74 |
| Capital Receipts | 457 | 7 | 0 |
| Total Funded | 37,824 | 3,275 | 112 |

Payment of Creditors

3.15 The payment of creditors to end of June 2018 is 99.5% paid in 30 days against the target of 97%.

Debtors

3.16 Tables 5 and 6 in Appendix I analyse the sundry debt outstanding.

4. Alternative Options

4.1 None identified – this report is 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 | Good financial management is key to achieving our Corporate Plan priority of being “A council to be proud of”. |
| Financial, Resource and Property | As detailed in the report. |
| Legal, Statutory and Procurement | None identified at this stage. |
| Crime and Disorder | None identified at this stage. |
| Environment & 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. |
| Privacy and Data Protection | None identified at this stage. |

7. Appendices

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

- Appendix I: Financial Monitoring as at the end of June 2018;

8. Background Papers

8.1 [Budget 2018/19 and Medium Term Financial Plan 2018/19 to 2020/21](#)

Financial Monitoring Report – April – June 2018 (Quarter 1)

Table 1: Service Movements by Type

| Service/Contract | Reason for Variance | Projected Variance (June 2018) £'000 |
|--|---|--|
| Additional Income: (brackets in variance mean additional income) | | |
| Parking Management | Additional parking income | (84) |
| Parking Management | Net income street parking | (66) |
| Planning | Additional planning income | (100) |
| Leisure | Central House utility costs | (11) |
| Refuse Collection/Street Cleansing/Public Conveniences | Additional income from sale of wheeled bins | (30) |
| Loss of Income: | | |
| Temporary Accommodation | Benefit income recovery | 261 |
| Recycling & Waste Minimisation | Additional income brown bins | 24 |
| Development Control | S106 monitoring fees | 20 |
| Development Control | Pre-Application Planning Advice | 13 |
| Stay Put Scheme | Reduced income from Disabled Facilities Grants (DFG) fees | 35 |
| Total Net Income | | 62 |
| Procurement /Shared Service Savings/Costs: (brackets in variance mean underspend) | | |
| Refuse Collection/Street Cleansing/Public Conveniences | Contracts | (83) |
| Parking Management | Shared service | 31 |
| Building Control | Contract | (10) |
| Total Procurement/Shared Service Savings/Costs | | (62) |
| Additional Costs: | | |
| Leisure Centres | Consultancy costs | 30 |
| Sittingbourne Master Plan | Consultancy costs | 55 |

| Service/Contract | Reason for Variance | Projected Variance (June 2018) £'000 |
|---|---|---|
| Parking Management | Car Parks – business rates | 26 |
| Parking Management | Car Parks – cash security and RingGo fees | 48 |
| Refuse Collection/Street Cleansing/Public Conveniences | Purchase of wheeled bins | 50 |
| Homelessness | Homeless housing | 21 |
| Total Additional Costs | | 230 |
| Underspends: (brackets in variance mean additional underspend) | | |
| Salaries | | (106) |
| Temporary Accommodation | Landlord payments | (116) |
| Chief Executive | Corporate projects | (10) |
| Democratic Services | Members' allowances & travel | (27) |
| Markets | Business rates | (16) |
| Total Underspends | | (275) |
| Total Variance | | (45) |
| Other Net Underspends | | (9) |
| Total Variance | | (54) |

**Table 2: Projected Net (Under)/Overspend / Income Shortfall
as at end of June 2018 by Service**

| Service – Cabinet Member (Budget Manager) | £'000 | Explanation |
|--|--------------|---|
| CHIEF EXECUTIVE – Cllr A. Bowles (Mark Radford) | | |
| Chief Executive & Corporate Costs | (56) | (£39k) Underspend – net staff costs (£10k) Underspend – special project costs (£7k) Net Underspend |
| Transformation Project | 46 | £46k Additional costs – net staff costs due to extension of Project Team. This is offset by underspends in Revenues and Customer Service Centre |
| TOTAL | (10) | |
| POLICY – Cllr A. Bowles (David Clifford) | | |
| Policy | (13) | (£14k) Underspend – net staff costs £1k Net additional costs |

