



AGENDA

SCRUTINY COMMITTEE MEETING

Date: Wednesday, 12 August 2020

Time: 7.00pm

Venue: Remote meeting via Skype*

Membership:

Councillors Lloyd Bowen (Chairman), Richard Darby, Steve Davey, Mike Dendor (Vice-Chairman), Tim Gibson, Alastair Gould, James Hall, Carole Jackson, Elliott Jayes, Denise Knights, Lee McCall, Pete Neal and Ken Pugh.

Quorum = 4

Information for the Public

*Members of the press and public can listen to this meeting live. Details of how to join the meeting will be added to the website after 4pm on **Tuesday 11 August 2020**.

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1. Apologies for Absence and Confirmation of Substitutes

2. Minutes

Pages

To approve the [Minutes](#) of the Meeting held on 27 February 2020 (Minute Nos. 570 – 578) and the [Minutes](#) of the Extra-Ordinary Meeting held on 20 May 2020 (Minute Nos. 668-671) as correct records.

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.

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

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

- | | | |
|----|--|---------|
| 4. | Financial Management Report | 3 - 44 |
| | The Committee is asked to consider the Financial Management Year End report 2019/20. The Leader and the Chief Financial Officer have been invited to attend the meeting. | |
| 5. | Budget Update | 45 - 46 |
| | The Committee is asked to consider the Budget update. | |
| 6. | Sittingbourne Town Centre Update - to follow | |
| | The Committee is asked to consider the Sittingbourne Town Centre Regeneration update. | |
| 7. | Draft Overview and Scrutiny Annual Report 2019/20 | 47 - 60 |
| | The Committee is asked to consider the Draft Overview and Scrutiny Annual Report 2019/20. | |

The Committee is asked to consider the Forward Plan with a view to identifying possible items for pre-decision scrutiny.

Issued on Tuesday, 4 August 2020

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 Scrutiny Committee, please visit www.swale.gov.uk

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

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Scrutiny Committee Meeting		Agenda Item: 4
Meeting Date	12 August 2020	
Report Title	Financial Management Report – Outturn 2019/20	
Cabinet Member	Cllr Roger Truelove, Leader and Cabinet Member for Finance	
SMT Lead	Nick Vickers, Chief Financial Officer	
Head of Service	Nick Vickers, Chief Financial Officer	
Lead Officer	Phil Wilson, Financial Services Manager and Caroline Frampton, Principal Accountant	
Key Decision	Yes	
Classification	Open	
Forward Plan	Reference number:	
Recommendations	<ol style="list-style-type: none"> 1. To note the revenue underspend of £64,188. 2. To note the revenue service rollovers of £190,630 and the setting up of new reserves as set out in in Appendix I Table 9. 3. To note that any uninsured losses regarding the roof replacement at the Swallows Leisure Centre will be met from borrowing in 2020/21. 4. To delegate to the Chief Financial Officer the allocation of uncommitted underspends to reserve funds. 5. To note the capital underspend of £4,937,473 and expenditure of £19,097,577 as detailed in paragraph 3.19 and Appendix I Table 12. 6. To consider the capital rollovers of £5,263,936 as detailed in Appendix I Table 13 for approval. 	

1. Purpose of Report and Executive Summary

- 1.1 This report sets out the revenue and capital outturn position for 2019/20. The report is based on service activity for the whole of 2019/20 and is collated from monitoring returns from budget managers.
- 1.2 On 3 June we reported to Cabinet on the projected impact on the Council's finances of the Coronavirus pandemic. This has huge impact on the finances of the Council and there is an impact on this report. In previous years, a permissive approach has been taken to rollover requests but unfortunately this is no longer possible. Given that the rollovers will have to come from Reserves which are being prioritised for member priorities, rollover requests cannot be agreed except where the funding of the rollover is linked to a specific item of funding or a previous Cabinet decision.

1.3 The purpose of the report is to compare the actual spend and income incurred in 2019/20 to the budget originally approved by members at Council in February 2019 and subsequent amendments by virements, Cabinet or made under delegated authority during the year. Robust budget monitoring is a key part of effective internal financial control, and therefore is one of the elements underpinning good corporate governance. Appendix I is a booklet providing a detailed analysis of budget variations for each service and for each capital project.

1.4 The headline figures are:

- total revenue underspend of £64,188 - Table 8 in Appendix I;
- £190,630 revenue rollover requests from Heads of Service – Table 9 in Appendix I;
- capital underspend of £4,937,473 – Table 12 in Appendix I; and,
- £5,263,936 rollover requests of capital underspends – Table 13 in Appendix I.

2. Background

2.1 The Council operates a budget monitoring process at Head of Service level, with regular reports to the Leader and Cabinet Member for Finance and the Strategic Management Team.

2.2 Financial monitoring reports are presented to Cabinet on a quarterly basis, as well as to Scrutiny Committee.

3. Proposals

Revenue Outturn

3.1 The last monitoring report to Cabinet was on 18 March covering April to December and the net revenue service expenditure was a forecast underspend of £33,000 and the equivalent outturn figure shown in Table 2 is an underspend of £64,188, which represents a movement of £31,188 on a budget of £18.969 million. Table 1 below details the significant movements and is based on Table 8 in Appendix I.

3.2 There was a significant fall in the net cost of homelessness from the last monitoring forecast which was mainly due to the efforts of the Housing team in securing Nightly Lets and Optivo accommodation at a lower cost than forecast, (£26k and £44k reductions respectively) and a higher amount of Housing Benefit claims over the last three months than forecast, (£73k), with these reductions slightly offset by £29k costs unrecoverable from housing benefit due to their being over the benefit cap.

3.3 £192k for additional consultancy costs were incurred for defending two public enquiries on planning applications and extended determination periods for handling major planning applications and have been met from reserves.

Table 1 – Net Revenue Service Expenditure - Movement from April to December Forecast to Outturn

Net Revenue Service Expenditure	£'000
Variance reported to Cabinet 18 March 2020 for April to December	(33)
Homelessness – reduction in projected overspend (paragraph 3.2)	(114)
Elections – contribution from KCC towards SBC costs	(44)
Democratic Process – Members’ allowances and travel	(14)
Customer Service Centre – Sheppey Gateway – lower than expected contract costs	(37)
Car Parks – reduced income	64
Multi Storey Car Park – additional costs	69
Planning – reduced planning fee income	50
Planning – additional Planning Performance Agreement and pre-application advice income	(19)
Leisure & Sports Centres – mainly higher utility costs	103
Environment Health – net reduced costs on shared services	(62)
ICT – additional expenditure on Mid Kent ICT services	30
Audit – reduced costs on Mid Kent Audit services	(14)
Human Resources – reduced costs on Mid Kent services	(34)
Net other items	(9)
Variance reported to Cabinet for 2019/20 Outturn	(64)

Chart 1 - Performance Against Budget Analysed by Service

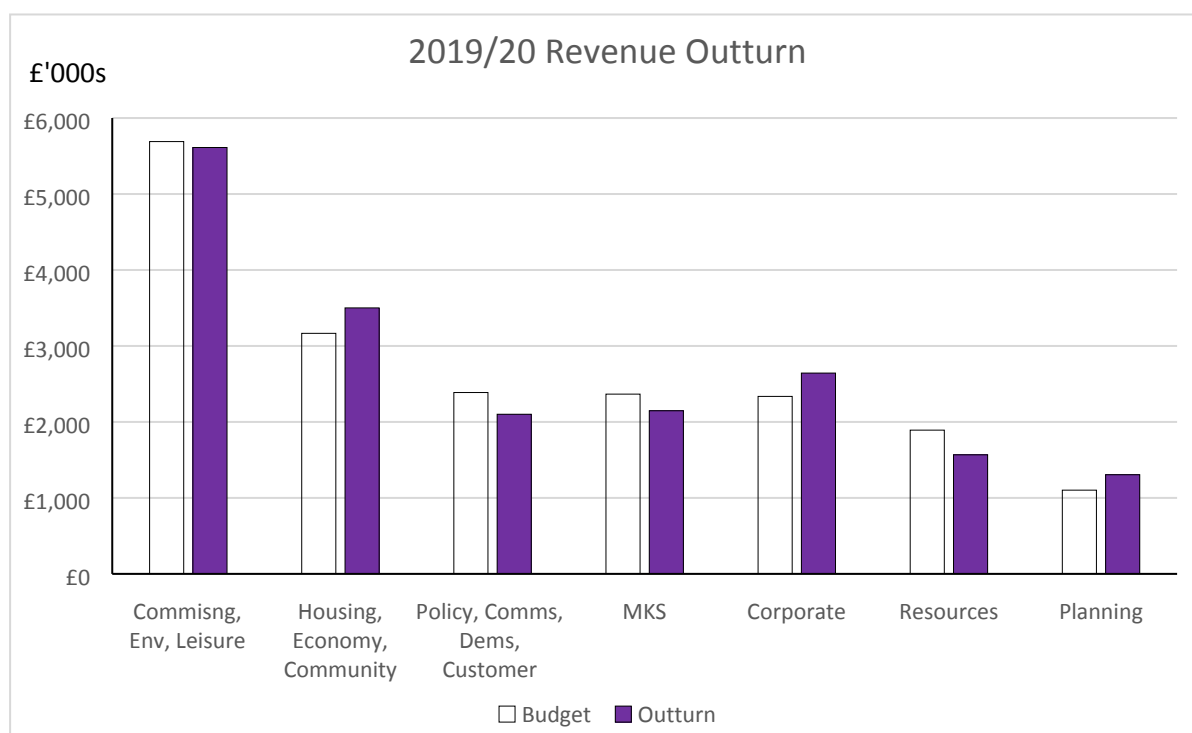


Table 2- Projected Variance by Service

	Service Manager	Working Budget £	Outturn 2019/20 £	Outturn Variance £
Chief Executive		331,280	251,118	(80,162)
Policy, Communications & Customer Services	D. Clifford	1,228,400	1,094,752	(133,648)
Democratic Services	D. Clifford	1,158,670	1,006,651	(152,019)
Director of Regeneration	E. Wiggins	185,460	180,862	(4,598)
Housing, Economy & Community Services	C. Hudson	3,165,720	3,501,394	335,674
Planning	J. Freeman	1,102,470	1,304,946	202,476
Commissioning, Environment & Leisure	M. Cassell	5,689,990	5,611,967	(78,023)
Finance	N. Vickers	771,620	736,223	(35,397)
Revenues & Benefits	Z. Kent	(191,620)	(354,422)	(162,802)
Property	A. Adams	671,800	676,636	4,836
Licensing & Resilience	D. Fackrell	47,000	(2,027)	(49,027)
Environmental Health	T. Beattie	593,320	510,483	(82,837)
Information Technology	C. Woodward	1,223,000	1,100,355	(122,645)
Internal Audit	R. Clarke	191,180	175,141	(16,039)
Human Resources	B. Sandher	444,690	403,018	(41,672)
Legal	P. Narebor	507,590	468,088	(39,502)
Sittingbourne Regeneration	N. Vickers	0	157,013	157,013
Princes Street Retail Park	N. Vickers	(230,000)	(435,430)	(205,430)
Specific rollovers contribution to Reserves from services shown above	N. Vickers	0	367,000	367,000
Corporate Items	N. Vickers	2,049,510	2,122,047	72,537
NET REVENUE SERVICE EXPENDITURE		18,940,080	18,875,815	(64,265)
Financed by:				
Revenue Support Grant		(113,000)	(113,144)	(144)
Business Rates		(8,333,380)	(8,333,380)	0
New Homes Bonus		(1,875,000)	(1,874,725)	275
Council Tax Requirement		(8,257,700)	(8,257,754)	(54)
TOTAL FINANCING		(18,579,080)	(18,579,003)	77
NET EXPENDITURE (Transfer (to)/ from General Fund		361,000	296,812	(64,188)

Proposed Revenue Rollovers and General Fund

3.4 Rollovers can be either be service requests arising because not all the budget on a particular project had been spent in the year, or service bids linked to the Council's priorities, or for ringfenced reserves to comply with statute or due to a previous Cabinet decision.

