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AGENDA

CABINET MEETING

Date: Wednesday, 15 July 2015

Time: 7.00 pm

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

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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| | Pages |
|--|-------|
| 1. Apologies for Absence | |
| 2. Minutes | |
| To approve the Minutes of the Meeting held on 27 May 2015 (Minute Nos. 38 - 40) 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 B Reports for Decision by Cabinet

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| 4. | Information Commissioner's Office (ICO) Freedom of Information Act Publication Scheme | 1 - 8 |
| 5. | Financial Management Report - Financial Outturn Report 2014/15 | 9 - 44 |
| 6. | Property Maintenance Term Contract | 45 - 48 |
| 7. | Local Engagement Forum Update | 49 - 52 |
| 8. | Local Development Framework Panel recommendations from the meeting held on 18 June 2015 | 53 - 54 |
| 9. | Minutes of the Swale Joint Transportation Board meeting held on 8 June 2015 | 55 - 56 |

Cabinet is asked to approve the recommendations which fall within the remit of Swale Borough Council's Cabinet.

Members are reminded that the terms of reference for the JTB state that: The Cabinet will normally act in accordance with the advice or views of the JTB. If the Cabinet is minded to act otherwise, no decision will be taken until after a discussion between the relevant Cabinet Member and the Chairman and Vice-Chairman of the JTB.

10. Exclusion of the Press and Public

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

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).

11. Establishment of a shared debt recovery service

57 - 66

Issued on Monday, 6 July 2015

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

**Corporate Services Director, Swale Borough Council,
Swale House, East Street, Sittingbourne, Kent, ME10 3HT**

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| | | |
|------------------------|---|-----------------------|
| Cabinet Meeting | | Agenda Item: 4 |
| Meeting Date | 15 July 2015 | |
| Report Title | Information Commissioner's Office (ICO) Freedom of Information Act Publication Scheme | |
| Cabinet Member | Cllr Dewar-Whalley, Cabinet Member for Finance | |
| SMT Lead | Mark Radford – Corporate Services Director | |
| Head of Service | John Scarborough – Head of Legal Partnership | |
| Lead Officer | Donna Price – Team Leader Corporate Governance | |
| Key Decision | No | |
| Classification | Open | |
| Forward Plan | Yes | |
| Recommendations | Cabinet is recommended to: <ol style="list-style-type: none"> 1. Note the background information within the report relating to the new ICO model publication scheme. 2. Adopt the new ICO model publication scheme, replacing the version SBC currently adheres to. | |

1 Purpose of Report and Executive Summary

- 1.1 This report outlines the purpose of a publication scheme and asks Cabinet to adopt the Information Commissioner's updated model scheme as the Council's own. SBC adopted the original version of the model scheme in 2010, but this has now been superseded.

2 Background

- 2.1 The Freedom of Information Act 2000 provides public access to information held by public authorities. This is undertaken in two ways: firstly, members of the public are entitled to request information direct from public authorities; and secondly, public authorities are obliged to proactively publish certain information about their activities.
- 2.2 To support the provision and availability of information, every public authority subject to the Freedom of Information Act 2000 is required to adopt and maintain a publication scheme.
- 2.3 The publication scheme sets out what information we routinely make available to the public, how it can be obtained, and whether there is a charge for it. Charges are limited to actual disbursements, i.e. photocopying, postage and packaging and costs directly incurred in as a result of viewing information. Such costs must be reasonable and justifiable. The current level of costs charged for printing and photocopying are as follows:

- A4 Black & White = 10p per page
- A4 Colour = 25p per page
- A3 Black & White = 20p per page
- A3 Colour = 50p per page
- A1 and A0 Plans = £4.00 per plan

Due to the cost of processing the payment it is not cost effective to request payment unless this would exceed £20.

In addition, a fee of £25 per hour can be charged if the time needed to comply with a request will exceed 18 hours, this being the appropriate limit set down in the Act. In these circumstances we can also refuse to comply with the request which due to capacity is the stance we have taken when such requests are received.

Costs related to Freedom of Information Act requests will be reviewed and included in the Fees and Charges for 2016/17.

- 2.4 Under the Act, the Information Commissioner has to approve councils' publication schemes, but the Commissioner can also produce a 'model' scheme which can be adopted wholesale by councils without further approval or amendment.
- 2.5 Swale Borough Council has previously adopted the model scheme, but this has recently been updated by the ICO and so now needs to be re-adopted in its revised format by the Council.
- 2.6 The revisions to the publication scheme now additionally requires an authority:
- to publish any dataset held by the authority that has been requested, and any updated version it holds, unless the authority is satisfied that it is not appropriate to do so;
 - to publish the dataset, where reasonably practicable in an electronic form that is capable of re-use; and
 - if any information on the dataset is a relevant copyright work and the public authority is the only owner, to make the information available for re-use under a specified licence.
- 2.7 Decisions not to publish or disclose information will be made on advice from the Freedom of Information Officer who must be satisfied that one of the exemptions set down in Part II of the Freedom of Information Act 2000 applies. These include, but are not limited to, confidential, commercial and personal information.

3 Proposals

- 3.1 The new ICO model publication scheme can be found at Appendix I.
- 3.2 The release of the updated model scheme has provided a good opportunity to undertake a gap analysis looking at whether SBC is currently compliant with the

requirements of the new scheme. We estimate that we are currently 97% compliant, and are looking to address any gaps over the coming quarter.

- 3.3 Cabinet is now recommended to adopt the new ICO model publication scheme at Appendix I.

4 Alternative Options

- 4.1 The Council has a statutory obligation to adopt a publication scheme. To comply with this, it can either adopt the Information Commissioner’s model scheme, as recommended in this report, or it can create its own scheme and have this approved individually by the Commissioner.
- 4.2 Given the additional resource implications of the latter option, as well as the fact that we are almost fully compliant with the model scheme, the latter option is not recommended.

5 Consultation Undertaken or Proposed

- 5.1 Consultation with the Legal and Communications Teams has been undertaken in order to ascertain both the legal implications, and ensure that communication is underway regarding the future updating of the website to ensure compliance.

6 Implications

| Issue | Implications |
|---------------------------------------|--|
| Corporate Plan | The Corporate Plan priority ‘A Council to be Proud of’ could be at risk due to the legal implications if the new publication scheme is not adopted and the requirements met. |
| Financial, Resource and Property | Work to ensure compliance to the new model publication scheme is undertaken within the existing budget for 2015/16. |
| Legal and Statutory | s19 & s20 of the Freedom of Information Act 2000 requires the authority to adopt a publication scheme. Failure to do so would be a breach of the Act. The ICO are the enforcing authority for the Act. |
| Crime and Disorder | No implications identified at this stage. |
| Sustainability | No implications identified at this stage. |
| Health and Wellbeing | No implications identified at this stage. |
| Risk Management and Health and Safety | Reputational risk for breaching the Act, and possibility of enforcement action being taken by the ICO. |
| Equality and Diversity | No implications identified at this stage. |

7 Appendices

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

- Appendix I: ICO Model Publication Scheme

8 Background Papers

8.1 Freedom of Information Act (2000) Model Publication Scheme, current SBC webpage link:

- [Freedom of Information Act \(2000\)](#)

Model publication scheme

Freedom of Information Act

This model publication scheme has been prepared and approved by the Information Commissioner. It may be adopted without modification by any public authority without further approval and will be valid until further notice.

This publication scheme commits an authority to make information available to the public as part of its normal business activities. The information covered is included in the classes of information mentioned below, where this information is held by the authority. Additional assistance is provided to the definition of these classes in sector specific guidance manuals issued by the Information Commissioner.

The scheme commits an authority:

- To proactively publish or otherwise make available as a matter of routine, information, including environmental information, which is held by the authority and falls within the classifications below.
- To specify the information which is held by the authority and falls within the classifications below.
- To proactively publish or otherwise make available as a matter of routine, information in line with the statements contained within this scheme.
- To produce and publish the methods by which the specific information is made routinely available so that it can be easily identified and accessed by members of the public.
- To review and update on a regular basis the information the authority makes available under this scheme.
- To produce a schedule of any fees charged for access to information which is made proactively available.
- To make this publication scheme available to the public.
- To publish any dataset held by the authority that has been requested, and any updated versions it holds, unless the authority is satisfied that it is not appropriate to do so; to publish the dataset, where reasonably practicable, in an electronic form that is capable of re-use; and, if any information in the dataset is a relevant copyright work and the public authority is the only owner, to make the information available for re-use under a specified licence. The term 'dataset' is defined in section 11(5) of the Freedom of Information Act. The terms 'relevant copyright work' and 'specified licence' are defined in section 19(8) of that Act.

Classes of information

Who we are and what we do

Organisational information, locations and contacts, constitutional and legal governance.

What we spend and how we spend it

Financial information relating to projected and actual income and expenditure, tendering, procurement and contracts.

What our priorities are and how we are doing

Strategy and performance information, plans, assessments, inspections and reviews.

How we make decisions

Policy proposals and decisions. Decision making processes, internal criteria and procedures, consultations.

Our policies and procedures

Current written protocols for delivering our functions and responsibilities.

Lists and registers

Information held in registers required by law and other lists and registers relating to the functions of the authority.

The services we offer

Advice and guidance, booklets and leaflets, transactions and media releases. A description of the services offered.

The classes of information will not generally include:

- Information the disclosure of which is prevented by law, or exempt under the Freedom of Information Act, or is otherwise properly considered to be protected from disclosure.
- Information in draft form.
- Information that is no longer readily available as it is contained in files that have been placed in archive storage, or is difficult to access for similar reasons.

The method by which information published under this scheme will be made available

The authority will indicate clearly to the public what information is covered by this scheme and how it can be obtained.

Where it is within the capability of a public authority, information will be provided on a website. Where it is impracticable to make information available on a website or when an individual does not wish to access the information by

the website, a public authority will indicate how information can be obtained by other means and provide it by those means.

In exceptional circumstances some information may be available only by viewing in person. Where this manner is specified, contact details will be provided. An appointment to view the information will be arranged within a reasonable timescale.

Information will be provided in the language in which it is held or in such other language that is legally required. Where an authority is legally required to translate any information, it will do so.

Obligations under disability and discrimination legislation and any other legislation to provide information in other forms and formats will be adhered to when providing information in accordance with this scheme.

Charges which may be made for information published under this scheme

The purpose of this scheme is to make the maximum amount of information readily available at minimum inconvenience and cost to the public. Charges made by the authority for routinely published material will be justified and transparent and kept to a minimum.

Material which is published and accessed on a website will be provided free of charge.

Charges may be made for information subject to a charging regime specified by Parliament.

Charges may be made for actual disbursements incurred such as:

- photocopying
- postage and packaging
- the costs directly incurred as a result of viewing information

Charges may also be made for information provided under this scheme where they are legally authorised, they are in all the circumstances, including the general principles of the right of access to information held by public authorities, justified and are in accordance with a published schedule or schedules of fees which is readily available to the public.