| Service – Cabinet Member (Budget Manager) | £'000 | Explanation |
|--|--------------|--|
| TOTAL | (13) | |
| ECONOMY AND COMMUNITIES – Cllrs - All (Charlotte Hudson) | | |
| Environmental | (1) | (£1k) Net savings salary costs |
| CCTV | 0 | Nil variance reported |
| Community Halls and Centres | 0 | Nil variance reported |
| Community Safety | (7) | (£7k) Net savings salary costs |
| Economy & Community Services, Cultural & Economic | (9) | (£9k) Net savings salary costs |
| Members' Grants | 0 | Nil variance reported |
| Economic Development | 3 | £3k Net salary overspend |
| Learning, Business & Skills | 3 | £3k Additional Licence cost |
| Tourism | 2 | £2k Net salary overspend |
| Arts Events & Activities | 0 | Nil variance reported |
| Markets | (16) | (£5k) Business rates saving Sittingbourne market (£11k) Business rates saving Faversham market |
| Sports Development | (6) | (£6k) Net savings salary costs |
| TOTAL | (31) | |
| COMMUNICATIONS, PRINTING, ADVERTISING & PROMOTION – Cllr A. Bowles (Philip Sutcliffe) | | |
| Communications | 0 | Nil variance reported |
| TOTAL | 0 | |
| RESIDENT SERVICES – Cllrs A. Horton and D. Dewar-Whalley (Amber Christou) | | |
| Homelessness Temporary Accommodation | 141 | (£116k) Landlord payments less than originally forecast (£4k) Additional income - contribution to rent by clients £261k Benefit income under recovery |
| Homelessness Temporary Houses | 21 | £17k Reduced income - rent received (reduced occupancy rate re ongoing refurbishments) £2k Additional costs - building maintenance – reactive costs £2k net other additional costs |
| Housing Advice / Options | 0 | Nil variance reported |

| Service – Cabinet Member (Budget Manager) | £'000 | Explanation |
|---|--------------|---|
| Housing Development and Strategy | 0 | Nil variance reported |
| Private Sector Housing | (4) | (£4k) Additional income |
| Stay Put Scheme | 35 | £35k Reduced income - DFG fees income |
| Council Tax and Business Rates Collection | (73) | (£54k) net salaries savings (£19k) net other costs savings incl. £(25)k re postage N.B. Any underspend/overspend on salaries within Council Tax and Revenue Administration will be transferred to the ring fenced reserve to be used solely to offset lower grant received |
| Housing Benefit | 0 | Nil variance reported |
| Revenue Administration | (68) | (£51k) net salaries savings (£40k) net salary savings – to offset Transformation Team variance £23k Additional costs (vacancy allowance) |
| TOTAL | 52 | |
| PLANNING – Cllr G. Lewin (James Freeman) | | |
| Building Control/ Dangerous Structures | (9) | (£9k) Underspend – contract costs |
| Development Control | 2 | (£100k) Additional income – planning fees £69k Additional costs - agency fees £20k Reduced income – S106 monitoring fees £13k Reduced income – Pre-Application Planning Advice |
| Development Services | (22) | (£22k) Net underspend on staff |
| Local Land Charges | 0 | Nil variance reported |
| Local Planning & Conservation | 0 | N.B. Any underspend on the local plan will be transferred to the ring fenced reserve to be used solely to fund Local Development Framework (LDF) associated work |
| Mid Kent Planning Service (MKPS) | 0 | Nil variance reported |
| TOTAL | (29) | |
| COMMISSIONING & CUSTOMER CONTACT – Cllr Horton & Cllr Simmons (Martyn Cassell) | | |
| Highways SBC | 0 | Nil variance reported |