3.5 A number of rollovers have already been made to comply with statute and previous Cabinet decisions which total £367,000. The revenue underspend of £64k (Table 2 above) includes these rollovers and they are detailed below:

Service	Description	£'000s
Revenues and Benefits	The net saving has been transferred to the Revenues and Benefits reserve.	(179)
IT Maintenance and Software	The saving has been transferred to the IT reserve to be used solely to fund IT related expenditure in future years.	(132)
Parking Management	The surplus relating to on-street parking has been transferred to the on-street parking reserve under Section 55 of the Road Traffic Act 1984.	(67)
Environmental Response Team	Section 96 of the Clean Neighbourhoods and Environment Act of 2005 advised that income must be spent on "qualifying functions". The surplus has been transferred to the reserve.	(22)
Local Planning & Conservation	The underspend on the local plan has been transferred to the reserve to be used solely to fund Local Plan associated work in accordance with previous Cabinet decisions.	(12)
Licensing	A net overspend on Hackney Carriage licences and other licences has been transferred to the ring-fenced reserve under the Local Government Act 1976. This reserve is to be used to fund Licensing related expenditure in future years.	10
Building Maintenance	The variance on building maintenance has been met from the reserve.	35
Total		(367)

3.6 Table 9 in Appendix I lists rollovers which have not yet been made and are service requests for rollovers at an operational level. These total £190,630.

3.7 The General Fund is shown below. The Council's policy is to maintain a balance of at least £1.5m in the General Fund.

Table 3: General Fund Balance

	£'000s
General Fund balance at 1 April 2019	(4,358)
2018/19 rollovers approved by Cabinet in July 2019	723
2019/20 net expenditure (Table 2)	297
General Fund Balance	(3,338)

Business Rates

3.8 From 1 April 2013 business rates were part localised. Given the large growth in business rates in the borough this has been hugely positive for the Council's finances. The Council is in a business rates pool with KCC, 10 other borough/district councils and the Fire Authority. The pool enables business

rates which would otherwise be passed to Central Government to be retained in the county. Under the arrangement the borough/district, KCC and a joint fund received 30% each and 10% went into a reserve.

3.9 In total the Council collected £53m of business rates in 2019/20. After the complicated system of levies and tariffs has been accounted for, the Council received £10m.

3.10 There was a net reduction in the business rates reserves by £871k in 2019/20:

- £992k reduction in the Business Rates Volatility Reserve. This was a result of £1m contribution to the Special Projects, £250k budgeted contribution to the General Fund offset by net additional business rates of £258k.
- £758k reduction in the Kent Pool Economic Development Business Rates Reserve. This was the result of £215k for the Visitor Economy Framework for 2018-2023; £250k for the Isle of Sheppey Lower Road; £800k for Corporate Priorities; £250k for the Heritage Strategy and £757k increase from business rates. This reserve was established as a result of the Council joining the Kent business rates pool in 2015/16. It is to fund economic development as agreed by the Council and KCC.
- £860k increase in the North Kent Housing and Commercial Growth Business Rates Fund. This was the result of a revised allocation of the final figures from 2018/19. For 2018/19 the Council was part of a Kent wide business rate pilot 100% localisation which included the setting up of this fund. There is a 'bidding process' set-up to enable authorities across North Kent, including Kent County Council (KCC), to present potential initiatives to the North Kent Leaders and the appropriate representative from the County Council for approval. The stated purpose of the fund is to support future delivery, where outcomes can be better achieved by local authorities working together across a wider area. This fund is to be used to fund borrowing to support affordable housing projects.

3.11 At 31 March 2020 the balances on the business rates reserves were as follows:

- £3.9m Business Rates Volatility Reserve
- £1.3m Kent Pool Economic Development Business Rates Reserve
- £1.7m North Kent Housing and Commercial Growth Business Rates Fund

3.12 The actual amount of business rates collected can be affected by a wide range of variables including new businesses opening, existing businesses growing, closure of businesses, rating appeals and collection rates.

3.13 The Business Rates Collection Fund has set aside £10m for appeals, of which the Council's share is £4m. In July 2019 the Council was notified of a

successful business rate appeal by Morrisons for their major warehouse on the 2010 rating list. The one-off cost charged to the provision for appeals was £2.5m and the ongoing impact is a £400k reduction in business rates income. However, the effect on future years' business rates income has been offset to an extent as a result of a change in the methodology used for calculating the cost of potential appeals for the 2017 rating list.

Improvement and Regeneration Funds

3.14 Table 4 below details the outturn position on a number of reserve funds.

Table 4: Improvement and Regeneration Funds

	Balance as at 1 April 2019	Transfers from reserve (Expenditure) in year	Transfers to reserve (Income) in year	Balance as at 31 March 2020	Balance unallocated as at 31 March 2020
Funds:	£'000	£'000	£'000	£'000	£'000
Special Projects	0	(171)	1,135	964	37
Performance	494	(62)	0	432	199
Communities	122	(67)	501	556	383
Pension & Redundancy	86	(7)	15	94	94
Regeneration	437	(285)	0	152	0
Local Loan Fund	175	0	0	175	175
TOTAL	1,314	(592)	1,651	2,373	888

3.15 Table 11 in appendix I details the allocations from the above funds during 2019/20.

Usable Reserves

3.16 Table 5 below summarises the usable reserves balance as at 31 March 2020.

Table 5: Usable Reserves

Reserve:	Balance as at 1 April 2019	Transfers from reserve in year	Transfers to reserve in year	Balance as at 31 March 2020
	£'000	£'000	£'000	£'000
Total Earmarked Revenue Reserves	(17,831)	6,215	(6,731)	(18,347)
General Fund	(4,358)	1,020	0	(3,338)
Capital Grants Unapplied	(329)	10	(90)	(409)
Usable Capital Receipts	(1,365)	297	(291)	(1,359)
TOTAL	(23,883)	7,542	(7,112)	(23,453)

3.17 Table 10 in appendix I details the earmarked revenue reserves as at 31 March 2020.

Capital Expenditure

3.18 This section of the report details actual capital expenditure and highlights any variations between the revised 2019/20 capital budget and the outturn.

3.19 Actual expenditure to end of March 2020 was £19,097,577. This represents 79% of the revised budget. There remains an underspend of £4,937,473. Further details are set out in Table 12 of Appendix I.

3.20 Table 6 below summarises the capital underspend of £4,937,473.

Table 6: Capital Programme Expenditure

	2019/20 Revised Budget	2019/20 Outturn	2019/20 Outturn Variance
	£'000	£'000	£'000
Housing, Economy & Community Services	19,624	15,894	(3,730)
Commissioning, Environment & Leisure	4,151	2,928	(1,223)
Property Services	20	61	41
Environmental Health	49	64	15
Finance	98	98	0
Information Technology	93	53	(40)
Total SBC funded	18,472	16,152	(2,320)
Total Partnership funded	5,563	2,946	(2,617)
Total Capital Programme	24,035	19,098	(4,937)
% Spent to date compared to Revised Budget		79%	

3.21 Heads of Service have submitted a number of capital rollover requests totalling £5,263,936 to be spent in 2020/21 to be released from the underspend of 2019/20. The requests are listed in Table 13 Appendix I, with an explanation provided by the service manager. Of these requests, £2,380,552 is linked with partnership funding, as explained in the notes, leaving £2,883,384 to be met from internal resources. The largest items of rollover are:

- Disabled Facilities Grant (external funding) - £1,927,533
- Sittingbourne Regeneration - £1,581,302
- Leisure Centres - £293,847
- Open Spaces S106 Play Equipment £226,000

Funding of the 2019/20 Capital Programme

3.22 The 2019/20 capital programme expenditure of £19,097,577 was funded as set out in Table 7 below.

Table 7: Capital Programme Funding

	2019/20 Outturn
	£'000
Capital grants and other contributions	3,098
Capital receipts	298
Earmarked reserves	873
Borrowing	14,829
Total Capital Funding	19,098

- 3.23 The Sittingbourne Town Centre Project and Leisure Centres are being funded from borrowing. The Council's borrowing strategy was set out in the Treasury Management Report to Cabinet in February.
- 3.24 CCTV Control Centre – this is being funded from internal borrowing to be repaid by setting aside revenue savings.
- 3.25 Capital receipts from sale of assets in 2019/20 were £172k. Capital receipts from repayment of grants and loans were £119k.
- 3.26 In February the Swallows Leisure Centre roof was severely damaged by high winds in a storm. Due to the age of the roof there is very limited insurance coverage. A tender process has been undertaken by appointed specialist advisers and the tenders are still being evaluated. It is expected that the full repairs will cost in the range £800,000 to £1m. This will be funded by borrowing.

Payment of Creditors

- 3.27 For 2019/20, 98% of invoices from suppliers were paid within 30 days of receipt of invoice, against the target of 97%.

Sundry Debtors

- 3.28 Tables 14.1 and 14.2 in Appendix I analyse the sundry debt outstanding.

4. Alternative Options

- 4.1 None identified – this report is largely for information.

5. Consultation Undertaken or Proposed

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

6. Implications

Issue	Implications
Corporate Plan	Good financial management is key to supporting the Corporate Plan objectives.

Issue	Implications
Financial, Resource and Property	As detailed in the report
Legal and Statutory	The outturn report is not a statutory requirement but it is a requirement of the Council's Financial Regulations.
Crime and Disorder	None identified at this stage.
Environmental Sustainability	The report identifies a wide range of expenditure headings which support the Council's Climate and Emergency Action Plan.
Health & Wellbeing	None identified at this stage.
Risk Management and Health and Safety	The Council's overall financial position is a key risk in the Council's Corporate Risk Register.
Equality and Diversity	None identified at this stage.
Privacy and Data Protection	None identified at this stage.

7. Appendices

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

- Appendix I: Financial Outturn Report 2019/20

8. Background Papers

8.1 [Cabinet Medium Term Financial Plan and Budget 2019/20](#)

Financial Outturn Report 2019/20

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Table 8 – Main Variations by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
CHIEF EXECUTIVE – Cllr R Truelove		
Chief Executive & Corporate Costs	(80)	(£66k) Underspend – net staff costs; (£12k) Underspend – special projects; (£2k) Net additional savings.
TOTAL	(80)	
POLICY, DEMOCRATIC SERVICES, COMMUNICATIONS AND CUSTOMER SERVICES – Cllr R Truelove (David Clifford)		
Policy, Communications & Customer Services:-		
Policy	(4)	(£8k) Underspend – net staff costs; £4k Net overspend.
Communications	(52)	(£28k) Underspend – net staff costs; (£22k) Underspend - advertising & promotion; (£2k) Net underspend.
Customer Services	(68)	(£37k) Underspend – Kent County Council Sheerness Gateway contract; (£21k) Underspend – net staff costs; (£10k) Net underspend.
Information Governance	(10)	(£10k) Underspend – net staff costs.
TOTAL	(134)	(77k is requested to roll forward into 2020/21 – refer to Table 9)
Democratic Services:-		
Democratic Process	(98)	(£53k) Underspend – members’ allowances and travel; (£32k) Underspend net salary costs; (£13k) Reduced expenditure net.
Elections & Electoral Registration	(46)	£5k Additional net salary costs; (£44k) Additional income from Kent County Council; (£3k) Additional income from other local authorities; (£2k) Additional income from sales of register: (£2k) Net underspend.
MKS Shared Service Corporate Costs	(8)	(£8k) Underspend on corporate costs of MKS shared service costs from Maidstone Borough Council as a result of an underspend in 2018/19;

Table 8 – Main Variations by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
TOTAL	(152)	(£30k is requested to roll forward into 2020/21 – refer to Table 9).
REGENERATION – Cllr M Bonney (Emma Wiggins)		
Regeneration	(5)	(£5k) Reduced net salary costs.
TOTAL	(5)	
HOUSING, ECONOMY AND COMMUNITY SERVICES – Cllr B Martin, Cllr T Valentine, Cllr R Palmer, Cllr M Bonney, Cllr A Harrison (Charlotte Hudson)		
Economy & Community Services:-		
CCTV	(3)	(£3k) Net underspend reported.
Community Halls and Centres	7	£7k Net additional costs.
Community Safety	(4)	(£4k) Net savings.
Economy & Community Services, Cultural & Economic Development	3	£3k Net additional costs.
Learning and Skills	(5)	(£5k) Net savings.
Tourism & Heritage	(9)	(£9k) Net savings.
Arts Events & Activities	0	Nil variance reported.
Markets	(1)	(£1k) Net savings.
Sports Development and Youth	(24)	(£8k) Net salary savings; (£16k) Net additional savings/income.
Sub-total	(36)	(£5k is requested to roll forward into 2020/21 – refer to Table 9).
Housing:-		
Homelessness Temporary Accommodation	364	£790k Additional accommodation costs; (£436k) Additional net housing benefit income; £17k Additional storage costs; (£7k) Net additional underspends.
Homelessness Temporary Houses	7	£7k Net additional costs.
Housing Advice / Options	29	£22k Additional staff costs; £7k Net additional costs.
Housing Development and Strategy	(9)	(£9k) Net salary savings.