Charges may also be made for making datasets (or parts of datasets) that are relevant copyright works available for re-use. These charges will be in accordance with either regulations made under section 11B of the Freedom of Information Act or other enactments.

If a charge is to be made, confirmation of the payment due will be given before the information is provided. Payment may be requested prior to provision of the information.

Written requests

Information held by a public authority that is not published under this scheme can be requested in writing, when its provision will be considered in accordance with the provisions of the Freedom of Information Act.

Agenda Item 5

| | | |
|------------------------|--|-----------------------|
| Cabinet | | Agenda Item: 5 |
| Meeting Date | 15 July 2015 | |
| Report Title | Financial Outturn Report 2014/15 | |
| 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 | Reference number: | |
| Recommendations | <ol style="list-style-type: none"> 1. To note the revenue underspend on services of £1,973,400, a £277,490 rollover of specific and other grants, and a rollover of £259,500 due to an accounting adjustment re play areas, leaving a net underspend of £1,436,410. 2. To approve the revenue rollover of specific and other grants of £277,490 and £259,500 as set out in Table 3 and Table 4 Appendix I. 3. To note the net revenue underspend on business rates of £190,230. 4. To consider the further revenue service rollovers from 2014/15 and the setting up of new reserves, as set out in Table 4 Appendix I for approval. 5. To delegate to the Head of Finance the allocation of uncommitted underspends to reserve funds. 6. To consider the revenue service bids of £402,100 as set out in Table 5 Appendix I. 7. To consider the capital rollovers of £319,550 as detailed in Table 10 Appendix I for approval. 8. To approve the amendments to the Council's 2015/16 capital programme as detailed in paragraph 3.18. 9. To approve an amendment to the Council's Treasury Management Strategy 2015/16 as detailed in paragraph 3.31. | |

1. Purpose of Report and Executive Summary

- 1.1 This report sets out the outturn position for 2014/15. It shows that once again the Council has been able to achieve a significant underspend in the year. This is primarily due to the higher savings on the waste contract (now taken as base budget saving from 2015/16) and higher planning fee income – these two areas account for 63% of the £1,436,410. With a well-known flightpath of reduced funding into the medium term, the Council has once again pre-empted future funding reductions by restricting expenditure in year.
- 1.2 The Council's commitment to increasing the business base of the Borough is reflected in significant business rates growth, and the principle of budgeting a year in arrears for increases in business rates is clearly the fiscally correct way of managing this hugely important but volatile and uncertain income stream.
- 1.3 The outturn position needs to be seen in the context of the Council's medium term financial position as set out in the February Council budget report. The Council currently has a funding gap of £786,000 in 2016/17 and £1,115,000 in 2017/18. The scope of management efficiency savings and for savings on major contracts is also much reduced. Balancing the budget therefore becomes much more about generating income, business rates and New Homes Bonus in-particular. There will be an emergency national budget on 8 July and any implications of that for the Council will be reported verbally at the Cabinet meeting on 15 July.
- 1.4 The headline figures are:
- total revenue underspend of £1,973,400;
 - £277,490 rollover of specific and other grants;
 - £259,500 rollover due to an accounting adjustment;
 - £694,560 bid requests from heads of service;
 - £180,670 rollover of operational underspends;
 - net over recovery on business rates of £190,140; and
 - capital underspend of £248,690.
- 1.5 The detailed outturn statements are detailed in Tables 1 and 2 in Appendix I.

2. Background

- 2.1 The Council operates a monthly budget monitoring process at Head of Service level, with reports each month to the Strategic Management Team.
- 2.2 Financial monitoring reports have been presented to Cabinet on a quarterly basis, as well as to Scrutiny Committee.

3. Proposal

Revenue Outturn

- 3.1 Table 1 in Appendix I shows the outturn position by service, with most services showing an underspend. The line-by-line variations are explained in Table 2 in Appendix I.
- 3.2 Within the total underspend are specific and other grants totalling £277,490. The principal grants are:
- Troubled Families Grant - £43k;
 - Individual Electoral Registration Grant - £41k;
 - Staying Put Health Grants - £40k.
- 3.3 The main areas of underspend are as follows (items over £50,000 not attributable to grants):
- Development Control - £429,000 - mainly attributable to additional planning fees;
 - Grounds Maintenance Contract - £77,000 - mainly open spaces savings;
 - Parking & Highways - £136,000 - mainly attributable to additional parking income;
 - Recycling & Waste Minimisation - £117,000 - mainly additional income from garden waste scheme;
 - Refuse Collection / Street Cleansing - £471,000 - net contract and contract variation savings; and
 - Property - £120,000 – this arises from a variety of issues including an underspend on staff and additional property income.
- 3.4 Of the net underspend of £1,436,400, two thirds is attributable to two areas – savings on the waste contract and additional planning fees.
- 3.5 The main overspends are as follows:
- Sittingbourne Town Centre Redevelopment - £60,000 - where project management costs do not have a budget;
 - Development Services - £67,000 - mainly additional staffing costs to meet high workloads;
 - Planning Mid Kent Planning Service - £87,000 - mainly additional cost of implementing the service, including redundancy costs; and
 - Leisure and Sports Centres - £73,000 - mainly as a result of a £50,000 contribution towards the Executive Office of Swale Community Leisure Ltd. This is now in the 2015/16 base budget.
- 3.6 The last reported underspend to Cabinet in March 2015 was an underspend of £867,600. The main reasons for the movement to the outturn position since then are:

- Grant Thornton (the Council's external auditors) recommended changing the disclosure of Play Area commuted sums, with the result that £259,500 can be moved from deferred receipts to a new earmarked reserve. We have had to comply with this, but it is simply an accounting adjustment;
- additional contract savings on refuse collection/street cleansing - £69,000;
- additional net parking income - £100,000;
- grounds maintenance contract additional savings - £50,000;
- additional property rental income and other savings - £68,000; and
- additional Development Control fees - £215,000;

3.7 The report by the Council's auditors, Grant Thornton for 2014/15 stated that:
"The Council continues to have an effective framework of financial control. There are well-established processes for preparing and monitoring annual budgets with detailed analysis of variances. Both revenue and capital budgets were underspent in 2013/14. The Council is also currently forecasting a revenue underspend for 2014/15. There are effective systems of control to ensure accounting systems produce reliable information."

Proposed Revenue Rollovers

- 3.8 Cabinet will determine revenue rollovers at its meeting on 15 July. The use of rollovers is critical for the overall financial management of the Council. Their proposed use falls into three main categories:
- unspent ring-fenced grants where projects continue and the funds can only be spent for these purposes and other grants (Table 3 Appendix I);
 - service requests for rollovers at an operational level (Table 4 Appendix I); and
 - larger bids linked to the Council's priorities and the topping-up of specific reserve funds which it was not possible to do in the budget process, and timing issues where small amounts of rollover are requested at an operational level (Table 5 Appendix I).
- 3.9 Decisions on rollover of underspends also need to take into account possible in-year reductions in grant funding which the Government may announce on 8 July.

Business Rates

- 3.10 In total the Council collected £46m of business rates in 2014/15, and after the complicated system of levies and tariffs has been accounted for, the Council received £4.9m.
- 3.11 Council has previously agreed to the establishment of a Business Rates Volatility Reserve in order to assist the Council in managing the 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.
- 3.12 The reserve has increased in 2014/15 due to the Cabinet approved rollover from 2013/14 (£450k), the originally budgeted increase (£321k), underspend on business rate relief (£147k), a higher level of business rates than budgeted (£190k), and work to increase the collectible rates (£48k), so that at the end of year the balance is £1.1m.

Improvement and Regeneration Funds

- 3.13 Table 1 below details the outturn position on a number of reserve funds.

Table 1: Improvement and Regeneration Funds

| | Balance as at 1 April 2014 | Transfers from reserve in year | Transfers to reserve in year | Balance as at March 2015 | Balance Unallocated as at 31 March 2015 |
|-----------------|-----------------------------------|---------------------------------------|-------------------------------------|---------------------------------|--|
| Funds: | £ | £ | £ | £ | £ |
| Performance | 905,270 | (158,359) | 0 | 746,911 | 519,208 |
| Regeneration | 356,119 | (298,698) | 254,000 | 311,421 | 97,647 |
| Localism | 46,893 | (27,180) | 28,850 | 48,563 | 22,627 |
| Transformation | 252,418 | (111,285) | 52,205 | 193,338 | 193,338 |
| Local Loan Fund | 250,000 | (50,000) | 50,000 | 250,000 | 250,000 |
| TOTAL | 1,810,700 | (645,522) | 385,055 | 1,550,233 | 1,082,820 |

- 3.14 As in previous years, the Regeneration Fund was topped up by £250,000 in 2014/15.
- 3.15 Table 6 of Appendix I details the appropriations from the above funds during 2014/15.

Usable Reserves

- 3.16 Table 2 below summarises the usable reserves balance as at 31 March 2015.

Table 2: Usable Reserves

| | Balance as at 1 April 2014 | Transfers from reserve in year | Transfers to reserve in year | Balance as at March 2015 |
|------------------------------------|---|---|---|---|
| Reserve | £'000 | £'000 | £'000 | £'000 |
| Total Ring Fenced Revenue Reserves | 7,564 | (1,569) | 2,544 | 8,539 |
| General Fund | 4,618 | 0 | 506 | 5,124 |
| Capital Grants Unapplied | 243 | (90) | 116 | 269 |
| Usable Capital Receipts Reserve | 1,331 | (528) | 108 | 911 |
| TOTAL | 13,756 | (2,187) | 3,274 | 14,843 |

3.17 Table 7 of Appendix I details the ring-fenced reserves as at 31 March 2015 after the transfers of specific grants.

Capital Expenditure

3.18 This report details the actual capital expenditure and highlights any variations between the revised 2014/15 capital budget and outturn.

3.19 Actual expenditure to end of March 2015 is £2,218,990. This represents 89.9% of the revised budget. There is an underspend of £247,700. Further details are set out in Table 9 of Appendix I.

3.20 Heads of Service have submitted a number of capital rollover requests totalling £319,550 to be spent in 2015/16 to be released from the underspend of 2014/15. The requests are listed in Table 9 Appendix I, with an explanation provided by the service manager. Of these requests £221,870 is linked with partnership funding as explained in the notes. The largest items of rollover are:

- Disabled Facilities Grant - £92,060 - committed to improvement but not yet spent; and
- Iwade play area £92,200 - land in the process of being transferred.