| Service – Cabinet Member (Budget Manager) | £'000 | Explanation |
|---|--------------|--|
| Commissioning & Customer Contact, Client & Amenity Services, Customer Service Centre and Technical Services | (64) | (£53k) net saving staff and agency staff costs to offset Transformation Team variance (£11k) net savings |
| Seafront and Harbour & Quays | 8 | £8k Additional costs - building maintenance – reactive |
| Cemeteries and Closed Churchyards | 22 | £22k Additional costs - maintenance of grounds (not contract) |
| Leisure, Sports, Open Spaces, Parks, Countryside and Allotments | 38 | £10k additional tree maintenance costs £9k additional cesspool clearance costs £30k additional leisure centres consultancy costs (£11k) additional income - energy recharge |
| Parking Management | (44) | £31k Additional costs - MKS recharge £27k Additional costs – business rates £16k Additional costs - cash security costs for cash in transit £32k Additional costs - fees for cashless parking solutions (£84k) Additional income from swale car parks (net) (£66k) Net surplus on-street parking (see note below) N.B. Any surplus on street parking will be transferred to the ring fenced on-street parking account under Section 55 of the Road Traffic Act 1984 |
| Grounds Maintenance | 0 | Nil variance reported |
| Contracts and Procurement | 6 | £7k Additional salary costs (£1k) Savings officers' subscriptions |
| Recycling & Waste Minimisation | 24 | £24k Reduced income - subscriptions to Brown Bin service |
| Refuse Collection / Street Cleansing/ Public Conveniences | (54) | (£83k) savings contract costs (£30k) additional income S106 contribution re: wheeled bins £6k additional promotion costs £50k additional wheeled bins costs 3k net other costs |
| TOTAL | (64) | |

| Service – Cabinet Member (Budget Manager) | £'000 | Explanation |
|---|--------------|---|
| DIRECTOR OF CORPORATE SERVICES/REGENERATION – Cllrs D. Dewar-Whalley, A. Bowles and M. Cosgrove. | | |
| Director of Regeneration | 0 | Nil variance reported |
| Emergency Planning | 0 | Nil variance reported |
| Licensing | 0 | Nil variance reported N.B. Any surplus on Hackney Carriage Licensing will be transferred to the ring fenced reserve to be used solely to fund Hackney Carriage related work |
| TOTAL | 0 | |
| IT SERVICES – Cllr D. Dewar-Whalley (Chris Woodward) | | |
| IT MKS | 0 | N.B. Any variance at year-end on IT maintenance & software will be transferred to the ring fenced reserve to be used solely to fund IT related expenditure in future years |
| TOTAL | 0 | |
| INTERNAL AUDIT – Cllr D. Dewar-Whalley (Rich Clarke) | | |
| Audit Services MKS | 0 | Nil variance reported |
| TOTAL | 0 | |
| ENVIRONMENTAL HEALTH – Cllr. D. Simmons (Tracey Beattie) | | |
| Environmental Health MKS | (8) | (£8k) net underspends |
| TOTAL | (8) | |
| FINANCE – Cllr D. Dewar-Whalley (Nick Vickers) | | |
| Financial Services | (1) | (£1k) Net savings |
| Data Protection | 19 | £19k Overspend – net salaries |
| TOTAL | 18 | |
| HUMAN RESOURCES – Cllr D. Dewar-Whalley (Bal Sandher) | | |
| Human Resources | 0 | Nil variance reported |
| TOTAL | 0 | |
| LEGAL – Cllr D. Dewar-Whalley (Patricia Narebor) | | |
| Legal MKLS | 0 | Nil variance reported |
| External Legal Fees | 0 | Nil variance reported |
| S106 Income | 0 | Nil variance reported |
| TOTAL | 0 | |

| Service – Cabinet Member (Budget Manager) | £'000 | Explanation |
|---|--------------|--|
| DEMOCRATIC SERVICES – Cllr A. Bowles (Katherine Bescoby) | | |
| Democratic Process | (26) | (£20k) Underspend – members' allowances (£7k) Underspend – members' travel £1k Net additional costs |
| Elections & Electoral Registration | (6) | (£6k) Underspend – net salaries |
| TOTAL | (32) | |
| PROPERTY SERVICES – Cllr D. Dewar-Whalley (Anne Adams) | | |
| Administrative Buildings | 3 | £3k Net additional costs |
| Property Management | 5 | £5k Net additional costs |
| Building Maintenance | 0 | Any variance at year-end will be transferred to the Buildings Maintenance Fund for future years |
| TOTAL | 8 | |
| NON-SERVICE BUDGETS | | |
| Sittingbourne Town Centre | 55 | £55k Anticipated additional fees and other costs |
| Corporate Items | 0 | Nil variance reported |
| TOTAL | 55 | |
| TOTAL NET REVENUE SERVICE EXPENDITURE | (54) | |