Table 8 – Main Variations by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
Private Sector Housing	(3)	£7k Net additional salary costs; (£10k) Net other savings/income.
Stay Put Scheme	(16)	(£14k) Disabled Facilities Grant (DFG) fee income; (£2k) Net other savings. £238,712 of revenue expenditure (small repairs) has been met from DFG.
Sub-total	372	(£5k is requested to roll forward into 2020/21 – refer to Table 9).
TOTAL HOUSING, ECONOMY & COMMUNITY SERVICES	336	
PLANNING – Cllr M Baldock (James Freeman)		
Building Control/Dangerous Structures	-	Nil variance reported.
Development Control/Services	224	(£101k) Reduced net salary costs; £285k Reduced income – planning fees – A slowdown in the number of significant major planning applications as existing local plan allocations have come forward for determination; £33k Reduced income - S106 monitoring fees; (£51k) Additional income – Planning Performance Agreement (PPA) and pre-application advice income; £37k Additional costs – legal fees / planning consultancy advice; £21k Net additional costs.
Local Land Charges	54	£76k Reduced income from land charges; (£22k) Reduced costs – Mid Kent Planning Service.

Table 8 – Main Variations by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
Local Planning & Conservation	(42)	(£20k) Reduced costs – Conservation & Design; (£12k) Underspend – Local Plan; (£10k) Net reduced costs. N.B. The underspend on the local plan has been transferred to the ring-fenced reserve to be used solely to fund Local Plan associated work.
Mid Kent Planning Service (MKPS)	(34)	(£34k) Reduced costs – Mid Kent Planning Service.
TOTAL PLANNING	202	
COMMISSIONING, ENVIRONMENT AND LEISURE – Cllr A Harrison, Cllr T Valentine (Martyn Cassell)		
Commissioning, Contracts and Procurement	(98)	(£87k) Underspend – net salaries; (£5k) Underspend – staff transport; (£6k) Net miscellaneous savings.
Client & Amenity Services and Technical Services	(52)	(£33k) Underspend – net salaries; (£9k) Underspend – staff transport; (£10k) Net miscellaneous savings.
Community Halls & Centres	-	Nil variance reported.
Environmental Response Team	(48)	(£33k) Net additional income Fixed Penalty Notices (FPNs); £20k Additional environmental initiative grants paid out (offset by FPN Savings); (£15k) Savings equipment purchase; (£9k) Additional income licences issued; (£9k) Savings travel/transport costs; £11k Additional staff costs; (£13k) Net other savings. N.B. Section 96 of the Clean Neighbourhoods and Environment Act of 2005 advised that income must be spent on “qualifying functions”. A surplus of £22k has been transferred to the ring-fenced account at year end.
Leisure & Sports Centres	101	£15k loss of income (Sport England Grant reserved since 2016/17 no longer realistic to expect); £88k Additional leisure centre costs mainly relating to higher utility subsidy to Swale Community Leisure; (£2k) Net additional cost savings.

Table 8 – Main Variations by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
Refuse Collection / Street Cleansing / Public Conveniences / Recycling & Waste Minimisation	(193)	(£61k) Additional income – garden waste collection; (£49k) Net additional income wheeled bins; (£42k) Contract savings through performance penalties (deductions applied); (£25k) Net additional income special collections; (£7k) Savings public conveniences premises; £7k Additional litter bins maintenance; (£16k) Net other additional income/savings.
Multi-Storey Car Park (MSCP)	189	£50k Business rates; £107k Property management costs; £14k Equipment purchase; £9k Building maintenance; £9k Signage; £10k Electricity; £8k Deep cleaning; £8k Other fees & services; (£26k) Car parking fees income.
Parking Management	46	£137k Net reduced income – car parks pay and display fees £46k Net additional car park equipment purchase, maintenance costs and licences; £18k Additional costs – parking partnership Maidstone Borough Council; £13k Season Ticket reduced income; (£27k) Additional income – residents parking permits; (£10k) Staff cost savings; (£19k) Saving cash security costs; (£39k) Additional income on and off-street penalty charge notices (PCN's); (£25k) Reduced costs – rent car parks; (£14k) Reduced costs – business rates car parks; (£10k) Savings on planned maintenance; (£24k) Net other savings. N.B. The surplus of £67k relating to on-street parking has been transferred to the ring fenced on-street parking account under Section 55 of the Road Traffic Act 1984.

Table 8 – Main Variations by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
Seafront, Harbour & Quays, Coast Protection and Flood Preparation	(1)	(£1k) Net savings.
Grounds Maintenance	(8)	(£8k) Net contract savings.
Cemeteries and Closed Churchyards	(42)	(£26k) Additional internment fees; (£16k) Net other savings/income.
Highways	(14)	(£11k) Street naming & numbering fees additional income; (£3k) Net other savings/income.
Sports Pitches & Pavilions, Parks & Open Spaces, Countryside & Country Parks, and Allotments	42	£19k Overspend for hire of temporary premises; £43k Overspend on necessary health and safety repairs to play areas; (£11k) Underspend on countryside and country parks; (£9k) Underspend net other costs/income.
TOTAL	(78)	(£56k is requested to roll forward into 2020/21 – refer to Table 9).
FINANCE – Cllr R Truelove (Nick Vickers)		
Financial Services	(35)	(£30k) Savings on salaries; (£5k) Net other savings;
TOTAL	(35)	

Table 8 – Main Variations by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
REVENUES & BENEFITS – Cllr R Truelove (Nick Vickers)		
	(163)	<p>£32k Reduction in Benefit Admin Subsidy; (£151k) Additional Department for Works and Pensions (DWP) Housing Benefit Grant; (£59k) Staff cost savings; (£1k) Additional DWP grant income; N.B. The net saving of (£179k) detailed above has been transferred to reserves.</p> <p>£200k Reduction in recovery of overpayments of Housing Benefits (please note that this is offset by £126k underspend on bad debt which is included under corporate costs); (£44k) Reduced expenditure on net Housing Benefits; (£48k) Additional income – recovery of Council Tax benefit overpaid (please note that this is offset by £77k set aside for bad debts which is included under corporate costs); (£15k) Reduced costs Fraud Partnership with Maidstone Borough Council; (£17k) Additional income MKS Debt Enforcement Partnership share of surplus; (£60k) Net additional savings.</p>
TOTAL	(163)	
PROPERTY SERVICES – Cllr M Bonney (Anne Adams)		
Property Services	(44)	(£43k) Underspend net salary costs; (£1k) Reduced expenditure net.
Administrative Buildings	9	(£8k) Underspend net salary costs; £23k Introduction of security officer in Swale House reception; (£9k) Underspend energy costs etc at Central House; £3k Additional net costs.
Property Management	5	£5k Additional net costs.
Building Maintenance	35	The £35k variance on building maintenance has been met from the ring-fenced reserve.
TOTAL	5	

Table 8 – Main Variations by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
LICENSING & RESILIENCE PLANNING – Cllr R Palmer (Della Fackrell)		
Resilience Planning	4	£4k Additional salaries.
Licensing	(53)	(£30k) Additional income – Hackney Carriage licences; £19k Reduced income – Gambling licence fees; (£28k) Additional income – General legal fees; (£7k) Reduced expenditure – salary costs; (£7k) Net savings. N.B. A net overspend of £10k (including central support costs) on Hackney Carriage licences and other licences has been transferred to the ring-fenced reserve under the Local Government Act 1976 at year end. This reserve is to be used to fund Licensing related expenditure in future years.
TOTAL	(49)	
ENVIRONMENTAL HEALTH – Cllr T Valentine (Tracey Beattie)		
Environmental Health Mid Kent Service	(63)	(£63k) Underspend on shared service as a result of vacant posts.
Environmental Services	(20)	(£11k) Underspend on shellfish monitoring/sampling; (£9k) Net underspend/additional income on client side.
TOTAL	(83)	(£17k is requested to roll forward into 2020/21 – refer to Table 9).
INFORMATION TECHNOLOGY – Cllr R Truelove (Chris Woodward)		
Telecommunications	(28)	(£28k) Reduced expenditure on equipment maintenance and costs of telephones.
IT Maintenance and Software	(132)	(£132k) Underspend on IT maintenance and software. This variance has been transferred to the ring-fenced reserve to be used solely to fund IT related expenditure in future years.
Mid Kent ICT/GIS	38	£38k Additional expenditure on Mid Kent ICT services.
TOTAL	(122)	
INTERNAL AUDIT – Cllr R Truelove (Rich Clarke)		
Mid Kent Audit Services	(14)	(£14k) Reduced costs on Mid Kent Audit service.
Risk Management	(2)	(£2k) variance reported.
TOTAL	(16)	

Table 8 – Main Variations by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
HUMAN RESOURCES – Cllr R Truelove (Bal Sandher)		
Mid Kent Human Resources	(34)	(£34k) Reduced costs on shared service.
Organisational Development	(8)	(£11k) Reduced expenditure – corporate training; £3k Additional expenditure net.
TOTAL	(42)	
LEGAL – Cllr R Truelove (Patricia Narebor)		
Legal MKLS	(74)	£24k Additional expenditure – salary costs; (£98k) Additional income as a result of Swale's usage of the service being below the budgeted level and therefore additional income received from Maidstone Borough Council and Tunbridge Wells Borough Council;
External Legal Fees	17	£17k Overspend on external legal fees.
S106 Income	17	£17k Reduced income.
TOTAL	(40)	
NON-SERVICE BUDGETS		
Sittingbourne Regeneration	157	£12k Additional salary costs; £119k Additional property management costs; £48k Additional operational management costs; (£25k) Recovery of costs; £3k Additional net costs.
Princes Street Retail Park	(205)	(£215k) Additional income – rental income Princes Street Retail Park; £10k Additional expenditure.