Funding of the 2014/15 Capital Programme

3.21 The 2014/15 capital programme expenditure of £2,218,990 is to be funded as set out in Table 3.

Table 3: Capital Programme Funding

| | 2014/15 Revised Budget | 2014/15 Outturn |
|---|---------------------------------------|----------------------------|
| | £ | £ |
| Partnership funding (including S106 Grants) | 1,316,240 | 1,207,050 |
| Earmarked Reserves | 524,780 | 398,270 |
| Long Term Debtors / Third Party Loans | 168,000 | 230,990 |
| Capital Receipts | 450,250 | 360,180 |
| Revenue underspends | 8,420 | 22,500 |
| Total Funded | 2,467,690 | 2,218,990 |

- 3.22 Funding payable to the Council by Spirit of Sittingbourne under the development agreement will be used for a partial refurbishment of 34 High Street which has been purchased by the Opportunities Fund jointly set up by the Council and Spirit of Sittingbourne.
- 3.23 Capital receipts from sale of assets in 2014/15 were nil. Capital receipts from repayment of grants were £108,000.
- 3.24 A request is being made to use capital receipts to fund the two projects outlined below in 2015/16:
- £11k towards rebuilding the viewing platform at Milton Creek; and
 - £25k to fund the additional cost of implementing the new Customer Service Centre Telephony system. This is because dialogue during the tendering exercise identified additional requirements which will rationalise fully the systems in use by all three partners, and provide a base for the joint working on channel shift.
- 3.25 There are a number of revenue rollover bids from the 2014/15 underspend that potentially will be used to fund capital expenditure in 2015/16.
- refurbishment of Stonebridge Allotments footbridge - £15k;
 - refurbishment of causeway at Queenborough - £60k;
 - refurbishment of Vincent Gardens and Kemsley Rec play areas - £20k;
 - remedial work at New Road - £10k;
 - Eastchurch Road assistance - £30k;
 - regeneration project management - £60k; and
 - flood defence project - £30k.

Payment of Creditors

- 3.26 The outturn for 2014/15 against the target for payment of creditors is shown in Table 4 below.

Table 4: Invoice payment

| | Target 2014/15 | Final |
|--------------------------|---------------------------|--------------|
| Invoices paid in 30 days | 97.00% | 97.01% |

Debtors

3.27 Tables 5, 6 and 7 analyse the debt outstanding.

3.28 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. It should be noted that the number of debts raised is increasing as we are now required to formally raise debts for all of our grants receivable from Kent County Council, NHS etc.

3.29 As can be clearly seen, on the measure of collectable debt less than two months old, the position has improved substantially.

Table 5: Debt outstanding by due date (not including Rent Deposit Scheme)

| | March 2015 | March 2014 |
|--------------------------------|-------------------|-------------------|
| | £'000 | £'000 |
| 0-2 Months | 726 | 325 |
| 2-6 Months | 170 | 75 |
| 6-12 Months | 12 | 188 |
| 1-2 Years | 13 | 25 |
| 2-3 Years | 9 | 14 |
| 3-4 Years | 9 | 24 |
| 4-5 Years | 24 | 11 |
| 5-6 Years | 10 | 5 |
| 6 Years + | 15 | 27 |
| Total | 988 | 694 |
| Total over two months | 262 | 369 |
| % Total over two months | 27% | 53% |

Table 6: Debt outstanding by due date (including Rent Deposit Scheme)

| | March 2015 | March 2014 |
|--------------------------------|-------------------|-------------------|
| | £'000 | £'000 |
| 0-2 Months | 727 | 284 |
| 2-6 Months | 180 | 81 |
| 6-12 Months | 11 | 217 |
| 1-2 Years | 19 | 32 |
| 2-3 Years | 13 | 23 |
| 3-4 Years | 16 | 71 |
| 4-5 Years | 62 | 236 |
| 5-6 Years | 173 | 5 |
| 6 Years + | 16 | 27 |
| Total | 1,217 | 976 |
| Total over two months | 490 | 692 |
| % Total over two months | 40% | 71% |

Table 7: Debt outstanding (including Rent Deposit Scheme) by Head of Service

| | March 2015 | March 2014 |
|----------------------------------|-------------------|-------------------|
| | £'000 | £'000 |
| Rent Deposit Scheme | 229 | 282 |
| Commissioning & Customer Contact | 233 | 250 |
| Property | 184 | 126 |
| Housing | 100 | 46 |
| Legal (MKLS) | 264 | 43 |
| Economy & Communities | 26 | 27 |
| Planning | 53 | 63 |
| Regeneration | 49 | 94 |
| Communications | 4 | 11 |
| Environmental Health | 27 | 0 |
| Finance | 0 | 14 |
| Policy | 3 | 0 |
| Other | 45 | 20 |
| Total | 1,217 | 976 |
| Total over two months | 490 | 692 |
| % Total over two months | 40% | 71% |

Treasury Management

- 3.30 At the Cabinet meeting on 4 February 2015, Members approved a change to the budget framework to allow for funding to be provided up to a maximum borrowing of £6m (minute 465/02/2015).
- 3.31 This will also require an amendment to the Council's Treasury Management Strategy 2015/16 for its Authorised and Operational boundaries (borrowing limits) in order to be consistent with the above approved change. Therefore, Members are requested to approve an increase in the Authorised Limits and Operational Boundaries of the new limits as shown in Appendix I, Table 11. This will also need to be approved by Council.

4. Alternative Options

- 4.1 None Identified – this report fulfils a statutory requirement to report the Council's outturn.

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 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 form part of the report:

Appendix I: Financial Outturn 2014/15

8. Background Papers

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

Financial Outturn Report 2014/15

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Table 1 - Underspend by Service

| | Service Manager | Working Budget | Outturn 2014/15 | Variance |
|--|-----------------------|-----------------|--------------------|--------------------|
| | | £ | £ | £ |
| Chief Executive | A. Kara | 252,700 | 228,827 | (23,873) |
| Policy | D. Clifford | 204,700 | 157,583 | (47,117) |
| Economy & Communities | E. Wiggins | 2,105,420 | 1,929,970 | (175,450) |
| Communications | S. Toal | 251,320 | 202,801 | (48,519) |
| Resident Services | A. Christou | 1,450,970 | 1,405,434 | (45,536) |
| Planning | J. Freeman | 926,900 | 703,981 | (222,919) |
| Commissioning & Customer Contact | D. Thomas | 6,010,110 | 5,129,819 | (880,291) |
| Director of Corporate Services & Director of Regeneration | M. Radford / P. Raine | 285,160 | 282,404 | (2,756) |
| Information Technology | A. Cole | 1,048,920 | 1,032,446 | (16,474) |
| Audit | R. Clarke | 150,760 | 154,435 | 3,675 |
| Environmental Health | T. Beattie | 471,530 | 397,722 | (73,808) |
| Finance | N. Vickers | 743,130 | 743,130 | 0 |
| Human Resources | D. Smart | 385,720 | 370,418 | (15,302) |
| Legal | J. Scarborough | 330,010 | 347,049 | 17,039 |
| Democratic Services | K. Bescoby | 806,170 | 751,432 | (54,738) |
| Property | A. Adams | 559,670 | 439,653 | (120,017) |
| Variances to be met from underspend | | 25,310 | 88,720 | 63,410 |
| KCC Second Homes Discount | | (46,000) | (73,530) | (27,530) |
| Corporate Provision for Bad Debt | | (434,930) | (478,083) | (43,153) |
| Other Variances | | (125,000) | (361,997) | (236,997) |
| Corporate Items | | 2,650,430 | 2,627,386 | (23,044) |
| SERVICE EXPENDITURE | | 18,053,000 | 16,079,600 | (1,973,400) |
| Rollover Specific Grants (See Table 3) | | 0 | 174,842 | 174,842 |
| Rollover Other Grants (See Table 3) | | 0 | 102,650 | 102,650 |
| Rollover Commuted Sums accounting adjustment | | 0 | 259,500 | 259,500 |
| SERVICE EXPENDITURE AFTER ROLL FORWARDS | | 18,053,000 | 16,616,592 | (1,436,408) |
| Financed by: | | | | |
| Revenue Support Grant | | (4,296,000) | (4,296,000) | 0 |
| Business Rates | | (4,684,830) | (4,875,064) | (190,234) |
| New Homes Bonus | | (2,269,000) | (2,269,000) | 0 |
| Council Tax Freeze Grant | | (79,000) | (79,000) | 0 |
| Council Tax Requirement | | (6,787,170) | (6,787,170) | 0 |
| NET EXPENDITURE | | (63,000) | (1,689,642) | (1,626,642) |
| Put Business Rates Underspend to Resilience Reserve | | 0 | 190,234 | 190,234 |
| TOTAL CONTRIBUTION TO GENERAL FUND | | (63,000) | (1,499,408) | (1,436,408) |

Table 2 - Main Variations by Service

| Net (Under)/Overspend / Income Shortfall as at end of March 2015 | | |
|---|--------------|--|
| Service – Cabinet Member (Head of Service) | £'000 | Explanation |
| CHIEF EXECUTIVE - Cllr A. Bowles (Abdool Kara) | | |
| Chief Executive | (7) | Various minor underspends. |
| Corporate Costs | (17) | Reduced Consultancy/ Specialist Advice expenditure. |
| Policy | (47) | £43k salary costs underspend as result of vacant posts and staff secondment, offset by spend on Agency staff £15k. Underspend on a number of Sustainable Sheppey project strands of £15k. Minor underspends of £4k. |
| TOTAL | (71) | (£22k is requested to rollover into 2015/16 of unspent ring fenced grants – refer to Table 3). |
| ECONOMY AND COMMUNITIES – Cllrs M. Cosgrove, M. Whiting & K. Pugh (Emma Wiggins) | | |
| CCTV | 15 | Reduced income for CCTV re previous customers cancelling use of the service. |
| Community Safety | (61) | £17k unspent KCC contribution, offset by £2k other costs. £57k will be requested to rollover into 2015/16 of unspent ring fenced grants. |
| Community Halls/Centres | (12) | Quinton Hall additional costs (rates £1.5k and estimated utility costs £1.5k); £2k additional income King George Pavilion. |
| Economic Development | (7) | Underspend on salaries and other running costs. |
| Economy & Community Services | (7) | Underspend on rates and other running costs. |
| Environmental | (13) | Overspend on salaries £4k, offset by underspends on contract costs and kennelling costs. |
| High Street Innovation Fund | (12) | £12k will be requested to rollover into 2015/16. |
| Markets | (17) | Underspend against rates. |
| Members Localism Grants | (24) | £24k will be requested to rollover into 2015/16. This will be divided equally between all councillors. |
| Sports Development | (30) | Underspend on salaries and other employee costs. £3k will be requested to rollover forward into 2015/16 - this is a KCC grant for the Satellite Club to create links between schools and community clubs. £3k will also be requested to forward into 2015/16 of unspent ring fenced grant. |
| Various | (7) | Various minor underspends. |
| TOTAL | (175) | (£60k is requested to rollover into 2015/16 of unspent ring fenced grants - refer to Table 3). |