**Table 3: Improvement & Regeneration Fund Allocations 2018/19
as at the end of June 2018**

| | |
|---|---------------------|
| Performance Fund | Amount £ |
| Housing Register Apprentice | 9,895 |
| Best Companies b-Heard Survey 2018/19 | 12,000 |
| Total Performance Fund Approved as at June 2018 | 21,895 |
| Regeneration Fund | Amount £ |
| Member Grants | 47,000 |
| Total Regeneration Fund Approved as at June 2018 | 47,000 |
| Communities Fund | Amount £ |
| Nil approvals to date | 0 |
| Total Communities Fund Approved as at June 2018 | 0 |
| Total All Funds | Amount £ |
| Total All Funds Approved as at June 2018 | 68,895 |

Table 4: Capital Programme 2018/19

| | Original Budget 2018/19 | Revised Budget 2018/19 | Actual to June 2018 | Projected Full Year Variance 2018/19 | Notes |
|---|-------------------------------|------------------------------|------------------------|---|-------|
| | £ | £ | £ | £ | |
| <u>Commissioning & Customer Contact - M. Cassell</u> | | | | | |
| New Play Area - Thistle Hill - S106 | 0 | 2,533 | 5,405 | 2,872 | (a) |
| Play Area Refurbishment - Milton Recreation Ground - S106 | 0 | 0 | 35,190 | 35,190 | (a) |
| Faversham Recreation Ground Improvements - External Grant | 0 | 16,679 | 1,365 | 0 | |
| Resurfacing Promenade, The Leas - External Grant | 0 | 85,000 | 34 | 0 | |
| Cemeteries - Bell Road - Reserves | 0 | 41,000 | 0 | 0 | |
| Milton Creek Access Road - Reserves | 0 | 40,000 | 0 | 0 | |
| Modular Toilet Kiosks - Reserves | 0 | 30,000 | 0 | 0 | |
| Gunpowder Works Oare Faversham - S106 | 0 | 9,000 | 0 | 0 | |
| Nursery Close/Queenborough Lines Bridge Replacement - Reserves | 0 | 0 | 400 | 400 | (b) |
| Queenborough Causeway | 0 | 60,000 | 60,000 | 0 | |
| Leisure Centres – Internal Borrowing | 1,000,000 | 2,000,000 | 0 | 0 | |
| Open Spaces Play Equipment – S106 | 100,000 | 100,000 | 0 | 0 | |
| Total Commissioning & Customer Contact | 1,100,000 | 2,384,212 | 102,394 | 38,462 | |

Table 4: Capital Programme 2018/19

| | Original Budget 2018/19 | Revised Budget 2018/19 | Actual to June 2018 | Projected Full Year Variance 2018/19 | Notes |
|--|----------------------------|---------------------------|------------------------|--|-------|
| | £ | £ | £ | £ | |
| <u>Economy & Community Services – C. Hudson</u> | | | | | |
| Sittingbourne Town Centre - Retail Properties - Internal Borrowing | 720,130 | 720,130 | 731,858 | 11,728 | (c) |
| Sittingbourne Town Centre - Other Assets - Internal Borrowing | 59,740 | 59,740 | 180,976 | 0 | |
| Sittingbourne Town Centre - Multi Storey Car Park - Internal Borrowing | 3,532,220 | 3,532,220 | 184,104 | 0 | |
| Sittingbourne Town Centre - Regeneration - Internal Borrowing | 26,521,830 | 26,521,830 | 642,718 | (11,728) | (c) |
| Former Bus Depot, East Street | 0 | 1,111,194 | 1,111,194 | 0 | |
| CCTV - Reserves - Repairs & Renewals | 15,000 | 15,000 | 0 | 0 | |
| Easthall Farm Community Centre - S106 | 0 | 158,165 | 0 | 0 | |
| The Mill Project, Sittingbourne Skate Park - Capital Receipts | 0 | 200,000 | 0 | 0 | |
| The Mill Project, Sittingbourne Skate Park - S106 | 0 | 19,017 | 0 | 0 | |
| Faversham Creek Basin Regeneration Project (swing bridge) - Capital Receipts | 0 | 200,000 | 0 | 0 | |
| Total Economy & Community Services | 30,848,920 | 32,537,296 | 2,850,850 | 0 | |
| <u>Property - A. Adams</u> | | | | | |
| Swale House - Lifts Refurbishment - Reserves | 0 | 0 | 48,793 | 74,000 | (d) |
| Total Property | 0 | 0 | 48,793 | 74,000 | |