Table 8 – Main Variations by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
Contribution to Reserves and Corporate Items	440	<p>(£191k) Increase in cash flow and an improved return on our investments; £192k Increased costs of borrowing.</p> <p>£254k Council Tax Grant contribution to reserves; £38k Contributions from reserves not required; £367k Net contribution to reserves from ring fenced services as detailed in table above; £72k Net other movement on reserves</p> <p>(£254k) Council Tax Grant from major preceptors. This has been transferred to the ring-fenced reserve;</p> <p>(£38k) Net additional underspends/income.</p>
	(64)	NET EXPENDITURE (Underspend)

Table 9 – Revenue Rollover Requests

No.	Head of Service	Funded from	Rollover Request £	Purpose of Rollover
1	Charlotte Hudson	Youth Service	4,530	To fund future revenue skatepark costs.
2	Charlotte Hudson	Homelessness	4,140	Rent Deposit Scheme
3	Charlotte Hudson	Homelessness	1,360	Underspend on maintenance of SBC houses.
4	Charlotte Hudson	Staying Put	300	Donation: Small trust charity funding received to fund new items for properties in need of de-cluttering and replacement.
		Total	10,330	
5	David Clifford	Policy	3,140	Support for the restructure of the policy team to take place during 2020/21.
6	David Clifford	Customer Service Centre (CSC)	20,000	Use part of CSC underspend to support technical enhancements to existing software systems to further improve functionality for customers choosing to self-serve.
7	David Clifford	Mayoral Service	1,750	This is an annual rollover request to account for the fact that the civic year does not align with the financial year and the mayor needs a budget during the period of non-alignment.
8	David Clifford	Electoral Registration	28,700	To cover the anticipated costs of canvas reform and associated reduction in government elections grant.
9	David Clifford	Elections	23,300	We would like to use this money, which is an underspend on previous elections, to support future SBC borough elections.
10	David Clifford	Democratic Services	26,100	Members Allowances - There has been a recent allowance review with recommendations (to be agreed by Council) of increases in allowances. Also, there will likely be additional allowances for new Chairmen of Area Committees, once implemented.
11	David Clifford	Democratic Services	4,200	Members' training: as many members are still relatively new to their role, additional training on various topics has been requested.
		Total	107,190	

Table 9 – Revenue Rollover Requests

No.	Head of Service	Funded from	Rollover Request £	Purpose of Rollover
12	Tracey Beattie	Environmental Services	10,000	Underspend on shellfish classification as a result of new contract and reduced sampling as a result of bad weather etc. Potential increase in sampling costs from the current oyster sampling to sampling for oysters, cockles and mussels.
13	Tracey Beattie	Environmental Services	6,630	Additional income on Food Hygiene and Health & Safety. The rollover to meet additional costs arising from shellfish sampling.
		Total	16,630	
14	Martyn Cassell	Highways SBC	2,350	Having paid KCC for their annual maintenance fee, we have held back remaining funding to put towards the replacement of existing SBC owned lighting with LED units, in preparation for new maintenance contract. This funding will cover pre-contract investigation work and emergency repairs
15	Martyn Cassell	Environmental Services	9,130	Underspend to be rolled over to fund body cameras that were to be purchased during 2019/20 but due to the Privacy Impact Assessments taking longer than expected and then Covid19 delaying any orders it was not possible to do.
16	Martyn Cassell	Street Cleaning	10,000	Street rezoning review completed late in year and agreement for changes commenced from date of agreement rather than for the whole year. Request for a corporate rollover to carry out existing projects on problem laybys on high speed roads – A2
17	Martyn Cassell	Refuse & Recycling Service	35,000	Funds are from sales of wheeled bins. Requesting roll over to cover the cost of additional food bins and food bags to be used on project introducing food waste to currently exempted areas.
		Total	56,480	
	Total Rollover Requests		190,630	

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Table 10 – Revenue Reserves (not including Table 9 rollovers)

	Balance 31 March 2019 £'000	Transfers out 2019/20 £'000	Transfers in 2019/20 £'000	Balance 31 March 2020 £'000
Business Rates Volatility	(4,935)	1,438	(446)	(3,943)
North Kent Housing & Commercial Growth Business Rates	(846)	0	(860)	(1,706)
Kent Pool Economic Development Business Rates	(2,065)	1,515	(776)	(1,326)
Preceptors Council Tax Support	(817)	0	(254)	(1,071)
Special Project Fund	0	171	(1,135)	(964)
Revenues and Benefits	(630)	0	(179)	(809)
Shared Business Rates Allocated to Council Priorities	0	0	(800)	(800)
Building Maintenance	(897)	233	(42)	(706)
General Reserve	(2,186)	1,520	0	(666)
Communities Fund	(122)	67	(501)	(556)
Performance	(494)	62	0	(432)
STC Retail Park	(439)	22	0	(417)
Repairs & Renewals	(274)	73	(175)	(376)
Parking	(379)	73	(67)	(373)
Stay Put Fund	(232)	0	(51)	(283)
Commuted Sums	(266)	0	0	(266)
Heritage Strategy	0	0	(250)	(250)
Local Development Framework	(208)	0	(12)	(220)
Visitor Economic Framework	0	26	(215)	(189)
Financial Services	(184)	4	0	(180)
Local Loan Fund	(175)	0	0	(175)
Refuse and Recycling	(132)	4	(44)	(172)
Housing	(137)	14	(30)	(153)
Regeneration	(437)	285	0	(152)
Wheeled Bins	(181)	98	(35)	(118)
Electoral Registration	(89)	44	(62)	(107)
Environmental Initiatives	(77)	0	(24)	(101)
Pension & Redundancy	(86)	7	(15)	(94)
Disabled Facilities Grants (Revenue)	(85)	0	0	(85)

Table 10 – Revenue Reserves (not including Table 9 rollovers)

	Balance 31 March 2019 £'000	Transfers out 2019/20 £'000	Transfers in 2019/20 £'000	Balance 31 March 2020 £'000
Insurance Funds	(88)	5	0	(83)
Milton Creek Access Road	(75)	0	0	(75)
Tree Survey and Works in Closed Churchyards	(63)	0	0	(63)
Cemeteries	(60)	0	0	(60)
Faversham Creek Footpath	(60)	0	0	(60)
ICT Reserve	(55)	0	0	(55)
Licensing	(21)	10	(43)	(54)
Sheppey Lower Road Improvements	0	200	(250)	(50)
Development Control Reserve	0	62	(62)	0
Faversham Recreation HLF Bid	(80)	80	0	0
Miscellaneous	(956)	202	(403)	(1,157)
Sub Total Earmarked Revenue Reserves	(17,831)	6,215	(6,731)	(18,347)
Usable Capital Receipts	(1,365)	297	(291)	(1,359)
Capital Grants Unapplied	(329)	10	(90)	(409)
General Fund	(4,358)	1,020	0	(3,338)
Total Reserves	(23,883)	7,542	(7,112)	(23,453)

Table 10 – Revenue Reserves (not including Table 9 rollovers)
Notes

Business Rates Volatility	To assist the Council in managing the volatility of business rate income as a result of business rate localisation.
North Kent Housing & Commercial Growth Business Rates	Under the Kent Business Rates 2018/19 Pilot there was to be an allocation of funds called the Housing & Commercial Growth Business Rates which was allocated among “clusters” of authorities for each cluster to determine the final allocation. SBC is in the “North Kent” cluster.
Kent Pool Economic Development Business Rates	This fund has been established as a result of the Council joining the Kent Business Rates Pool. It is to fund economic development as agreed by the Council and KCC.
Preceptors Council Tax Support	Paid by KCC, Police and Fire to reflect the costs of Council Tax support localisation.
Special Project Fund	The Cabinet meeting 10 July 2019 proposal to set up a Special Projects Fund was agreed. The commitment is to allocate £1m per annum from accumulated business rate reserves to the funds. The fund is being used to deliver tangible projects for the residents of the borough making the public spaces cleaner and better presented. Minute 122/07/2019.
Revenues and Benefits	Savings made in the Revenues and Benefits section, including unspent grants were transferred to this reserve. This is used to cover the shortfall in grant.
Shared Business Rates Allocated to Council Priorities	The Cabinet meeting 18 December 2019 agreed that £800k of shared business rates will be now used to help achieve Council priorities. Minute 401/12/2019.
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. Each year the reserve is topped up by any underspend on the building maintenance revenue budget.
General Reserve	The use of this reserve is subject to the approval of Members.
Communities Fund	This is to support the Council’s Localism Agenda.
Performance	To improve overall performance. Officers can submit a bidding list of proposals.
STC Retail Park	This reserve is for the accounting adjustment between the value of income received and the value included in the accounts.
Repairs & Renewals	Regular contributions are made to this fund from the General Fund for a number of services to fund the future cost of significant items of expenditure.
Parking	Any surplus from on-street parking is transferred to the ring fenced on-street parking account under Section 55 of the Road Traffic Act 1984.
Stay Put Fund	To support the Council’s Stay Put service which offers advice, support and help to the elderly and disabled, who are owner occupiers or private tenants and who need practical assistance to repair, adapt or improve their homes.
Commutated Sums	This reserve will be used to fund play area and open space maintenance in future years.

Table 10 – Revenue Reserves (not including Table 9 rollovers)
Notes

Heritage Strategy	The Cabinet meeting 18 December 2019 agreed to the transfer of £250,000 from the Kent Pool Economic Development Reserve to the Heritage Strategy. Minute 402/12/2019.
Local Development Framework	Any underspend or overspend on this service on the General Fund will be transferred to this fund and used solely to fund Local Development Framework associated work.
Visitor Economic Framework	The Cabinet meeting 7 Feb 2018 agreed that the Visitor Economy Framework 2018-2023 be adopted and that funding of £250,000 from the shared business rates pool with Kent County Council be used to contribute to the delivery of the framework. Minute 475/02/2018.
Financial Services	To fund continuous system developments for the financial systems, and meeting the costs of the professional advice and staff development on accounting, taxation, payments, etc.
Local Loan Fund	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.
Refuse and Recycling	To fund on-going review of additional roads from new developments to be added on to Biffa contract and services including clinical, bulky and weekly collections.
Housing	To fund the homelessness service in future years.
Regeneration	To fund regeneration projects in the Borough. Officers can submit bids to this reserve.
Wheeled Bins	To fund the new wheeled bins purchases and replacements.
Electoral Registration	To fund one-off costs of Local Authority elections in future years.
Environmental Initiatives	Income from Fixed Penalty Notices used to support various environmental initiatives. It is a requirement of the legislation that any money generated is used to create a cleaner and greener environment.
Pension & Redundancy	To meet the cost of releasing the Pension Fund benefits to staff who have taken early retirement and to fund all other redundancy costs.
Disabled Facilities Grants (Revenue)	This reserve is related to the Better Care Fund (BCF) incorporating Disabled Facilities Grants (DFG). Funding is from the Government and administered via KCC. The balance of the BCF to carry over as agreed by Strategic Management Team and used for new or committed work to support the DFG service.
Insurance Funds	The purpose of the reserve is to fund Insurance claims that fall below £1,000 which will reduce our number of claims.
Milton Creek Access Road	Reserve will be used for new access road to Milton Country Park and increased security around the car park to stop unauthorised encampments.
Tree Survey and Works in Closed Churchyards	Funding required to appoint consultants to undertake a tree condition survey across the Council's Green Spaces and to fund a rolling programme of tree works.

Table 10 – Revenue Reserves (not including Table 9 rollovers)

Notes

Cemeteries	Used to cover the costs of purchasing a new electronic burial records system as part of the transformation review recommendations and further expected costs at the new Iwade burial site.
Faversham Creek Footpath	Footpath in Faversham - part of the regeneration of the Faversham Creek.
Information and Communication Technology (ICT) Reserve	This is the net ICT underspend and will be used to fund IT equipment in future years.
Licensing	Any surplus or deficit from Licensing is transferred to the ring-fenced Licensing account under Local Government (Miscellaneous Provisions) Act 1982.
Sheppey Lower Road Improvements	The Cabinet meeting 18 December 2019 agreed to the shared Kent Pool Economic Development Reserve be allocated to the Sheppey Lower Road improvements (£250k). Minute 402/12/2019 and paragraph 3.16.
Development Control Reserve	To fund the uncertainty in Development Management works due to economic conditions.
Faversham Recreation Heritage Lottery Fund (HLF) Bid	Following a successful bid to Heritage Fund for the £1.9m Parks for People improvement project, this bid provides the match funding for the ongoing capital improvements and subsequent community activity plan phases of the project. The capital phase makes extensive improvements to the two main buildings in the Rec, the Grade II listed Lodge and changing pavilion, as well as making significant hard and soft landscaping improvements to the grounds.
Miscellaneous	This is made up of the earmarked reserves that are less than £50,000. A full list of these reserves is available upon request.