Table 2 - Main Variations by Service

| Net (Under)/Overspend / Income Shortfall as at end of March 2015 | | |
|---|--------------|---|
| Service – Cabinet Member (Head of Service) | £'000 | Explanation |
| COMMUNICATIONS, PRINTING, ADVERTISING & PROMOTION – | | Cllrs M. Cosgrove, M. Whiting & K. Pugh (Susan Toal) |
| Communications | (49) | Underspends on advertising and promotion, external printing and signage £23k. Underspend on salaries, offset by agency staff £39k. Minor overspend of £13k on fees and services. |
| TOTAL | (49) | |
| RESIDENT SERVICES – Cllr J. Wright (Amber Christou) | | |
| Housing Benefit and Council Tax | 15 | This is an extremely volatile budget on a gross budget of £50m. Minor net overspend. |
| Housing Development and Strategy | (32) | Staff costs savings £35k, offset by minor overspends of £3k. |
| Private Sector Housing | (38) | Staff costs savings £24k, mileage and lump sum savings £8k, plus other minor underspends £6k. |
| Stay Put Scheme | (38) | Salary costs savings £12k; reduction in Disabled Facilities Grant income £8k, offset by additional grants received and not spent in year. £43k is requested to rollover unspent ring fenced grants. The underspend is as a result of the lack of referrals from health services. |
| Housing Options | 47 | Overspend of £60k on bed & breakfast payments; Home Office grant received for Afghan project £18k; other minor overspends £5k. (£18k will be requested to rollover of unspent ring fenced grants). |
| TOTAL | (46) | (£60k is requested to rollover into 2015/16 of unspent ring fenced grants – refer to Table 3). |
| PLANNING – Cllr G. Lewin (James Freeman) | | |
| Building Control | (3) | Underspend on dangerous structures. |
| Development Control | (429) | Additional planning fees £451k; net IT Development costs £6k; other fee overspends £10k; £5k underspend for enforcement salaries and £8k underspend on enforcement fees £8k underspend on appeals; £3k minor underspends offset by £30k under achieved S106 monitoring fees. We expect this shortfall to be balanced out in future years. |
| Development Services | 100 | £88k net additional staffing costs to meet the high workloads the Swale Development Teams are now experiencing; £4k office move and redecoration costs; £3k recruitment costs; and £5k other. |

Table 2 - Main Variations by Service

| Net (Under)/Overspend / Income Shortfall as at end of March 2015 | | |
|---|--------------|---|
| Service – Cabinet Member (Head of Service) | £'000 | Explanation |
| Local Land Charges | 33 | £34k compensation and redundancy costs; £18k additional MKIP charges; £5k overspend on salaries; and £10k overspend on fees and services. Offset by £12k additional Land Charges income, and £22k contributions from other local authorities. |
| Local Planning & Conservation | (11) | Reduced fees and services in the conservation & design team £5k; unspent Neighbourhood Planning grant £7k. |
| Mid Kent Planning Service (MKPS) | 87 | The additional cost of implementing the Mid Kent Planning Service is £105k, this includes redundancy costs of £25k. However, £18k can be met from reserves. |
| TOTAL | (223) | (£7k is requested to rollover into 2015/16 of unspent ring fenced grant – refer to Table 3). |
| COMMISSIONING AND CUSTOMER CONTACT – Cllrs D. Simmons & M. Whiting (Dave Thomas) | | |
| Cemeteries and Closed Churchyards | (10) | £10k is requested to rollover to 2015/16 – refer to Table 4. |
| Grounds Maintenance Contract | (77) | £43k is requested to rollover to 2015/16 – refer to Table 4. |
| Service Delivery | (31) | Salary underspend on Head of Service Delivery post. |
| Leisure and Sports Centres | 73 | £50k contribution towards Executive Office of Swale Community Leisure Ltd, £4k additional contract variation costs (utility/dilapidation costs etc.). |
| Cleansing | (30) | Staff costs savings. |
| Commissioning & Customer Contact | (29) | Underspend on contract costs. |
| Countryside & Country Parks | (12) | Underspend on salaries and fees and services. |
| Parking & Highways | (136) | Net additional parking income. |
| Parks & Open Spaces | 18 | Net overspend on play equipment, maintenance and purchase. |
| Public Conveniences | (38) | Net underspend on contract costs, energy costs and rates. |
| Recycling & Waste Minimisation | (117) | £102k net additional income from Garden Waste Scheme, and £28k savings on Recycling Credits. £20k will be requested to rollover into 2015/16 (refer to Table 4). |
| Refuse Collection / Street Cleansing | (471) | Net contract and contract variation savings – related to implementation of new contract. £11k will be requested to rollover into 2015/16 of unspent ring fenced grants (refer to Table 3). |

Table 2 - Main Variations by Service

| Net (Under)/Overspend / Income Shortfall as at end of March 2015 | | |
|---|--------------|--|
| Service – Cabinet Member (Head of Service) | £'000 | Explanation |
| Minor net variances | (20) | Minor overspends on Sports Pitches re energy costs and rates offset by underspends on procurement and commissioning etc. |
| TOTAL | (880) | (£11k is requested to rollover into 2015/16 of unspent ring fenced grants - refer to Table 3). |
| DIRECTOR OF CORPORATE SERVICES – Cllrs D. Dewar-Whalley & T. Wilcox (Mark Radford) | | |
| Corporate Costs | 0 | Nil variance. |
| TOTAL | 0 | |
| EMERGENCY PLANNING – Cllr A. Bowles (Della Fackrell) | | |
| Emergency Planning | (5) | Minor underspend on supplies and services. |
| TOTAL | (5) | |
| DIRECTOR OF REGENERATION (Pete Raine) | | |
| Strategic Director | 3 | Minor overspend – vacancy allowance. |
| TOTAL | 3 | |
| IT SERVICES – Cllr D. Dewar-Whalley (Andy Cole) | | |
| IT MKIP | (16) | Lower than expected MKIP charges £9k, New Burdens Grant £7k. |
| TOTAL | (16) | |
| ENVIRONMENTAL HEALTH – Cllr. D. Simmons (Tracey Beattie) | | |
| Environmental Services | (22) | Lower than expected MKIP implementation charges due to underspend across the Mid Kent Environmental Health service. |
| Pollution Control | (46) | £27k unspent Air Quality DEFRA Grant will be requested to rollover into 2015/16; £10k Contaminated Land underspends; £12k Air Pollution underspends offset by £3k overspend on Environment Protection Act. |
| Other (Food Safety, cemeteries, health & safety and noise control) | (6) | Minor underspends. |
| TOTAL | (74) | (£27k is requested to rollover into 2015/16 of unspent ring fenced grants - refer to Table 3). |
| INTERNAL AUDIT – Cllr D. Dewar-Whalley (Rich Clarke) | | |
| Audit Services | 4 | £4k overspend on the recharge for the MKIP Audit service. |

Table 2 - Main Variations by Service

| Net (Under)/Overspend / Income Shortfall as at end of March 2015 | | |
|---|--------------|--|
| Service – Cabinet Member (Head of Service) | £'000 | Explanation |
| TOTAL | 4 | |
| FINANCE – Cllr D. Dewar-Whalley (Nick Vickers) | | |
| Financial Services | 0 | Nil Variance. |
| TOTAL | 0 | |
| HUMAN RESOURCES – Cllr T. Wilcox (Dena Smart) | | |
| Organisational Development | (15) | £8k underspend on corporate training will be requested to rollover into 2015/16; £4k underspend on health screening costs will be requested to rollover into 2015/16; additional net savings of £3k. |
| TOTAL | (15) | |
| LEGAL – Cllr D. Dewar-Whalley (John Scarborough) | | |
| Legal MKLS | (2) | Minor underspend. |
| External Legal Fees | 19 | Additional external legal advice. |
| TOTAL | 17 | |
| DEMOCRATIC SERVICES – Cllr A. Bowles (Katherine Bescoby) | | |
| Democratic Process | (23) | Savings on general democratic costs including training. |
| Administration | 9 | Net staff costs overspend. |
| Elections & Electoral Registration | (41) | £41k additional income received to fund individual electoral registration. (This is requested to rollover to 2015/16 – refer to Table 3). |
| TOTAL | (55) | (£41k will be requested to rollover into 2015/16 of unspent ring fenced grants - refer to Table 3) |
| PROPERTY – Cllr D. Dewar-Whalley (Anne Adams) | | |
| Health & Safety | (4) | Saving on books and journals. |
| Property Services | (30) | Underspend on salaries £14k; underspend on paper £4k; underspend on mileage £3k; other small underspends £9k. |
| Administrative Buildings | (33) | Net utility costs savings £15k; Sheerness office savings £15k; and £3k extra income achieved on service fees. |
| Property Management | (53) | Net additional property rental income. |
| TOTAL | (120) | |
| OTHER VARIANCES (TO BE MET FROM TOTAL UNDERSPEND) | | |

Table 2 - Main Variations by Service

| Net (Under)/Overspend / Income Shortfall as at end of March 2015 | | |
|---|----------------|--|
| Service – Cabinet Member (Head of Service) | £'000 | Explanation |
| Sittingbourne Town Centre Development | 60 | Variance to be funded out of general year-end corporate underspend. |
| Arts Events & Activities | 3 | Additional spend to support the WW1 community grant scheme. |
| TOTAL | 63 | |
| NON-SERVICE BUDGETS | | |
| KCC 2 nd Homes Discount | (27) | Additional KCC Second Homes discount grant. |
| Corporate Provision for bad debt | (43) | Improvement in outstanding debt, |
| Other Variations: | | |
| Revenue Funding of Capital Expenditure | 23 | Underspends reported in service budgets which are to be used to fund capital expenditure. |
| Play areas commuted sums | (260) | Accounting entry to meet Grant Thornton's requirements. |
| TOTAL OTHER VARIATIONS | (237) | |
| Corporate Items | (23) | Interest savings on finance leases, unspent earmarked reserves £46k; grant received £17k; and external interest offset by pensions adjustment. |
| | (1,973) | TOTAL BEFORE ROLLOVER REQUESTS |
| | 175 | Ring Fenced Grant Rollover Requests |
| | 102 | Other Grant Requests |
| | 277 | TOTAL GRANT ROLLOVER REQUESTS |
| | 259 | Commutated Sum – Play Equipment |
| | (1,437) | TOTAL UNDERSPEND AFTER PROPOSED ROLLOVER OF GRANTS |