Table 4: Capital Programme 2018/19

| | Original Budget 2018/19 | Revised Budget 2018/19 | Actual to June 2018 | Projected Full Year Variance 2018/19 | Notes |
|--|-------------------------|------------------------|---------------------|--------------------------------------|-------|
| | £ | £ | £ | £ | |
| <u>Environmental Services MKS – T. Beattie</u> | | | | | |
| Replacement of Air Pollution Monitoring Station – Capital Receipts | 0 | 56,638 | 7,595 | 0 | |
| Total Environmental Health | 0 | 56,638 | 7,595 | 0 | |
| <u>ICT MKS - C. Woodward</u> | | | | | |
| ICT infrastructure and equipment replacement – Reserves | 103,400 | 103,400 | 0 | 0 | |
| Total ICT | 103,400 | 103,400 | 0 | 0 | |
| <u>Residents Services - A. Christou</u> | | | | | |
| Disabled Facilities Grants - External Grant | 1,664,800 | 2,742,640 | 258,796 | 0 | |
| Home Repair Grants - Over 60 | 0 | 0 | 85 | 0 | |
| Home Repair Grants - Winter Warmth Grants | 0 | 0 | 1,925 | 0 | |
| RHB2 Decent Home Loans Owner Occupier | 0 | 0 | 5,000 | 0 | |
| Total Residents Services | 1,664,800 | 2,742,640 | 265,806 | 0 | |
| Total Capital Programme Funded by Swale Borough Council | 31,952,320 | 34,691,152 | 2,967,638 | 74,400 | |
| Total Capital Programme Funded by Partners | 1,764,800 | 3,133,034 | 307,800 | 38,062 | |
| Total Capital Programme | 33,717,120 | 37,824,186 | 3,275,438 | 112,462 | |

Notes

- (a) These revised costs will be funded from s106 grants
- (b) This is the balance left on an accrual from 2017/18
- (c) The Sittingbourne Town Centre Project is not forecast to vary to the overall budget for this project
- (d) This scheme is fully funded from the Building Maintenance reserve

Table 5: Debt Outstanding by Due Date

| | June 2018 £'000 | June 2017 £'000 |
|-----------------------------|--------------------------------|--------------------------------|
| Not Due (less than 1 Month) | 222 | 94 |
| 1 – 2 Months | 287 | 62 |
| 2 – 6 Months | 73 | 44 |
| 6 – 12 Months | 75 | 41 |
| 1 – 2 Years | 24 | 24 |
| 2 – 3 Years | 22 | 31 |
| 3 – 4 Years | 25 | 34 |
| 4 – 5 Years | 10 | 4 |
| 5 – 6 Years | 0 | 3 |
| > 6 Years | 36 | 38 |
| Total | 774 | 375 |
| Total Due | 552 | 281 |
| % Total Due | 71% | 75% |

Note - Debt due 1 – 2 months includes £235k debt relating to S106 income. Excluding this debt, the total due is £317k.

Table 6: Total Debt (Including Not Due) by Head of Service

| | June 2018 £'000 | June 2017 £'000 |
|----------------------------------|--------------------------------|--------------------------------|
| Property | 190 | 168 |
| Residents Services | 128 | 150 |
| Commissioning & Customer Contact | 68 | 21 |
| Economy & Communities | 51 | 11 |
| Environmental Health | 15 | 1 |
| Planning | 2 | 1 |
| Legal MKLS | 0 | 1 |
| Finance | 0 | 6 |
| Other | 320 | 16 |
| Total | 774 | 375 |

Note – Other debt includes £229k relating to S106 income. Property includes £114k relating to one company. Economy & Communities includes £37k income from Kent Policy & Crime Commissioner, where the debt has been raised but is not yet due.