Table 11 – Allocation of Funds

	£'000
Special Project Fund	
Carbon Management Plan 2019 – 2023	19
Parks Infrastructure Fund	121
Traffic Pollution Additional Planting on SBC Land	25
Playground Improvements	18
Recycling Bins on Main Bathing Beaches	5
Faversham Swimming Pool Boiler Replacement	93
Climate and Ecological Emergency	7
Sheppey Hall Improvements	40
Eco Stars (continued participation)	5
Restoring the Artesian Well at Oare Marshes	10
St. Anne's Footbridge Lighting	15
The Mill Skatepark and Dolphin Barge Museum Site	40
Upgrade 8 Planned EV Charging Points	32
Newington Play Area	20
Painters Forstal Community Hall	50
West Faversham Community Centre	75
Minster Lees toilets	93
Bartons Point toilets and shower block	150
Sittingbourne Forum toilets	50
Faversham Central Car Park toilets	40
Milton Creek Country Park toilets	150
Leysdown Spinney toilets	40
Total Special Project Fund Approved as at 8 June 2020	1,098
Communities Fund	
Volunteer Swale Awards 2019/20	5
Salt Giveaway	4
20's Festival	25
Food Bank	30
Murston Old Church	100
Leaky Lucy Minibus Replacement	10
Citizens Advice Service Swale	20
Total Communities Fund Approved as at 31 March 2020	194

Table 11 – Allocation of Funds

	Allocated to March 2020 £'000
Pension & Redundancy Fund	
Pension and Redundancy accrual difference	-8
Total Pension & Redundancy Fund as at 31 March 2020	-8
Regeneration Fund	
Members Grants 2019/20	54
Total Regeneration Fund Approved as at 31 March 2020	54
Performance Fund	
Spatial Planning Specialist Support	38
Total Performance Fund Approved as at 31 March 2020	38

Table 12 – Capital Programme 2019/20 Outturn

Capital Scheme	Funding SBC/ Partner ship (P)	2019/20 Original Budget	2019/20 Revised Budget	2019/20 Outturn	2019/20 Variance	Rollover Request	Roll-over Note No. (See Table 15)	Variance Note No. (See Table 15)
	£	£	£	£	£	£		
Commissioning, Environment & Leisure - M. Cassell								
Barton's Point Coastal Park – Replacement Bridge	SBC	0	120,000	28,740	(91,260)	91,260	1	
Car Park Improvement/Enhancement: Disabled Bays, Beach Street, Sheerness	SBC	0	21,570	21,570	0	0		
Car Park Improvement/Enhancement - Electric charging points Installation, Central Car Park, Faversham	SBC	0	10,870	10,870	0	0		
Coastal Monitoring Programme (Coast Protection)	SBC	0	0	39,642	39,642	0		A
Faversham Recreation Ground Improvement - S106/External Grants	P	1,328,920	1,328,920	1,267,429	(61,491)	74,134	2	
Faversham Recreation Ground Improvement	SBC	0	50,000	201,468	151,468	0		B
Faversham Recreation Ground - Outdoor Gym equipment	SBC	0	0	17,000	17,000	0		C
Faversham Recreation Ground - Outdoor Gym equipment – S106/External Grants	P	0	29,690	25,415	(4,275)	0		
Gunpowder Works Oare, Faversham - S106	P	0	9,000	0	(9,000)	9,000	3	
Milton Creek Country Park Access Road	SBC	40,000	40,000	0	(40,000)	40,000	4	
Minster Leas Promenade Resurfacing	P	84,970	84,970	5,000	(79,970)	79,970	5	
New Play Area - Iwade Scheme	P	45,000	45,000	0	(45,000)	45,000	6	
Open Spaces Project - Balas Drive (play improvements at play area, Sittingbourne)	SBC	0	10,000	10,000	0	0		
Open Spaces Project - Balas Drive (play improvements at play area, Sittingbourne)	P	0	1,070	1,070	0	0		
Open Space Project - Minster Leas (outdoor gym equipment)	SBC	0	22,000	20,247	(1,753)	1,753	7	
Open Space Project - Minster Leas (outdoor gym equipment)	P	0	9,000	9,000	0	0		

Table 12 – Capital Programme 2019/20 Outturn

Capital Scheme	Funding SBC/ Partner ship (P)	2019/20 Original Budget	2019/20 Revised Budget	2019/20 Outturn	2019/20 Variance	Rollover Request	Roll-over Note No. (See Table 15)	Variance Note No. (See Table 15)
	£	£	£	£	£	£		
Open Spaces Project - Rectory Play Fields Fitness, Rectory Rd, Sittingbourne (fitness equip.) S106/external grant	P	0	20,000	19,999	(1)	0		
Open Spaces Project - Shellness Road (refurbishment existing Play Area at Leysdown Coastal Park, Shellness Road)	SBC	0	30,000	27,750	(2,250)	2,250	8	
Open Spaces Project - Shellness Road (refurbishment existing Play Area at Leysdown Coastal Park, Shellness Road) - S106/external grant	P	0	26,750	26,750	0	0		
Open Spaces S106 Play Equipment	P	226,000	226,000	0	(226,000)	226,000	9	
Play Area Improvements	SBC	150,000	0	0	0	0		
Play Area Improvements - Hugh Price Close	P	0	30,000	0	(30,000)	0		D
Play Area Improvements - Diligent Drive	SBC	0	18,000	0	(18,000)	18,000	10	
Play Area Improvements - Milton Creek Country Park	SBC	0	27,200	27,184	(16)	0		
Play Area Improvements - King George V Playing Fields, Queenborough	SBC	0	17,780	17,781	1	0		
Play Area Improvements - Rectory Playing Field, Sittingbourne	SBC	0	51,510	51,508	(2)	0		
Public Toilets Refurbishment - Forum, Sittingbourne	SBC	0	50,000	0	(50,000)	50,000	11	
Public Toilets Refurbishment - Central Car Park, Faversham	SBC	0	40,000	0	(40,000)	40,000	12	
Public Toilets and Showers - Bartons Point, Sheppey	SBC	0	100,000	0	(100,000)	100,000	13	
Public Toilets - The Spinney Leysdown	SBC	0	40,000	0	(40,000)	40,000	14	
Modular Toilet Kiosk - Milton Creek Country Park	SBC	0	150,000	0	(150,000)	150,000	15	
Modular Toilet Kiosk - Minster Leas	SBC	30,000	110,000	69	(109,931)	109,931	16	
Sheppey Lower Road Improvements	SBC	0	200,000	200,000	0	0		
Footpath contribution - High Street Sittingbourne - S106	P	0	59,130	40,215	(18,915)	18,915	17	

Table 12 – Capital Programme 2019/20 Outturn

Capital Scheme	Funding SBC/ Partnership (P)	2019/20 Original Budget	2019/20 Revised Budget	2019/20 Outturn	2019/20 Variance	Rollover Request	Roll-over Note No. (See Table 15)	Variance Note No. (See Table 15)
	£	£	£	£	£	£		
Leisure Centres - Budget Only	SBC	0	1,079,000	0	(1,079,000)	293,847	18	
Swallows Leisure Centre - Capital Works	SBC	0	0	712,052	712,052	0	18	
Sheppey Leisure Centre (not pool) - Capital Works	SBC	0	0	69,071	69,071	0	18	
Sheppey Leisure Centre - Swimming Pool	SBC	0	0	4,030	4,030	0	18	
Sheppey Leisure Centre Roof	SBC	0	0	74,133	74,133	0		E
Wheeled Bins	SBC	0	94,000	0	(94,000)	94,000	19	
Total Commissioning, Environment & Leisure		1,904,890	4,151,460	2,927,993	(1,223,467)	1,484,060		
Housing, Economy & Community Services – C. Hudson								
CCTV - Repairs & Renewals	SBC	15,000	30,000	0	(30,000)	30,000	20	
CCTV Monitoring Control Centre	SBC	0	250,000	201,690	(48,310)	0		F
Faversham Creek Basin Regeneration Project (swing bridge)	SBC	200,000	200,000	0	(200,000)	200,000	21	
Disabled Facilities Grants Mandatory Grants	P	2,062,800	3,676,730	1,510,485	(2,166,245)	1,927,533	22	
Disabled Facilities Grants Discretionary Grants	P	0	0	4,774	4,774	0		
Winter Warmth Grants	SBC	0	0	14,747	14,747	0		
Housing Repair Grants Over 60	SBC	0	0	3,310	3,310	0		G
Decent Home Loans Owner Occupier (loans)	SBC	0	0	7,400	7,400	0		G
Sittingbourne Town Centre – Cinema	SBC	14,212,758	15,250,640	11,893,245	(3,357,395)	1,581,302	23	
Sittingbourne Town Centre - Other Assets	SBC	0	0	1,642,557	1,642,557	0	23	
Sittingbourne Town Centre – Multi Storey Car Park	SBC	0	0	362,257	362,257	0	23	

Table 12 – Capital Programme 2019/20 Outturn

Capital Scheme	Funding SBC/ Partner ship (P)	2019/20 Original Budget	2019/20 Revised Budget	2019/20 Outturn	2019/20 Variance	Rollover Request	Roll-over Note No. (See Table 15)	Variance Note No. (See Table 15)
	£	£	£	£	£	£		
Sittingbourne Town Centre Princes St, Retail Park	SBC	0	0	7,900	7,900	0	23	
Sittingbourne Land plots, Crown Quay Lane and creek frontage	SBC	0	0	10,524	10,524	0		H
The Mill Project, Sittingbourne Skate Park	SBC	150,000	200,000	200,000	0	0		
The Mill Project, Sittingbourne Skate Park	P	15,000	16,350	35,424	19,074	0		I
Total Housing, Economy & Communities Services		16,655,558	19,623,720	15,894,313	(3,729,407)	3,738,835		
Property - A. Adams								
New Folder/Inserter machine in Print Room	SBC	0	20,110	20,106	(4)	0		
Swale House - Toilet Refurbishment	SBC	0	0	40,716	40,716	0		J
Total Property Services		0	20,110	60,822	40,712	0		
Environmental Health - T. Beattie								
Replacement parts of Air Pollution Monitoring Station - St. Paul's Street, Sittingbourne	SBC	0	24,525	31,790	7,265	0		K
Replacement of Air Pollution Monitoring Station - Newington site	SBC	0	24,525	31,790	7,265	0		K
Total Environmental Health		0	49,050	63,580	14,530	0		
ICT - C. Woodward								
ICT infrastructure – firewall and equipment replacement	SBC	91,200	92,500	52,869	(39,631)	39,631	24	
Total ICT		91,200	92,500	52,869	(39,631)	39,631		
Finance - N. Vickers								
Faversham Pool Refurbishment	SBC	0	93,000	93,000	0	0		
34 High Street, Sittingbourne	SBC	0	0	1,200	1,200	0		L
Finance System Upgrade	SBC	0	5,210	3,800	(1,410)	1,410	25	
Total Finance		0	98,210	98,000	(210)	1,410		

Table 12 – Capital Programme 2019/20 Outturn

Capital Scheme	Funding SBC/ Partnership (P)	2019/20 Original Budget	2019/20 Revised Budget	2019/20 Outturn	2019/20 Variance	Rollover Request	Roll-over Note No. (See Table 15)	Variance Note No. (See Table 15)
	£	£	£	£	£	£		
Total Capital Programme Funded by SBC	SBC	14,888,958	18,472,440	16,152,016	(2,320,424)	2,883,384		
Total Capital Programme Funded by Partners	P	3,762,690	5,562,610	2,945,561	(2,617,049)	2,380,552		
Total Capital Programme		18,651,648	24,035,050	19,097,577	(4,937,473)	5,263,936		

Table 13 – Capital Explanation of Variations & Rollovers

Note No	Description	Amount £	Notes
Explanation of Variations:-			
Commissioning, Environment & Leisure – Martyn Cassell			
A	Coastal Monitoring Programme (Coast Protection)	39,642	Funded from Coastal Monitoring Programme (Coastal Protection) grant.
B	Faversham Recreation Ground Improvement	151,468	This spend was funded from the Faversham Recreation Heritage Lottery Fund reserve, play area improvement funding, and other reserves which the Heritage Fund was not able to fund as part of the project grant. The Faversham Recreation Ground Improvement project funded by SBC is now completed. This project will be funded from the S106 capital contributions and the Heritage Fund in the future.
C	Faversham Recreation Ground - Outdoor Gym equipment	17,000	Funded from Bootcamp Fitness Reserve.
D	Play Area Improvements - Hugh Price Close	(30,000)	Partnership funds have been returned to provider as the scheme is no longer required.
E	Sheppey Leisure Centre Roof	74,133	Overspend funded from Buildings Maintenance Reserve.
Housing, Economy and Community Services – Charlotte Hudson			
F	CCTV Monitoring Control Centre	(48,310)	Project completed. Underspend is because officers decided not to go with all of the options in the original contract.
G	Housing – Various	10,710	Funded from Housing Repayments Loans.
H	Sittingbourne Land plots, Crown Quay Lane and creek frontage	10,524	Funded from S106 contributions.
I	The Mill Project, Sittingbourne Skate Park	19,074	Funded from S106 contributions. There is a balance of £25,812 from the S106 capital contributions to pay the retention payment on the Skatepark in 2020/21. This will be reported on the first quarter monitoring report to Cabinet in 2020/21.