Table 3 - Revenue Rollover Requests – Specific and Other Grants

| Head of Service | Description | Rollover Request £'000 | Purpose of Rollover |
|-----------------|-----------------------------------|------------------------|--|
| Tracey Beattie | Air Quality Grant | 26,594 | The grant was awarded to carry out a ring fenced project for the air quality transport work over three years up to 2016. |
| Amber Christou | Stay Put Scheme – PCT Grant | 40,288 | Some work is still in the pipeline, grant funding to be carried over to promote the Stay Put schemes in 2015/16. We are also looking at carrying out larger projects, and this rollover will help fund the increased costs. |
| Amber Christou | Warm Homes Healthy People Grant | 2,941 | Ring-fenced grant to cover the cost of an evaluation later in the year. |
| Amber Christou | Home Office Grant | 17,624 | The Home Office Afghan Locally Engaged Staff ex-gratia scheme grant has been made available to provide accommodation, financial assistance pending access to welfare benefits or securing employment and integration support. Two Afghan recipients arrived in January 2015 and are continuing to receive full integration support from the Housing Services Team. |
| David Clifford | Sustainable Sheppey Grant | 15,778 | Big Lottery Funding which is ring-fenced for use in 2015/16. |
| Dave Thomas | WEEE Local Project fund | 11,296 | Budget is intended for recycling promotion campaign which will be implemented June 2015. |
| Emma Wiggins | Kent County Council Grant | 3,200 | Grant money for the Satellite Club as part of the Sport England proposal to create links between schools and community clubs during 2015/16. |
| Emma Wiggins | Emerging communities Project Fund | 10,000 | To continue working in Swale with Medway and Gravesham on the amended proposal as agreed with Kent Police. |
| Emma Wiggins | Restorative Justice Grant | 3,920 | Received from the Kent Police to continue to run training with other councils. |
| Emma Wiggins | Troubled Families Grant | 43,201 | This is due to an underspend within the Family Support Team in relation to both contracts and having not used the contingency put aside. Additionally, there was an underspend |

Table 3 - Revenue Rollover Requests – Specific and Other Grants

| Head of Service | Description | Rollover Request £'000 | Purpose of Rollover |
|-------------------------------------|--|------------------------|---|
| | | | within the training element of the budget as an annual evaluation event did not take place. |
| Total Ring-fenced Grants | | 174,842 | |
| Katherine Bescoby | Individual Electoral Registration Grant | 41,000 | We have been given grant money for Electoral Registration Transformation, as a result of the change to Individual Electoral Registration. This is not to replace current expenditure, but to be used for additional work associated with IER. |
| David Clifford | Data Matching & New Burdens | 6,588 | New burdens funding received in respect of new transparency requirements. We want to roll the grants over to fund future software licences. |
| James Freeman | Neighbourhood Planning Front Runners Grant | 6,725 | Unspent neighbourhood planning grant following designation of Neighbourhood Plan areas for Faversham Creek and Dunkirk & Boughton. |
| Page 29 Dave Thomas | Highways Grants | 18,199 | Leysdown Rose Tinted contribution for ongoing maintenance of signing and the lighting installation. Arts Council grant to be used for street furniture and street nameplate maintenance in 2015/16. Funding from Faversham Enterprise Partnership for Heritage Nameplates in Faversham. |
| Nick Vickers | Community Right to Challenge & Community Right to Bid Grants | 16,402 | New burdens funding requested to rollover into 2015/16 to top up the Localism reserve, as in previous years. |
| Nick Vickers | Council Tax Flood Grant | 1,736 | Received from Central Government to help with any flood damage that has been incurred during the severe weather in the period December 2013 – March 2014. To be put to reserves earmarked for flood damage. |
| Emma Wiggins | High Street Innovation fund | 12,000 | We request the roll of the final payment from the High Street Innovation Fund to the Sheerness Town Team. |
| Total Non Ring-fenced Grants | | 102,650 | |
| Total | | 277,492 | |

Table 4 - Revenue Rollover Requests - Operational

| Head of Service | Funded from | Rollover Request £'000 | Purpose of Rollover |
|------------------|--|------------------------|---|
| Anne Adams | Property services budget underspend | 25,000 | To fund the landholdings review. It was decided to re-tender the contract to achieve a better outcome and this has delayed the work. |
| Tracey Beattie | Unspent food hygiene budget | 2,800 | To provide resources for the team whilst dealing with a number of potential prosecutions, this will enable the team to prepare the evidence and deliver the regulatory service during this transition period. |
| Tracey Beattie | Contaminated Land unspent budget | 6,680 | The contaminated land software purchase by Mid Kent ICT for the shared service, to cover the cost of the licence, cost of transfer data and implement training for the officers in Swale. |
| James Freeman | Planning Income | 20,000 | To fund S106/Community Infrastructure Levy monitoring software in 2015/16. |
| John Scarborough | Mid Kent Legal services (MKLS) budget underspend | 2,200 | MKLS planned to commence post-entry training of our new Legal Assistant grades in late 2014/15. However, late recruitment forced us to postpone this. This funding will go towards the training expenditure when Chartered Institute of Legal Executives' (CILEX) courses start in Autumn 2015. |
| Dena Smart | Health & Welfare budget underspend | 4,474 | In December 2015 we will need to pay for the Investors in People (IIP) assessment and there is no budget allocated for this as the expense is only every three years. The carry forward would pay for the majority of this one-off cost. |
| Dena Smart | Corporate Training budget underspend | 7,600 | The spend is linked directly to how many cases have to be referred for Independent Medical Assessments (IMAs) and additional sessions of counselling, and in some years the budget is overspent. This year, although sickness has increased, the nature of the long term illnesses have been more straightforward, and therefore the IMAs and additional counselling has not been required. We would like to use this for pro-active health initiatives e.g. physio-therapy, to promote well-being at work as we currently have no budget for this. |
| Dave Thomas | Swale Allotments budget underspend | 1,971 | Delayed work awaiting decision/outcome of proposed allotment transfer. |

Table 4 - Revenue Rollover Requests - Operational

| Head of Service | Funded from | Rollover Request £'000 | Purpose of Rollover |
|------------------------|---|-----------------------------------|--|
| Dave Thomas | Leysdown Coastal park budget underspend | 1,364 | Wet ground conditions delayed works. |
| Dave Thomas | Cemeteries budget underspend | 10,000 | Higher than anticipated income was achieved in 2014/15. Extra works to improve and update signage in all cemeteries has been identified. The boundary fence in Love Lane Cemetery is in need of refurbishment/repair as soon as possible to prevent further deterioration. |
| Dave Thomas | Litter picking budget underspend | 15,000 | Contribution towards the refurbishment of the footbridge within the Stonebridge Pond site, in partnership with Faversham Town Council. |
| Dave Thomas | Open Spaces budget underspend | 20,000 | Refurbishment of Vincent Gardens and Kemsley Recreation play areas. |
| Dave Thomas | Sports facilities budget underspend | 10,000 | Partnership contribution towards remedial works at New Road prior to completing transfer to New Rd Football Club. |
| Dave Thomas | Seafront budget underspend | 5,000 | Contribution to safety works required to block of an unused space under the main stairwell at Beachfields. |
| Dave Thomas | Public conveniences | 20,000 | Public conveniences maintenance. Underspend to be added to property services repair and renewals budgets for public conveniences. |
| Emma Wiggins | Members Localism Grants - Budget underspend | 23,947 | 47 awards have already been approved, but we await their final completed paperwork from the community groups to make the final payments. We request the carry forward to be divided equally between all councillors. |
| Emma Wiggins | Sports Development underspend | 2,630 | Outstanding Sports and Physical activity payments which have been approved but we are just waiting for their final paperwork. We also request the roll of £250 for the Swale Youth Development Fund as an outstanding award has yet to be claimed. |

Table 4 - Revenue Rollover Requests - Operational

| Head of Service | Funded from | Rollover Request £'000 | Purpose of Rollover |
|------------------------|---|-----------------------------------|---|
| Emma Wiggins | Environmental Wardens Budget underspend | 2,000 | The Environmental Wardens will need to replace their handsets during 2015/16. The budget for these has now been centralised leaving a gap in funding for the new ones in the next financial year. |
| Total | Other Rollovers | 180,666 | |

| Head of Service | Description | Rollover Request £'000 | Purpose of Rollover |
|------------------------|-----------------------------|-----------------------------------|---|
| Nick Vickers | Play Areas Commuted Sums | 259,497 | Accounting adjustment to meet Grant Thornton recommendations. |
| Total | | 259,497 | |

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Table 5 - Revenue Rollover Requests - Bids

| Head of Service | Rollover Request £'000 | Purpose of Rollover |
|------------------------|-----------------------------------|--|
| Anne Adams | 91,303 | To top up the building maintenance reserve by the underspend on property services. This includes the underspend on salaries, running expenses etc. |
| Amber Christou | 38,000 | This will be used to extend the contract of a member of the Housing Options and Benefits Team for one year. |
| James Freeman | 58,800 | To provide additional funding to resource an additional planning officer to deal with the increased planning workload, and to deal with backlog issues arising from implementation on new IT systems and shared service. |
| Pete Raine | 60,000 | Regeneration project management costs. |
| Dave Thomas | 30,000 | Eastchurch Road assistance - contribution to a community group to enable them to undertake remedial works to avoid further deterioration of the cliff edge. |
| Dave Thomas | 60,000 | Contribution towards refurbishing the causeway at Queenborough prior to handing responsibility for the facility to Queenborough Fishery Trust and Queenborough Harbour Trust. |
| Dave Thomas | 20,000 | Facilities strategy costs. Costs are to fund work being undertaken through a consultant to develop a Sports Facility Strategy for Swale as discussed at Informal Cabinet. |
| Nick Vickers | 30,000 | SBC potential contributions to flood defence project in Faversham, topping up Environment Agency. |
| Emma Wiggins | 14,000 | Payment to Coombs for abortive work on the Meads village hall. |
| Total | 402,103 | |

Table 6 - Allocations from the Improvement and Regeneration Funds 2014/15

| | 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 |
| Safeguarding post - 0.5 FTE | 20,000 |
| Total Approved 2014/15 | 89,955 |
| 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 |
| Regeneration Officer Town Centres 2015/16 | 46,788 |
| Economic Development Support Officer 2015/16 | 36,555 |
| Beach Huts - Phase 2 | 43,450 |
| Thames Gateway Innovation, Growth & enterprise Loan Fund | 20,790 |
| Faversham Creek Feasibility Works | 23,000 |
| Further Education for Sittingbourne, Scoping Study | 10,000 |
| Total Approved 2014/15 | 270,643 |
| Localism Fund | |
| Volunteer Week Campaign | 1,186 |
| Funding Fair | 1,050 |
| Heritage Projects | 10,000 |
| Volunteer Swale Awards 2014/15 | 2,670 |
| Swale Trustee Network Event | 1,027 |
| Neptune Terrace Materials | 1,250 |
| The Salt Giveaway 2014/15 | 1,400 |
| Culture Grants | 5,000 |
| Volunteers' Week – Billboards | 1,170 |

Table 6 - Allocations from the Improvement and Regeneration Funds 2014/15

| | |
|-------------------------------|----------------|
| Event management workshop | 1,208 |
| Total Approved 2014/15 | 25,961 |
| Transformation Fund | |
| Redundancy Costs | 59,081 |
| Total Approved 2014/15 | 59,081 |
| Swale Local Loan Fund | |
| Queenborough Harbour Trust | 50,000 |
| Total Approved 2014/15 | 50,000 |
| TOTAL APPROVED 2014/15 | 495,640 |