Table 13 – Capital Explanation of Variations & Rollovers

Note No	Description	Amount £	Notes
J	Swale House – Toilet Refurbishment	40,716	Funded from Buildings Maintenance Reserve.
K	Air Pollution Monitoring Stations	14,530	Funded from capital receipt, S106 contributions and Air Quality Reserve.
L	34 High Street	1,200	Funded from General Reserve approved by Cabinet meeting 5 June 2013.
Capital Rollover Requests:-			
Commissioning, Environment & Leisure – Martyn Cassell			
1	Barton's Point Coastal Park – Replacement Bridge	91,260	The Tender process has been delayed and will conclude in 2020/21. The 28.7k spend has been for the demolition of the old bridge. Request to roll over remaining balance of the original 120k budget.
2	Faversham Recreation Ground Improvement - S106/External Grants	74,134	Ongoing improvement project with some project delay due to asbestos discovery, problems with pavilion floor detailing and most recently COVID19. Rollover funded from revised balances on grants and external contributions.
3	Gunpowder Works Oare, Faversham - S106	9,000	Awaiting Historic England permissions for work to proceed. Rollover is partnership funding.
4	Milton Creek Country Park Access Road	40,000	Awaiting developer planning permission and agreement for works.
5	Minster Leas Promenade Resurfacing	79,970	This budget is a grant provided by the Environment Agency to undertake resurfacing works at Minster Leas promenade. Due to savings on the scheme, this is the surplus from the original grant. The Environment Agency have confirmed that they do not need us to return the surplus and have advised that it can be used towards future maintenance schemes. We are therefore saving the funding for that purpose.
6	New Play Area Iwade Schemes	45,000	Awaiting transfer of land from developer. Partnership funding.
7	Open Space Project - Minster Leas (outdoor gym equip.)	1,753	This project is now complete and request rollover to add back to the Play Improvement Reserve.

Table 13 – Capital Explanation of Variations & Rollovers

Note No	Description	Amount £	Notes
8	Shellness Road Play Area	2,250	Small amount of reinstatement work to complete prior to final payment, delayed due to ground conditions and COVID19.
9	Open Spaces S106 Play Equipment	226,000	Balance of S106 play area project contributions not spent due to delay in land transfers.
10	Play Area Improvements - Diligent Drive	18,000	Delayed due to reduced staff resources.
11	Public Toilets Refurbishment - Forum, Sittingbourne	50,000	Project has yet to commence
12	Public Toilets Refurbishment - Central Car Park, Faversham	40,000	Project has yet to commence
13	Public Toilets and Showers - Bartons Point, Sheppey	100,000	Project has yet to commence.
14	Public Toilets - The Spinney Leysdown	40,000	Project has yet to commence.
15	Modular Toilet Kiosk - Milton Creek Country Park	150,000	Tender has yet to commence request for full budget roll over
16	Modular Toilet Kiosk - Minster Leas	109,931	The Tender process has concluded, and the final decision was approved at Cabinet meeting on 22 April 2020.
17	S106 - Footpath contribution - High Street Sittingbourne - S106	18,915	S.106 project for footpath improvements. Project scheduled in-line with KCC requirements for road space. Completion of works delayed due to COVID19.
18	Leisure Centres - Budget Only	293,847	£712,052 has been spent at Swallows and £73101 at Sheppey. Balance of £293,847 to be rolled over as there remains some outstanding works.
19	Wheeled Bins	94,000	To cover the cost of additional bins for projects to be carried out on introduction of new project.

Table 13 – Capital Explanation of Variations & Rollovers

Housing, Economy & Community Services – Charlotte Hudson			
20	CCTV - Reserves - Repairs & Renewals	30,000	Roll forward of the £30K in the Repairs & Renewals fund requested for future ongoing repairs and upgrades at a later date.
21	Faversham Creek Basin Project	200,000	The project is being led by KCC and they currently haven't met the conditions set out in the Cabinet decision. The funding is requested to roll forward should KCC meet the conditions.
22	Disabled Facilities Grants Mandatory Grants	1,927,533	Funding is from Central Government via KCC. It has increased every year since 2015/16. The money is part of the Better Care Fund which incorporates aspects of health and our disabled facilities grants (DFG) which are mandatory. The money is also now able to be used for discretionary grants delivered by Staying Put Service and winter warmth grants which provide eligible vulnerable persons with funding to improve heating and insulation in their properties. £238,712 of the original funding has been used to fund revenue Staying Put.
23	STC Regeneration	1,581,302	Overspend of £1,480,000 funded from borrowing (minute 336/10/2019). Rollover is to complete the remaining projects within budget.
ICT - Chris Woodward			
24	ICT infrastructure	39,631	This rollover is requested to be used to fund the new backup system.
Finance – Nick Vickers			
25	Finance System Upgrade	1,410	Not all the upgrade work could be completed due to workload and the impact of the coronavirus. This rollover will enable the upgrade work on data protection to be completed in 2020/21.
	Total Rollover Requests	5,263,936	

Table 14 – Sundry Debt Outstanding (including not due)

Table 14.1 – Sundry Debt Outstanding (including not due) by due date

	March 2020 £'000	March 2019 £'000
Not due (less than 1 month)	216	590
1-2 months	28	9
2-6 months	115	284
6-12 months	230	60
1-2 years	19	40
2-3 years	30	14
3-4 years	11	14
4-5 years	9	25
5-6 years	20	5
6 years +	32	33
Total	710	1,074
Total due (over 1 month)	494	484
% Total over 1 month	69%	45%

Notes:-

2 - 6 months includes £57k relating to one company;

6 – 12 months includes £53k relating to one company (same as 2 – 6 months) and £147k Network Rail.

1 – 2 years includes £6k relating to charges on property.

2 – 3 years includes £6k relating to charges on property.

5 – 6 years includes £4k relating to charges on property.

6 years + includes £21k relating to charges on property. The balance are rent deposit debts which are being paid off via payment plans.

It should be noted that these tables include debts raised for all our grants receivable from Kent County Council, the NHS, etc.

Table 14.2 – Sundry Debt Outstanding (including not due) by Service

	March 2020 £'000	March 2019 £'000
Property	196	200
Commissioning, Environment & Leisure	57	77
Housing, Economy & Communities	263	116
Legal	0	362
Environmental Health	2	4
Planning	23	7
Communications	3	0
Other	166	308
Total	710	1,074

Notes :-

'Property' includes £110,000 quarterly rent relating to one company.

'Housing, Economy & Communities' includes £147k Network Rail, £71k Rent Deposit Schemes etc. and £33k charges on property.

'Other' includes £112k not due as at 31/3/20.

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SCRUTINY COMMITTEE 12 AUGUST 2020

BUDGET UPDATE

Cabinet report June 2020

On 3 June a report was taken to Cabinet on the impact of Coronavirus on the Council's finances. This highlighted the following:

- Overall the total estimated impact was £4.1m.

- The objectives in this context are:
 - Maintain core services.
 - Delivery of Council priorities; Special Projects Fund/public realm, local plan, constitutional changes, affordable housing and Climate Change.
 - Ensuring the ongoing financial viability of the Council.

- At that point the Council had received two tranches of Government funding; £76,000 and £1.5m.

- The remaining shortfall would be funded from Reserves.

Quarter 1 Budget Monitoring

The Quarter 1 budget monitoring has been completed and will be reported to Cabinet on 23 September and then subsequently to Scrutiny Committee. The key features to highlight are:

- Compared with our initial forecast of £4.1m the monitoring produced a lower figure of £3.5m

- The main variances against the initial forecast are:
 - Council Tax and Business Rates income higher than forecast.

- Car parking income lower than forecast as the original estimate assumed the loss was primarily in the first quarter only and now clearly the losses will be for longer.
- The biggest cost pressure is for homelessness and our original estimate of a £500k overspend is confirmed. However there is a strong possibility this will increase as tenancy protections are lifted.
- The Government has also announced further support:
 - Tranche 3 funding of £317,585.
 - New Burdens Funding of £170,000.
 - Support for lost fees & charges. This is still not fully explained.
 - Support for irrecoverable council tax and business rates.

This brings total direct Government support to £2,063,585 and the very provisional estimate on fees & charges is £500,000.

Nick Vickers

Chief Financial Officer

3 August 2020

SCRUTINY COMMITTEE



12 September 2020		Agenda Item 6
<i>Draft Overview and Scrutiny Annual Report 2019/20</i>		
Lead Member:	Cllr Lloyd Bowen - Chairman, Scrutiny Committee	
Report author:	Bob Pullen – Policy and Performance Officer	
Recommendations		
That the Committee:		
1. Considers and agrees the draft Overview and Scrutiny Annual Report for 2019/20 for presentation to Council.		

1 Purpose of report and executive summary

- 1.1 The draft annual report at Appendix I provides details of the work of the Scrutiny Committee during 2019/20.

2 Background

- 2.1 It is common practice among local authorities for the work of their overview and scrutiny (O&S) committees to be reported and considered each year by the authority, usually in the form of an annual report. The Scrutiny Committee's terms of reference require it to report annually to Council on its work and make any recommendations for amended working practices if appropriate.

3 Discussion and recommendations

- 3.1 The Scrutiny Committee made some good progress last year as noted in the report. Recommendations previously accepted by Cabinet have been or are in the process of being implemented.
- 3.2 The annual report also serves as a useful summary of the Committee's work which should be shared with residents via publication on the Council's website.

4 Appendices and background papers

- 4.1 The following documents are to be published with this report and form part of the report:
- Appendix I: Draft Overview and Scrutiny Annual Report 2019/20.

6 Officer contact details

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Draft Overview and Scrutiny Annual Report 2019/20

Swale Borough Council

Foreword

Welcome to the overview and scrutiny report for 2019/20. The aim of this report is to reflect on the work that has been done in Swale this year.

The Committee had several sessions to consider progress of the Sittingbourne Town Centre regeneration, as well as considering the Cabinet's draft budget for 2020/21, fees and charges, and financial and performance monitoring reports.

2020/21 continues to present a particularly challenging financial climate for the Council and the Committee has to continually adapt and respond to meet the many challenges ahead. We need to give a particular focus to resources and continually challenge whether the services the Council provide are being delivered in the most cost effective and efficient ways. Furthermore, we have the added pressure of recovering from the COVID-19 pandemic and the Committee will play its role in ensuring the Council responding to these challenges through proportionate and targeted scrutiny.

The overview and scrutiny function at Swale should not be excluded from this continuous drive for efficiency and effectiveness and we will review, during the course of the year, how we can improve. The constitutional reform review proposed by the new administration could have major implications for the overview and scrutiny function.

Overview and scrutiny will need to be at the very centre of the difficult decisions the Council will need to take during 2020/21 and we stand ready to play our part in these considerations in order to ensure that decisions are taken in a transparent and evidence-based way.

The Committee will continue to ensure that the Council's decision-making processes are appropriately scrutinised in a systematic, transparent and fair manner.

If you would like to contribute to the scrutiny process, or have ideas for areas which you think would benefit from scrutiny, we would welcome your suggestions. Please let us have your views by email democraticservices@swale.gov.uk or telephone on 01795 417 330.

Councillor Lloyd Bowen
Chairman of the Scrutiny Committee 2019/20

1 What is overview and scrutiny?

Introduction

- 1.1 Overview and scrutiny is a function of all English local authorities with an executive form of governance. This includes those, such as Swale, where a leader and cabinet take day-to-day decisions, and only decisions which affect the overall budget or policy framework are taken by the whole council.
- 1.2 Overview and scrutiny's main role is to hold the leader and cabinet to account on behalf of the whole council. This includes monitoring how well the council manages its resources and runs its services, as well as scrutinising the cabinet's formal decisions before they are put into operation.
- 1.3 Overview and scrutiny committees also have powers to examine other public services not provided by the council, including some health and policing matters.

Overview and scrutiny at Swale

- 1.4 Swale Borough Council has a single Scrutiny Committee which exercises all of the formal powers available to it under the Local Government Act 2000 (as amended).
- 1.5 The Scrutiny Committee comprises 13 councillors who are not members of the Cabinet. Whereas Cabinet members are usually drawn exclusively from the political group with a majority of seats on the Council, the Scrutiny Committee is made up of councillors from all groups and seats on the Committee are allocated in accordance with the political balance considerations across the Council as a whole. The Chairman and Vice-Chairman are appointed at Annual Council at the start of each new Municipal Year. The Policy and Performance Officer provides supports the work of the Committee.
- 1.6 The role of the Scrutiny Committee includes:
 - reviewing or scrutinising decisions made, performance of, the Cabinet and Committees and Council Officers both in relation to individual decisions and over time;
 - reviewing or scrutinising the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;
 - requiring members of the Cabinet and/or Committees and Chief Officers to attend before it to answer questions about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or projects; and

- reviewing and scrutinising the performance of other public bodies in the area.
- 1.7 The Scrutiny Committee also has special responsibility for scrutinising the Cabinet's annual budget proposals as part of the Budget and Policy Framework Procedure Rules.
- 1.8 The Scrutiny Committee is not a decision-making body as such. Instead it makes recommendations to Cabinet, who can either accept or reject them. In either case, Cabinet always responds 'on the record' to recommendations, stating why they have or have not been accepted. The Committee can also make recommendations to other organisations beyond the Council, but their legal powers here are weaker.
- 1.9 The Committee has a power to 'call-in' a Cabinet decision which has been taken but not yet implemented. Once the Committee has 'called-in' a Cabinet decision, it will consider the decision and decide whether to refer it back to Cabinet for reconsideration.
- 1.10 The Scrutiny Committee reviews a wide range of topics as well as regularly scrutinising financial and performance monitoring information.
- 1.11 Swale has also established a Policy Development and Review Committee which reviews any new or revised council policies and advises the relevant Cabinet member accordingly. This Committee does not have any formal overview and scrutiny powers, but it does have the power to make recommendations to the person or body that referred an item to it. A separate annual report for the Policy Development and Review Committee is prepared each year.

Principles

- 1.12 The key local principles forming the foundation of the overview and scrutiny function at Swale Borough Council are as follows:
- the focus for scrutiny must be based upon the achievement of outcomes rather than upon process and procedures in order to develop a function that can make a real difference to the Council and the borough;
 - that overview and scrutiny be positive, objective and constructive, seeking to add value to any service that it considers. Scrutiny should acknowledge good practice where found and recommend improvements where necessary; and
 - it is essential that the Council has an active and challenging scrutiny function that reflects corporate priorities regarding the provision of services.
- 1.13 Overview and scrutiny plays an important role in the overall governance of the Council.

2 Scrutiny Committee

- 2.1 The Scrutiny Committee is responsible for focussing on scrutiny and holding to account of corporate issues such as the budget, service performance and delivery of planned actions. Its full Terms of Reference during 2019/20 were as follows:

Preamble: the Scrutiny Committee satisfies the requirement under legislation (S.9F of the Local Government Act 2000 as inserted by the Localism Act 2011) to include provision for the appointment of one or more committees. The Scrutiny Committee plays a particular role in scrutinising the Executive's annual budget proposals as part of the Budget and Policy Framework Procedure Rules (Part 4.3 of the Constitution refers).

General role: Within the terms of reference, the Committee will:

- (i) review or scrutinise decisions made, and performance of, the Cabinet and Committees and Council Officers both in relation to individual decisions and over time;
- (ii) review or scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;
- (iii) require Members of the Cabinet and/or Committees and Chief Officers to attend before it to answer questions about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or projects;
- (iv) make recommendations to the Cabinet or appropriate Committee or Council arising from the outcome of the scrutiny process – it is expected that reviews of policy arising out of the work of the committee would be referred to the Policy Development and Review Committee;
- (v) review and scrutinise the performance of other public bodies in the area and invite reports from them by requesting them to address the Scrutiny Committee and local people about their activities and performance;
- (vi) make reports or recommendations to the authority or the executive with respect to any functions which are not the responsibility of the executive;
- (vii) make reports or recommendations to the authority or the executive on matters which affect the authority's area or the inhabitants of the area;
- (viii) exercise the right to call-in, for reconsideration, decisions made but not yet implemented by the executive;
- (ix) consider Councillor Call for Action requests in accordance with the Councillor Call for Action Protocol contained in Part 5 of this Constitution; and

(x) in accordance with Section 19 of The Police and Justice Act 2006, to act as the Council’s “Crime and Disorder Committee” in terms of reviewing and scrutinising decisions made, or other actions taken, in connection with the responsible authorities discharge of their Crime and Disorder functions.

The Scrutiny Committee shall exercise overall responsibility for any finances made available to them.

Annual Report – the Scrutiny Committee must report annually to the full council on its work and make recommendations for amended working methods if appropriate.

Membership

2.2 The following Councillors served on the Scrutiny Committee during 2019/20:

- | | |
|---------------------------|---------------|
| Councillor Lloyd Bowen | Chairman |
| Councillor Mike Dendor | Vice Chairman |
| Councillor Richard Darby | |
| Councillor Steve Davey | |
| Councillor Tim Gibson | |
| Councillor Alastair Gould | |
| Councillor James Hall | |
| Councillor Carole Jackson | |
| Councillor Elliott Jayes | |
| Councillor Denise Knights | |
| Councillor Lee McCall | |
| Councillor Pete Neal | |
| Councillor Ken Pugh | |

3 Scrutiny work programme

3.1 The Scrutiny Committee’s work programme includes the oversight of many areas of Council business such as the budget, service performance and delivery of planned actions as well as a number of dedicated reviews. Key areas of work for 2019/20 are summarised below.

Work programme 2019/20			
Title	Frequency	Focus of discussion	Status
Performance and financial monitoring	Ongoing - reviewed periodically throughout the year	<ul style="list-style-type: none"> ▪ Indicators not achieving target ▪ significant budget variances 	Complete
Council budget	Annual review	<ul style="list-style-type: none"> ▪ The Cabinet’s annual budget proposals are scrutinised before these are ratified by the Council 	Complete
Fees and charges	Annual review	<ul style="list-style-type: none"> ▪ The Committee considered Cabinet’s 	Complete

		proposals for fees and charges on 6 November 2019	
Scrutiny reviews			
Review	Date review template agreed	Report/recommendations submitted to Cabinet	Status
Sittingbourne Town Centre regeneration scheme	Not applicable	Regular updates provided by Cabinet Member for Economy and Property and Regeneration Director	Ongoing
Regeneration activity	22/03/18	The purpose of this review was to look at the non-Sittingbourne Town Centre aspects of regeneration activity which was taking place in Swale, either led by the Council or by other organisations. Activity paused as a result of snap General Election and COVID-19 pandemic	Paused
Infrastructure provision in Swale	Not applicable	Following an initial session in 2018/19, five utility companies were lined up to attend a Committee meeting in March 2020 when the COVID-19 pandemic broke.	Paused
Call-in	Not applicable	Consideration of Cabinet's decision not to proceed with Phase 2 of the Development Agreement between the Council and the Spirit of Sittingbourne.	Complete

Performance and financial monitoring

- 3.2 The Committee receives reports on performance and financial monitoring at many of its meetings.
- 3.3 The Committee regularly considered those indicators where performance was not achieving targets and discussed with Heads of Service their plans for turning performance around on these indicators. The Committee plays a significant role in the Council's performance management arrangements in that indicators which consistently fall into the 'red' category are escalated up to the Scrutiny Committee for further investigation.
- 3.4 The Committee received regular financial monitoring reports that presented Members with the opportunity to highlight significant budget variances and ask questions of officers and Cabinet members about their plans to address this.

Council budget

3.5 One of the Committee's key responsibilities is to scrutinise the Cabinet's annual budget proposals before these are ratified by the Council, which took place at a specially convened meeting on 22 January 2020. The Committee Chairman opened the meeting up so that any Council Member could attend and make representations. The Leader and Cabinet Member for Finance, along with other Cabinet Members, Deputy Cabinet Members and Senior Officers were present to respond to Members' questions. The Committee scrutinised the Cabinet's budget proposals line by line.

3.6 Cabinet noted the Committee's comments at their meeting of 12 February 2020.

3.7 The reports the Scrutiny Committee considered on the Council's draft budget are available here:

<https://services.swale.gov.uk/meetings/ieListDocuments.aspx?CId=139&MId=2204&Ver=4>

3.8 The Committee's consideration of the draft budget is available here:

<https://services.swale.gov.uk/meetings/documents/g2204/Printed%20minutes%2022nd-Jan-2020%2019.00%20Scrutiny%20Committee.pdf?T=1>

Fees and charges

3.9 The Committee considered the Council's annual review of fees and charges separately from the Budget this year. A record of the Committee's discussions with the Leader and Cabinet Member for Finance and Chief Financial Officer is available here:

<https://services.swale.gov.uk/meetings/documents/g2202/Printed%20minutes%2006th-Nov-2019%2019.00%20Scrutiny%20Committee.pdf?T=1>

Sittingbourne Town Centre regeneration scheme

3.10 The Committee received updates throughout the year from the Cabinet Member for Economy and Property and Regeneration Director on the Sittingbourne Town Centre regeneration scheme.

Regeneration review

3.15 During the previous Municipal Year, the Committee had begun a review looking at the non-Sittingbourne Town Centre activity occurring in the Borough. The Committee had established a Task and Finish Group to undertake the review and it has met several times to scope the information it required and met with lead officers to gain an initial understanding of the issues. Impetus for the review waned during the year and the Committee again resolved to pause any further work on the review and enable the new Committee in 2019/20 to decide whether or not to pursue it. The new

Committee decided to continue with the review and established a new Task and Review Committee. It met several times, both by itself and with lead officers. However, the snap General Election and then the outbreak of the COVID-19 epidemic put paid to any further meaningful progress on the review.

Infrastructure provision in Swale

- 3.16 As Swale is an area which is seeing a rapid growth in its population, and with the new housing developments appearing in many parts of the Borough, the Committee decided to embark on a review of infrastructure in Swale. The Committee had previously invited a number of utility companies to attend an initial session in February 2019, but unfortunately, only one company was able to attend – SGN – who provide and maintain the gas infrastructure network in Swale. A further session was arranged for 25 March 2020 at which five utility companies had agreed to attend. Unfortunately this coincided with the outbreak of the COVID-19 pandemic and the cancellation of all Council meetings.