Table 7 - Revenue Reserves (prior to 2014/15 rollovers)

| | Balance 31 March 2014 £'000 | Transfers out 2014/15 £'000 | Transfers in 2014/15 £'000 | Balance 31 March 2015 £'000 | Note |
|--|--|--|---|--|-------------|
| General Reserve | (3,291) | 204 | 0 | (3,087) | (a) |
| Performance | (905) | 158 | 0 | (747) | (b) |
| Regeneration | (355) | 299 | (254) | (310) | (c) |
| Localism | (47) | 27 | (29) | (49) | (d) |
| Transformation | (252) | 111 | (52) | (193) | (e) |
| Swale Local Loan Fund | (250) | 0 | 0 | (250) | (f) |
| Repairs & Renewals | (225) | 46 | (98) | (277) | (g) |
| Building Maintenance | (519) | 4 | (112) | (627) | (h) |
| Housing | (238) | 57 | 0 | (181) | (i) |
| Stay Put Grants | (146) | 0 | (12) | (158) | (j) |
| Empty Property Initiative | (150) | 150 | 0 | 0 | (k) |
| Local Development Framework | (171) | 0 | (62) | (233) | (l) |
| Council Tax and Housing Benefits Reserve | (428) | 93 | (53) | (388) | (m) |
| Development Control Reserve | (72) | 39 | (89) | (122) | (n) |
| Business Rates Resilience Reserve | 0 | 49 | (1,108) | (1,059) | (o) |
| Preceptors Council Tax Support Reserve | 0 | 0 | (125) | (125) | (p) |
| Miscellaneous | (515) | 332 | (551) | (734) | (q) |
| Total | (7,564) | 1,569 | (2,545) | (8,540) | |

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Notes

| Ref | Reserve | Description |
|------------|-----------------|---|
| (a) | General Reserve | To fund revenue expenditure, its use is subject to the approval of Members. The General Reserve has been topped up in 2013/14 by £250,000 received for the Queenborough sea wall. |
| (b) | Performance | To improve overall performance. Officers are invited to submit bids for individual proposals. |
| (c) | Regeneration | To fund Regeneration Projects in the Borough. Topped up by £100,000 in 2013/14 as per the Budget. |

Table 7 - Revenue Reserves (prior to 2014/15 rollovers)

| Ref | Reserve | Description |
|-----|--|---|
| (d) | Localism | To support the Council's Localism Agenda. |
| (e) | Transformation | To meet the cost of releasing the Pension Fund benefits to staff who have taken early retirement, and to fund all other redundancy costs. |
| (f) | Swale Local Loan Fund | Set up in April 2012, its purpose is to support voluntary, community, or not-for-profit organisations and town and parish councils in Swale to enable management and delivery of local services and facilities. So far two loans have been approved. |
| (g) | Repairs and Renewals | Regular contributions are made to this fund from the General Fund. Large items of expenditure are then charged to the service and funded from this reserve. |
| (h) | Building Maintenance | To meet items of backlog building maintenance as identified in the Council's medium term maintenance plan, as well as urgent or unexpected items. |
| (i) | Housing | This is made up of a number of housing reserves, including Rent Deposit Scheme Bond Reserve, Recession Funding reserve, and the Supporting People Reserve. All these reserves will help to fund the homelessness service in future years. |
| (j) | Staying Put Grants | Ring-fenced external funding for health grants and supporting people grants. |
| (k) | Empty Property Initiative | Funds to be used to assist with initiatives to restore long-term empty homes back into use. |
| (l) | Local Development Framework | Under the Planning and Compulsory Purchase Act 2004, district Local Plans were replaced with Local Development Documents (LDDs). Together, the LDDs will comprise a Local Development Framework (LDF) for the district authority area. Any underspend or overspend on this service on the General Fund will be transferred to this fund, and used solely to fund LDF associated work. |
| (m) | Council Tax and Housing Benefits Reserve | Savings made in staffing costs in Council Tax Benefits achieved in 2011/12 were transferred to this reserve as agreed by Cabinet on 4 July 2012. This also includes unspent grants in 2012/13. This will be used to cover the shortfall in grant in 2014/15 onwards. |
| (n) | Development Control Reserve | To cover any potential fluctuations in planning fees and other related income. £72,000 was transferred to the reserve from the 2011/12 underspend as agreed by Cabinet on 4 July 2012 to cover the loss of planning fees in future years. |
| (o) | Business Rates Resilience Reserve | To assist the Council in managing the volatility of business rate income as a result of business rate localisation. |
| (p) | Preceptors Council Tax Support Reserve | £125k paid by KCC, Police and Fire to reflect the costs of council base support localisation. |
| (q) | Miscellaneous | This is made up of the earmarked reserves that are less than £50,000. This is available upon request. |

Table 8 – General Fund Balances 2014/15

| | Working Budget | 2014/15 Outturn | Variance |
|---|-----------------------|------------------------|--------------------|
| | £ | £ | £ |
| Net Service Expenditure | 18,053,000 | 16,079,600 | (1,973,400) |
| Revenue rollover specific and other grants | - | 277,492 | 277,492 |
| Rollover Commuted Sums accounting adjustment | - | 259,500 | 259,500 |
| Net Service Expenditure after Specific Grant and other Grant Rollovers | 18,053,000 | 16,616,592 | (1,436,408) |
| Business rates variance | - | (190,234) | (190,234) |
| Transfer Business rates Underspend to Resilience Reserve | - | 190,234 | 190,234 |
| Contribution to General Fund Balance | 63,000 | 1,499,408 | 1,436,408 |
| Net Revenue Expenditure | 18,116,000 | 18,116,000 | - |
| Net Service Expenditure | | | |
| Net Service Expenditure | 18,053,000 | 16,079,600 | (1,973,400) |
| Rollovers of specific, other grants and commuted sums | - | 536,992 | 536,992 |
| Less: | | | |
| Council Tax Requirement | (6,787,170) | (6,787,170) | - |
| Business Rates | (4,684,830) | (4,875,064) | (190,234) |
| Formula Grant | (4,296,000) | (4,296,000) | - |
| Council Tax Freeze Grant | (79,000) | (79,000) | - |
| New Homes Bonus | (2,269,000) | (2,269,000) | - |
| Business rates underspend to resilience reserve | - | 190,234 | 190,234 |
| Net (Surplus) / Deficit on General Fund | (63,000) | (1,499,408) | (1,436,408) |

Table 9 – Capital Programme 2014/15 Outturn

| | Funding SBC/P | 2014/15 Original Budget £ | 2014/15 Revised Budget £ | 2014/15 Outturn £ | 2014/15 Variance £ | Rollover Request £ | Note |
|---|---------------|---------------------------|--------------------------|-------------------|--------------------|--------------------|------|
| I.T. M.K.I.P. Capital | SBC | 0 | 0 | 12,473 | 12,473 | 0 | (a) |
| Electoral Services Scanners | P | 0 | 6,200 | 6,216 | 16 | 0 | |
| Total Corporate Services | | 0 | 6,200 | 18,689 | 12,489 | 0 | |
| Commissioning & Customer Contact | | | | | | | |
| Ground Floor Reception Area | SBC | 0 | 45,000 | 89,206 | 44,206 | 0 | (b) |
| Cemeteries – Future Burial Provision | SBC | 0 | 32,590 | 10,550 | (22,040) | 22,040 | (c) |
| Waste Collection – Wheelie Bins | SBC | 35,000 | 35,000 | 0 | (35,000) | 0 | (d) |
| Beach Huts – Minster Leas, Sheppey | SBC | 0 | 32,170 | 32,175 | 5 | 0 | |
| Cemetery Chapel, Love Lane Faversham | SBC | 0 | 25,300 | 22,862 | (2,438) | 0 | |
| Milton Creek Footpath | SBC | 0 | 30,000 | 24,813 | (5,187) | 5,187 | (e) |
| High Risk Tree Works in 3 Cemeteries | SBC | 0 | 45,000 | 30,975 | (14,025) | 7,691 | (f) |
| Medium Risk Tree Works in 3 Cemeteries | SBC | 0 | 10,000 | 16,333 | 6,333 | 0 | (f) |
| Customer Service Centre telephony system | SBC | 0 | 40,000 | 0 | (40,000) | 40,000 | (g) |
| The Glen Play Area | SBC | 0 | 5,050 | 5,049 | (1) | 0 | |
| Swallow Leisure Centre, Replacement Pumps | SBC | 0 | 20,000 | 20,000 | 0 | 0 | |
| Steel Gantry, School Lane | SBC | 0 | 18,000 | 18,000 | 0 | 0 | |
| Kemsley West Play Area | SBC | 0 | 6,200 | 6,200 | 0 | 0 | |
| Kemsley West Play Area | P | 0 | 56,000 | 55,999 | (1) | 0 | |
| New Play Area – Iwade Scheme | P | 0 | 92,200 | 0 | (92,200) | 92,200 | (h) |
| Thistle Hill Community Woodland – Trim Trail | P | 0 | 35,000 | 0 | (35,000) | 35,000 | (i) |
| The Glen Play Area | P | 0 | 30,950 | 30,950 | 0 | 0 | |
| Kemsley East Play Area | P | 0 | 50,000 | 50,400 | 400 | 0 | |
| Off Site open space Oak Close, Maidstone Road | P | 0 | 2,250 | 2,243 | (7) | 0 | |
| Faversham Recreation Ground Improvements | P | 0 | 26,000 | 23,389 | (2,611) | 2,611 | (j) |
| Total Commissioning & Customer Contact | | 35,000 | 636,710 | 439,144 | (197,566) | 204,729 | |
| Regeneration | | | | | | | |
| 34 High Street, Sittingbourne | SBC | 0 | 118,000 | 118,000 | 0 | 0 | |
| Total Regeneration | | 0 | 118,000 | 118,000 | 0 | 0 | |
| Emergency Accommodation | | | | | | | |
| Emergency Accommodation – House Purchase | SBC | 0 | 165,000 | 164,070 | (930) | 0 | |
| Housing Repair Grants over 60 | SBC | 0 | 0 | 20,639 | 20,639 | 0 | (k) |