Call-in

- 3.17 A call-in was held on 6 November 2019 to consider Cabinet's decision to give delegated authority to the Director of Regeneration and Chief Financial Officer to determine a way forward on the Development Agreement between the Council and the Spirit of Sittingbourne in respect of the Sittingbourne Town Centre regeneration.
- 3.18 The Committee decide not to refer the decision back to Cabinet for reconsideration and as record of the consideration is given here:
<https://services.swale.gov.uk/meetings/documents/g2202/Printed%20minutes%2006th-Nov-2019%2019.00%20Scrutiny%20Committee.pdf?T=1>

4 Contact details

- 4.1 Scrutiny Committee meetings take place throughout the year and members of the public are welcome to attend. Dates, agendas, reports and minutes for these meetings can be found on the Council's website:
<http://www2.swale.gov.uk/dso/>. Alternatively, you can telephone Democratic Services on 01795 417 330.
- 4.2 The Scrutiny Team provides independent and professional support and advice to the Members of Scrutiny Committee.
- 4.3 You can contact the Scrutiny Team using one of the following methods:-

In writing to:

Policy and Performance Team
Swale Borough Council
Room 318
Swale House

East Street
Sittingbourne
Kent
ME10 3HT

By e-mail/telephone:

Bob Pullen – Policy and Performance Officer

BobPullen@swale.gov.uk

01795 417 187

Democratic Services

Democraticservices@swale.gov.uk

01795 417 330

4.3 A full list of Committee meeting dates, times, venues and agendas is available on Swale Borough Council's website:

<https://services.swale.gov.uk/meetings/uuCoverPage.aspx?bcr=1>

Scrutiny Committee membership and attendance - 2019/20

Name	Role	5 Jun	3 Jul	4 Sep	2 Oct	6 Nov	15 Jan	22 Jan	27 Feb
Committee members									
Cllr Lloyd Bowen	Chairman	√	√	√	√	√	√	√	√
Cllr Mike Dendor	Vice-Chairman	√	√	√	√	√	√	√	√
Cllr Richard Darby	Committee Member	√	X	√	X	√	√	√	√
Cllr Steve Davey	Committee Member	X	√	√	√	√	√	√	√
Cllr Tim Gibson	Committee Member	√	√	√	√	√	√	√	√
Cllr Alastair Gould	Committee member	X	√	√	√	√	√	√	√
Cllr James Hall	Committee Member	X	√	√	√	√	√	√	X
Cllr Carole Jackson	Committee Member	X	X	√	√	√	√	√	√
Cllr Elliott Jayes	Committee Member	X	√	√	√	√	√	X	X
Cllr Denise Knights	Committee Member	√	√	√	√	√	√	X	√
Cllr Lee McCall	Committee Member	√	√	√	√	√	√	√	√
Cllr Pete Neal	Committee Member	√	√	√	X	X	√	X	X
Cllr Ken Pugh	Committee Member	√	√	√	√	√	√	√	√
Visiting members and *substitutes									
Cllr Mike Baldock	Deputy Leader and Cabinet Member for Planning	√						√	
Cllr Cameron Beart	Member	√	√	√	√	√		√	
Cllr Monique Bonney	Cabinet Member for Economy and Property	√	√	√		√	√	√	√
Cllr Derek Carnell	Deputy Cabinet Member for Finance							√	
Cllr Roger Clark	Member	√			√		√		
Cllr Mark Ellen	Member	*√	*√						
Cllr Simon Fowle	Member	√	√		*√	√		√	
Cllr Angela Harrison	Cabinet Member for Health and Wellbeing							√	
Cllr Alan Horton	Member	√	√	√	√	√	√	√	√
Cllr James Hunt	Member	√			√	√		√	

Name	Role	5 Jun	3 Jul	4 Sep	2 Oct	6 Nov	15 Jan	22 Jan	27 Feb
Cllr Ken Ingleton	Member						√	√	
Cllr Peter Marchington	Member	√				*√			
Cllr Ben A Martin	Member	√							
Cllr Ben J Martin	Cabinet Member for Housing							√	√
Cllr Richard Palmer	Cabinet Member for Community			√		√	√	√	
Cllr Hannah Parkin	Deputy Cabinet Member for Health and Wellbeing							*√	√
Cllr Ken Rowles	Member	√	√	√	√	√	√	√	
Cllr Julian Saunders	Deputy Cabinet Member for Community								
Cllr David Simmons	Member	√						*√	*√
Cllr Paul Stephen	Member	*√				√			
Cllr Sarah Stephen	Deputy Cabinet Member for Economy and Property	√		√		√	√	√	√
Cllr Bill Tatton	Member	*√					√		
Cllr Roger Truelove	Leader and Cabinet Member for Finance					√	√	√	√
Cllr Ghlin Whelan	Deputy Cabinet Member for Housing	√	√			√		√	√
Swale Borough Council officers									
Alister Andrews	Environmental Services Manager								√
Katherine Bescoby	Democratic and Electoral Services Manager			√					
Martyn Cassell	Head of Commissioning, Environment and Leisure					√		√	
David Clifford	Head of Policy, Communications and Customer Services							√	
Philippa Davies	Democratic Services Officer								√
James Freeman	Head of Planning Services							√	
Charlotte Hudson	Head of Economy and Community Services	√		√				√	√
Kieren Mansfield	Economy and Community Services						√		

Name	Role	5 Jun	3 Jul	4 Sep	2 Oct	6 Nov	15 Jan	22 Jan	27 Feb
	Manager								
Jo Millard	Senior Democratic Services Officer	√	√		√	√	√	√	
Lyn Newton	Economy and Community Services Manager								
Tony Potter	Business Improvement Officer				√		√		√
Bob Pullen	Policy and Performance Officer	√	√	√	√	√	√	√	√
Dean Radmore	STC Regeneration Scheme Manager	√		√					√
Nick Vickers	Chief Financial Officer		√			√		√	
Emma Wiggins	Director of Regeneration					√			
Phil Wilson	Financial Services Manager							√	

**SWALE BOROUGH COUNCIL
FORWARD PLAN AND NOTICE OF KEY DECISIONS**

September 2020 - December 2020

Notes:

A key decision is defined as 'an Executive decision which is likely to (a) result in the local authority incurring expenditure which is, or the making of savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates; or (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the local authority.'

The key decision threshold, confirmed by Council, is set at £100,000 (this relates to (a) of the definition above).

Where the decision will be made by Cabinet, the Members of the Cabinet are:

Councillor Roger Truelove – Leader and Cabinet Member for Finance
Councillor Mike Baldock – Deputy Leader and Cabinet Member for Planning
Councillor Richard Palmer – Cabinet Member for Community
Councillor Monique Bonney - Cabinet Member for Economy and Property
Councillor Tim Valentine - Cabinet Member for Environment
Councillor Harrison – Cabinet Member for Health and Wellbeing
Councillor Ben J Martin – Cabinet Member for Housing

Subject to any prohibition or restriction on their disclosure, copies or extracts of any documents listed below can be viewed at Swale House, East Street, Sittingbourne, Kent, ME10 3HT. Please contact Democratic Services to arrange a time to view the documents or to request copies by post by e-mailing democraticservices@swale.gov.uk or by telephone on: 01795 417330. Fees may be charged in accordance with the Council's Fees and Charges policy.

Other documents relevant to the decision item may be submitted to the decision maker; please contact Democratic Services (contact details above) to request details of these documents as they become available.

Item	Decision item and background information	Decision maker, date of meeting	Key Decision	Will the report be exempt or have any exempt appendices?	List of the documents submitted to the decision maker	Lead Member and Lead Officer
	Recommendations from the Local Plan Panel meeting held on Thursday 9 July 2020	Cabinet 23 September 2020	Non-Key This is not a key decision as the making and adoption of the LDF will ultimately be considered and decided by full Council.	Open		
	Financial Management Report: April – June 2020 This report shows the revenue and capital projected outturn for 2020/21 as at the end of period 3, covering the period from April to June 2020.	Cabinet 23 September 2020	Non-Key This is not a key decision as it is for information only.	Open		Councillor Roger Truelove - Leader and Cabinet Member for Finance Nick Vickers
	Review of Fees and Charges The report invites Cabinet to consider the proposals for the level of fees and charges to be levied for the next financial year 2021/22 for submission to Council. Charges will take effect from 1 April 2021.	Cabinet 28 October 2020	Non-Key This is not a key decision as it will be considered and decided by full Council.	Open		Councillor Roger Truelove - Leader and Cabinet Member for Finance Nick Vickers
	Financial Management Report April to September 2020 This report shows the revenue and capital projected outturn for	Cabinet 9 December 2020	Non-Key This is not a key decision as it is for information only.	Open		Councillor Roger Truelove - Leader and Cabinet Member for Finance Nick Vickers

Item	Decision item and background information	Decision maker, date of meeting	Key Decision	Will the report be exempt or have any exempt appendices?	List of the documents submitted to the decision maker	Lead Member and Lead Officer
	2020/21 as at the end of period 6, covering the period from April to September 2020.					
	<p>Medium Term Financial Plan and 2021/22 Budget</p> <p>This report set out the Council's Medium Term Financial Plan and proposals for the 2021/22 Budget.</p>	Cabinet 9 December 2020	Non-Key This is not a key decision as it will be considered and decided by full Council.	Open		<p>Councillor Roger Truelove - Leader and Cabinet Member for Finance</p> <p>Nick Vickers</p>
	<p>Medium Term Financial Plan and 2021/22 Budget</p> <p>This report set out the Council's Medium Term Financial Plan and proposals for the 2021/22 Budget.</p>	Cabinet 10 February 2021	Non-Key This is not a key decision as it will be considered and decided by full Council.	Open		<p>Councillor Roger Truelove - Leader and Cabinet Member for Finance</p> <p>Nick Vickers</p>
	<p>Treasury Management Strategy Statement and Investment Strategy 2021/22</p> <p>This report sets out and seeks approval of the proposed Treasury Management Strategy and Investment Strategy for the Council in 2021/22. It will be proposed to Council at the meeting on 24-2-21</p>	Cabinet 10 February 2021	Non-Key This is not a key decision as it will be considered and decided by full Council.	Open		<p>Councillor Roger Truelove - Leader and Cabinet Member for Finance</p> <p>Nick Vickers</p>
	<p>Financial Management Report: April – December 2020</p> <p>This report shows the revenue</p>	Cabinet 17 March 2021	Non-Key This is not a key decision as it is for information	Open		Councillor Roger Truelove - Leader and Cabinet Member for Finance

Item	Decision item and background information	Decision maker, date of meeting	Key Decision	Will the report be exempt or have any exempt appendices?	List of the documents submitted to the decision maker	Lead Member and Lead Officer
	and capital projected outturn for 2020/21 as at the end of period 9, covering the period from April to December 2020.		only.			Nick Vickers
	<p>Overarching enforcement policy</p> <p>The policy is intended as an umbrella policy and applies to all service areas of the Council with enforcement activity. The policy sets out what those who are on the receiving end of enforcement action should expect from the Council in how it discharges its responsibilities.</p>	Cabinet – decision date to be confirmed.	<p>Non-Key</p> <p>This is not a key decision because is it not likely to result in the local authority incurring expenditure or savings in excess of £100,000 or to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the local authority.</p>	Open		<p>Councillor Roger Truelove - Leader</p> <p>Bob Pullen</p>
	<p>Webcasting Council Meetings</p> <p>To discuss webcasting Council meetings, including resource and data protection implications.</p>	Cabinet – decision date to be confirmed.	<p>Non-Key</p> <p>This is not a key decision because is it not likely to result in the local authority incurring expenditure or savings in excess of £100,000 or to be significant in</p>	Open		<p>Councillor Roger Truelove - Leader and Cabinet Member for Finance</p> <p>Sarah Porter</p>

Item	Decision item and background information	Decision maker, date of meeting	Key Decision	Will the report be exempt or have any exempt appendices?	List of the documents submitted to the decision maker	Lead Member and Lead Officer
			terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the local authority.			
	<p>Council Beach Hut Policy</p> <p>The report sets out the future policies for the Council to support investment to increase beach hut provision in Swale, improved localised infrastructure which will help grow our tourism offer and operational and charging policies for hut users.</p>	Cabinet – decision date to be confirmed.	<p>Key</p> <p>It is likely to result in the Council incurring expenditure above £100,000 or the making of savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates.</p>	Open		<p>Councillor Monique Bonney - Cabinet Member for Economy and Property</p> <p>Martyn Cassell</p>

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