Table 9 – Capital Programme 2014/15 Outturn

| | Funding SBC/P | 2014/15 Original Budget £ | 2014/15 Revised Budget £ | 2014/15 Outturn £ | 2014/15 Variance £ | Rollover Request £ | Note |
|---|---------------|---------------------------|--------------------------|-------------------|--------------------|--------------------|------|
| Decent Home Loans Owner Occupation | SBC | 0 | 0 | 62,986 | 62,986 | 0 | (k) |
| Disabled Facilities Grants Remedial | SBC | 0 | 0 | 2,717 | 2,717 | 0 | (k) |
| Disabled Facilities Mandatory Grants | SBC | 100,000 | 252,150 | 160,090 | (92,060) | 92,060 | (l) |
| Disabled Facilities Mandatory Grants | P | 926,740 | 926,740 | 926,740 | 0 | 0 | |
| Total Housing | | 1,026,740 | 1,343,890 | 1,337,242 | (6,648) | 92,060 | |
| Cash Receipting System | SBC | 30,000 | 56,570 | 33,806 | (22,764) | 22,764 | (m) |
| Total Finance | | 30,000 | 56,570 | 33,806 | (22,764) | 22,764 | |
| Swale House Window Replacement & Building Refurbishment | SBC | 0 | 26,470 | 0 | (26,470) | 0 | (n) |
| Council Chamber digital system | SBC | 0 | 52,000 | 52,617 | 617 | 0 | |
| Committee Room, New Equipment | SBC | 0 | 18,770 | 18,632 | (138) | 0 | |
| Central Plaza Sittingbourne | SBC | 0 | 27,560 | 27,288 | (272) | 0 | |
| Central Plaza Sittingbourne | P | 0 | 2,960 | 2,960 | 0 | 0 | |
| Folder Inserter Machine | SBC | 0 | 17,520 | 17,524 | 4 | 0 | |
| Folder Inserter Machine | P | 0 | 3,000 | 3,000 | 0 | 0 | |
| Total Property | | 0 | 148,280 | 122,021 | (26,259) | 0 | |
| CCTV Repairs & Renewals | SBC | 15,000 | 15,000 | 0 | (15,000) | 0 | (o) |
| Queenborough Harbour Trust Loan | SBC | 0 | 50,000 | 50,000 | 0 | 0 | |
| Sittingbourne War Memorial | SBC | 0 | 8,100 | 15,569 | 7,469 | 0 | (p) |
| Capital Expansion of CCTV service | P | 0 | 38,800 | 38,387 | (413) | 0 | |
| Meads Community Centre | P | 0 | 30,760 | 30,756 | (4) | 0 | |
| Easthall Farm Community Centre | P | 0 | 6,830 | 6,825 | (5) | 0 | |
| Oare Village Hall | P | 0 | 8,550 | 8,549 | (1) | 0 | |
| Total economy & Communities | | 15,000 | 158,040 | 150,086 | (7,954) | 0 | |
| TOTAL CAPITAL PROGRAMME | SBC | 180,000 | 1,151,450 | 1,032,574 | (118,876) | 189,742 | |
| TOTAL CAPITAL PROGRAMME | P | 926,740 | 1,316,240 | 1,186,414 | (129,819) | 129,811 | |
| TOTAL CAPITAL PROGRAMME | | 1,106,740 | 2,467,690 | 2,218,988 | (248,694) | 319,553 | |

Table 9 – Capital Programme 2014/15 Outturn

Notes

- (a) The Cabinet on 16 April 2013 agreed an ICT capital fund of £300,000 is created to support the strategy for MKIP ICT, with each authority providing £100,000 capital in 2012/13 and with future capital funding approved as part of the formal capital bidding process in each authority. This expenditure is funded from the general reserve.
- (b) Variance due to a combination of design changes, change in furniture specification, electrical works under-specified in tender, and issues discovered during strip-out due to age of building and previous modifications. The underspend on the Swale House Window replacement (m) will offset some of this overspend, with the balance being met from underspends on revenue.
- (c) We have needed time to progress the asset transfer of the barn prior to completion of the outstanding landscaping works on this site. A rollover request has been submitted for this underspend.
- (d) 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.
- (e) The original budget forecast included a contingency; the project came in on target and we are requesting a rollover of the unspent budget to offset extra capital costs due to be carried out at Milton Creek.
- (f) The estimate provided was more than necessary for high risk tree works, which has been offset by an overspend on the medium risk tree works. A rollover request has been submitted for the underspend to fund further work in 2015/16.
- (g) The project has been delayed because of procurement complications. This is a joint procurement with Maidstone BC and Tunbridge Wells BC, and the procurement is being led by MBC. The works are expected to be completed by September 2015.
- (h) The land is in the process of being transferred; the master plan has been achieved, and the consultation with the Parish Council started, with negotiations on spend ongoing.
- (i) Developer has just built dwellings, but staffing vacancy reduced priority to implement in second half of year.
- (j) Awaiting approval of masterplan before being able to progress second part of consultants work, bidding to HLF.
- (k) Housing Repair Grants Over 60 / Decent Home Loans Owner Occupier.
- (l) These grants are all committed, but the payments will be made early 2015/16.
- (m) The Implementation of the Income Manager module began in January and has been temporarily suspended so staff can complete tasks for the closing of the old financial year and opening of the new. The project will recommence in July and be completed in 2015/16.
- (n) This underspend will partly fund the overspend on the Ground Floor Reception Area (b).
- (o) CCTV equipment has been treated as revenue expenditure in 2014/15.
- (p) Tender documentation prepared based on estimates from trusted contractors familiar with this specialist work, who subsequently chose not to tender. Interest in the tender opportunity was limited, and only one company was considered suitable based on proven track record and cost. Despite negotiating a 2.5% reduction, the projects costs were still £7,470 over original estimated budget.

Table 10 – Capital Rollover Requests 2014/15

| Service/Portfolio | Service Manager | Description | £ | Notes |
|----------------------------------|-----------------|--|----------------|--|
| Commissioning & Customer Contact | Dave Thomas | Customer Service Centre Telephony system | 40,000 | The project has been delayed because of procurement complications. This is a joint procurement with Maidstone Borough Council (MBC) and Tunbridge Wells Borough Council, and the procurement is being led by MBC. The works are expected to be completed by September 2015. |
| Commissioning & Customer Contact | Dave Thomas | Faversham Recreation Ground | 2,611 | Awaiting approval of masterplan before being able to progress second part of consultants work; bidding to Heritage Lottery Fund. |
| Commissioning & Customer Contact | Dave Thomas | Cemeteries | 22,040 | Maximising burial space at Sittingbourne Cemetery and awaiting transfer of barn to Parish Council, before making final landscaping and equipment purchase. |
| Commissioning & Customer Contact | Dave Thomas | Thistle Hill Community Centre | 35,000 | Developer has just built dwellings, but staffing vacancy reduced priority to implement in second half of year. |
| Commissioning & Customer Contact | Dave Thomas | New play area Iwade | 92,200 | Land in process of transfer, masterplan achieved, and consultation with Parish Council started, with negotiations on spend ongoing. |
| Commissioning & Customer Contact | Dave Thomas | High Risk Tree Works | 7,691 | The high risk tree works came in under the budget estimate but the remainder is required to help fund the rest of the works outstanding from the tree survey for the medium and low risk trees. The works are to be carried out in 2015/16. |
| Commissioning & Customer Contact | Dave Thomas | Milton Creek Footpath | 5,187 | Rollover required to contribute towards the cost of rebuilding the viewing platform adjacent to the reed beds at Milton Creek. |
| Housing | Amber Christou | Disabled Facilities Grant | 92,060 | The carry over relates to grants committed but the work has either not yet commenced or has not yet been completed. Once a grant is approved, the applicant has 12 months to carry out the work and can choose when to start the work. The Council has no power to vary this date, it is set by statute. £100K of the budget for the year was not awarded until February 2015, which gave insufficient time to allow the process of approval of grant and execution of the work to be undertaken in the financial year. The carry forward amount is expected to be expended in the early part of the financial year. |
| Financial Services | Nick Vickers | Cash receipting system | 22,764 | The Implementation of the Income Manager module began in January and has been temporarily suspended so staff can complete tasks for the closing of the old financial year and opening of the new. The project will recommence in July and be completed in 2015/16. |
| | | TOTAL | 319,553 | |

Table 11 – Authorised Limit and Operational Boundary for External Debt

The **Authorised Limit** sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances, and long term liabilities). This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing, and its approved Treasury Management Policy Statement and practices.

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

| Authorised Limit for External Debt | 2015/16 | 2015/16 | 2016/17 | 2017/18 |
|---|-----------------------|---------------------------|-----------------|-----------------|
| | Original Limit | Proposed New Limit | Estimate | Estimate |
| | £'000 | £'000 | £'000 | £'000 |
| Borrowing | 5,000 | 7,000 | 7,000 | 7,000 |
| Other Long-term Liabilities | 2,000 | 2,000 | 2,000 | 2,000 |
| Total | 7,000 | 9,000 | 9,000 | 9,000 |

The **Operational Boundary** links directly to the Council's estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case, scenario but without the additional headroom included within the Authorised Limit.

| Operational Boundary for External Debt | 2015/16 | 2015/16 | 2016/17 | 2017/18 |
|---|-----------------------|---------------------------|-----------------|-----------------|
| | Original Limit | Proposed New Limit | Estimate | Estimate |
| | £'000 | £'000 | £'000 | £'000 |
| Borrowing | 2,000 | 6,000 | 6,000 | 6,000 |
| Other Long-term Liabilities | 774 | 774 | 623 | 376 |
| Total | 2,774 | 6,774 | 6,623 | 6,376 |

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| Cabinet Meeting | Agenda Item: 6 |
|------------------------|--|
| Meeting Date | 15 July 2015 |
| Report Title | Procurement of Term Maintenance Contract |
| Cabinet Member | Cllr Dewar-Whalley, Cabinet Member for Finance |
| SMT Lead | Mark Radford |
| Head of Service | Anne Adams |
| Lead Officer | Eva Harris |
| Key Decision | Yes |
| Classification | Open |
| Forward Plan | Yes |
| Recommendations | <ol style="list-style-type: none"> 1. That Cabinet approves the appointment of DCB Limited as Term Maintenance Contractor from 1 October 2015 for an initial period of three years, and 2. That Cabinet gives delegated authority to the Head of Property Services in consultation with the Cabinet Member for Finance to extend the contract for a further two years subject to satisfactory performance of the Contractor. |

1 Purpose of Report and Executive Summary

- 1.1 The current term maintenance contract expires on 30 September 2015. The Property Services team carried out a three stage tender process based on the most economically advantageous tender (MEAT) which was evaluated on 60% price and 40% quality. The Term Maintenance Contract is to provide a reactive and planned maintenance service for a selection of Council owned buildings.
- 1.2 This report summarises the procurement process and its results, and seeks Cabinet approval of the recommended contractor.

2 Background

- 2.1 The opportunity was advertised in accordance with contract standing orders, with interested parties asked to complete a pre-qualification questionnaire. Thirteen tenderers replied and scores were allocated according to the criteria explained in the questionnaire document.
- 2.2 The top five scoring tenderers were invited to submit a tender. The third stage, for the three tenderers that submitted the most economically advantageous tenders, was an interview with the procurement panel. The panel consisted of the Head of Property Services, the Facilities Officer and the Commissioning Officer (Procurement) with

Councillor Dewar-Whalley also in attendance. Each panel member made notes and discussed openly before collectively scoring the tender interviews.

3 Proposals

- 3.1 Cabinet is requested to approve the proposal to enter into a contract with DCB Ltd for a three year Term Maintenance Contact with the option after three years to delegate authority to the Cabinet Member for Finance to extend the contract to five years subject to satisfactory performance.
- 3.2 DCB is a locally based company with over 80 directly employed staff and several other similar contracts within Kent and Sussex. Although their tender price was slightly higher than the lowest price, they scored highly in the quality evaluation due to the evidence they supplied of their track record, policies and procedures and approach to social value and therefore submitted the most economically advantageous tender.

4 Alternative Options

- 4.1 To extend the current contract for a further two years. This option is not recommended as the procurement exercise has provided an opportunity to make revisions to the specification and potentially improve the performance of the contract going forwards.
- 4.2 To enter into a contract with the tenderer that submitted the lowest price. This is not recommended, as the Council's procurement policy requires tenders to be evaluated on the basis of the most economically advantageous tender.
- 4.3 To not have a term maintenance contract. This option is not recommended as in order to ensure compliance with contract standing orders it would be necessary to carry out numerous individual procurement exercises throughout the year and there would be limited control over response times for emergency and urgent repairs.

5 Consultation Undertaken or Proposed

- 5.1 Periodic consultation with existing contactors takes place to monitor and review the term maintenance work and processes.
- 5.2 Periodic consultation with customers on satisfaction with the new maintenance contract is proposed

6 Implications

| Issue | Implications |
|----------------|--|
| Corporate Plan | Appointing a contractor that meets a good quality standard and provides good value for money contributes towards all the corporate priorities as it ensures that the maintenance of the Council's assets is optimised. |

| | |
|---------------------------------------|--|
| Financial, Resource and Property | <p>Anticipated annual spend on the reactive maintenance contract is £150,000. The total contract value for the three years is therefore estimated as £450,000.</p> <p>The Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended (“TUPE”) apply to this contract and the implications of this have been addressed in the procurement process.</p> |
| Legal and Statutory | <p>The contract will be the standard JCT Measured Term Contract 2011, which is typically used as an industry standard for term contracts. The JCT contract should be subject to a schedule of amendments to include the Council’s required contract terms, e.g. Freedom of Information.</p> <p>The Council will also need to be assured that the outgoing and incoming service providers have complied with their consultation obligations under TUPE.</p> |
| Crime and Disorder | None identified at this stage. |
| Sustainability | The technology used on the recommended tenderer’s contracts minimises travel to their office and paper use as all works orders are received and updated electronically by the operative. |
| Health and Wellbeing | None identified at this stage. |
| Risk Management and Health and Safety | Part of the procurement process ensures that contractors are fully competent, particularly in the area of health and safety. DCB’s competence is evidenced through their membership of CHAS contractors Health & Safety Assessment Scheme, OHSAS (Occupational H&S Management Systems18001:2007 and Exor. |
| Equality and Diversity | None identified at this stage |

7 Appendices

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

- Appendix I: Summary of scores and prices

APPENDIX I

| Contractors invited to interview | Price | Price score | Total Tender Q&A | Total Interview Points | Total Quality Points | Quality Score | Total score (MEAT) | |
|---|--------------|--------------------|-----------------------------|-------------------------------|-----------------------------|----------------------|---------------------------|-----------------|
| DCB | £148,840.00 | 59.2 | 28.3 | 8.6 | 36.9 | 40.0 | 99.2 | 1 st |
| Contractor B | £146,828.55 | 60.0 | 22.7 | 5.7 | 28.4 | 30.7 | 90.7 | 2 nd |
| Contractor C | £168,720.80 | 52.2 | 28.3 | 6.1 | 34.4 | 37.3 | 89.5 | 3 rd |
| | | | | | | | | |

| Cabinet Meeting | Agenda Item: 7 |
|------------------------|--|
| Meeting Date | 15 July 2015 |
| Report Title | Local Engagement Forums June 2015 |
| Cabinet Member | Cllr Mike Whiting, Cabinet Member for Localism, Sport, Culture and Heritage |
| SMT Lead | Pete Raine |
| Head of Service | Emma Wiggins |
| Lead Officer | Brooke Buttfeld |
| Key Decision | No |
| Classification | Open |
| Forward Plan | Yes |
| Recommendations | 1. To note and consider the discussion and outcomes of the three Local Engagement Forums held during March 2015. |

1. Purpose of Report and Executive Summary

- 1.1 The report draws together notes of the discussion, outcomes and recommendations for Cabinet to consider following the recent Swale Local Engagement Forums (LEFs) of Faversham (4 March 2015), Sheppey (10 March 2015), and Sittingbourne (17 March 2015).
- 1.2 The purpose of this report is to formalise the reporting relationship and encourage greater connectivity between the LEFs and Swale Borough Council's (SBC) Cabinet.
- 1.3 The report demonstrates to residents the potential of their forums to advise and influence local public services.
- 1.4 The next Swale Local Engagement Forums are being held during June/July 2015; Faversham (9 June 2015), Sheppey (2 June 2015), and Sittingbourne (23 June 2015). Cabinet is also asked to consider and suggest agenda items for future LEFs.

2 Background

- 2.1 The LEFs are one of the key consultation methods for the Council, providing a route for residents as a group to advise on the shape and future of public services in the borough. This report summarises the You Said We Did reports that are compiled after each LEF, including discussion and outcomes from the LEF for

noting and discussion by the SBC Cabinet. It is hoped that this report will foster a two way dialogue. This report summaries the You Said We Did reports which are available online: <http://www.swale.gov.uk/LEF/>.

3 Proposal

- 3.1 To note the outcomes from each meeting (shown in Table 1) and feedback to the LEF chairmen as appropriate.

Table 1

| Faversham LEF 4 March 2015 – Chairman Cllr Anita Walker |
|---|
| <ul style="list-style-type: none"> • Platform for Faversham Swimming Pool <ul style="list-style-type: none"> - Able to showcase the improvements being made following potential capital investment awarded from Swale Borough Council, as well as encouraging residents to provide suggestions and influence the development. • Transparency of Faversham Creek Neighbourhood Plan <ul style="list-style-type: none"> - Residents raised concern and questioned conditions in the report. • Action for Kent County Council to raise the suggestion of 20mph zones with Highways Engineers and the relevant Cabinet Member <ul style="list-style-type: none"> - Evidence of residents directly proposing suggestions to shape Council Services to target specific issues. • Increased awareness of the WW1 Centenary Grant Scheme <ul style="list-style-type: none"> - Criteria and opportunity explained which could encourage further groups to apply for funding. |
| Sheppey LEF 10 March 2015 – Chairman Cllr Patricia Sandle |
| <ul style="list-style-type: none"> • Platform for local residents to discuss the Queenborough Creek Development Plan <ul style="list-style-type: none"> - Able to showcase their group and encourage new participants to join and expand proposal plans. • Action for Kent County Council to explore the availability of markers in the road alongside ditches in rural parts of the area <ul style="list-style-type: none"> - The You Said We Did ensured the action was forwarded to relevant service area and an update was agreed to be provided at future LEFs. • Action for Swale Borough Council’s Planning Department to liaise with residents with regards to various questions raised <ul style="list-style-type: none"> - Opportunity for residents to begin contact directly with specific officers, as well as answers formally being reported through the You Said We Did reports. • Knowledge of the transfer of allotments in Swale <ul style="list-style-type: none"> - In relation to the transfer between Swale Borough Council and Town Councils, the aspects for the transfer were clarified and recorded at the meeting through the You |

Said We Did report.

Sittingbourne LEF 17 March 2015 – Chairman Cllr Mike Whiting

- **Increased awareness of the progress of the Sittingbourne Skate Park Project**
 - A further update reporting back and answering questions on the legal and financial aspects of the project. Continues to enhance local knowledge of the process and potentially provides successful examples to encourage other groups to pursue similar projects.
- **Knowledge of crime levels and action taken in Sittingbourne**
 - Residents learnt about the action taken by Kent Police and were able to raise their own concerns to shape how the service is locally delivered.
- **Increased awareness of the Fixed Penalty Notice Pilot Scheme and action to have an update provided at future LEFs**
 - Demonstrates that residents and councillors are confident to request quarterly updates from local projects of interest.
- **Action completed for KCC, to input double yellow lines in Shortlands Road to enable Emergency Service Vehicles to access the area**
 - Evidence of the You Said We Did directly facilitating the enablement of the community to target and resolve issues locally.

4 Alternative Options

- 4.1 Not applicable as this is an update report for noting and consideration.

5 Consultation Undertaken or Proposed

- 5.1 The public were given the opportunity at each LEF to question and challenge public sector representatives about the issues discussed at the meeting.

6 Implications

| Issue | Implications |
|----------------------------------|---|
| Corporate Plan | The LEFs contribute towards the SBC corporate priority of Embracing Localism as they are one of the key projects for empowering local residents. In particular they contribute to the aims of enabling members to champion communities and improving local consultation and engagement. |
| Financial, Resource and Property | <i>None identified at this stage.</i> |
| Legal and Statutory | <i>None identified at this stage.</i> |
| Crime and | Residents can engage directly with senior police officers at the |

| | |
|---------------------------------------|--|
| Disorder | meetings. |
| Sustainability | <i>None identified at this stage.</i> |
| Health and Wellbeing | <i>None identified at this stage.</i> |
| Risk Management and Health and Safety | <i>None identified at this stage.</i> |
| Equality and Diversity | One of the aims of the You Said We Did is to report the issues raised and questions asked at the meeting as accurately as possible, so as not to discriminate against anyone who raises an issue at the meeting. The reports remain live and residents can challenge it they are incorrect. If the amendment is approved, they are then updated on the online version of the report. |

7 Appendices

7.1 There are no additional documents to be published with this report.

8 Background Papers

8.1 LEF Terms of Reference

Recommendations for approval

Local Development Framework Panel – 18 June 2015

Minute No. 81 – Draft Faversham Town Heritage, Landscape Setting and Characterisation Study May 2015

(1) That the Panel note the draft study and agree to its publication as post submission evidence to the Local Plan and that officers be delegated authority to amend wording subject to further comments from Members by 4.30pm Friday 19 June 2015.

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Recommendations for approval

Swale Joint Transportation Board – 8 June 2015

Minute No. 49 – Proposed Waiting Restrictions – Informal Consultation

- (1) That the proposed double yellow lines in Belvedere Road, Faversham proceed.
- (2) That the proposed double yellow lines in South Road, Faversham be abandoned.
- (3) That the proposed double yellow lines in Luton Road, Faversham, plus additional double yellow lines across the other entrance to Sommerville Close proceed and the existing double yellow lines near the junction with Westgate Road, Faversham be reduced.
- (4) That the double yellow lines on the corner of All Saints Close, Iwade proceed and further consultation on the remaining proposed restrictions be carried out.

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