

Cabinet Meeting	
Meeting Date	20 March 2019
Report Title	Financial Management Report – April – December 2018
Cabinet Member	Cllr Duncan Dewar-Whalley, Cabinet Member for Finance & Performance
SMT Lead	Nick Vickers, Chief Financial Officer
Head of Service	Nick Vickers, Chief Financial Officer
Lead Officer	Phil Wilson, Financial Services Manager / Caroline Frampton, Principal Accountant
Key Decision	No
Classification	Open
Recommendations	Cabinet is asked to: <ol style="list-style-type: none"> 1. Note the projected revenue underspend on services of £270,950 (Table 1 refers). 2. Note the capital expenditure of £12,240,144 to end of December 2018 (Paragraph 3.14 and Table 4 Appendix I refers). 3. Top up the Pension and Redundancy reserve from the General Reserve by £250,000

1. Purpose of Report and Executive Summary

- 1.1 This report shows the revenue and capital projected outturn activity for 2018/19 as at the end of December 2018. The report is based on service activity up to the end of December 2018 and is collated from monitoring returns from budget managers.
- 1.2 The headline figures are:
- Total forecast revenue underspend of £270,950;
 - Capital expenditure of £12,240,144.

2. Background

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

3. Proposals

Revenue Outturn

- 3.1 As at the end of December the forecast revenue underspend projected to 31 March 2019 is £270,950. The last reported variance to Cabinet in December 2018 (to end of period 6 – September) was an underspend of £227,000. This represents a movement of £43,950. Table 1 in Appendix I details the significant movements.

Table 1: Projected Variance by Service

		Working Budget £	Projected Outturn £	Projected Variance £
Chief Executive	M. Radford	336,630	287,630	(49,000)
Democratic Services	K. Bescoby	993,140	917,140	(76,000)
Policy, Communications & Customer Service	D. Clifford	1,160,490	1,113,490	(47,000)
Director of Regeneration	E. Wiggins	219,740	212,740	(7,000)
Commissioning, Environment & Leisure	M. Cassell	5,435,020	5,165,020	(270,000)
Planning	J. Freeman	902,450	811,450	(91,000)
Housing, Economy & Community Services	C. Hudson	3,147,080	3,147,080	0
Property	A. Adams	555,490	557,490	2,000
Resources: Finance, Revenues & Benefits and Resilience	N. Vickers	2,969,590	2,803,590	(166,000)
Information Technology	C. Woodward	1,166,310	1,139,310	(27,000)
Audit	R. Clarke	176,160	179,160	3,000
Environmental Health	T. Beattie	532,020	517,020	(15,000)
Human Resources	B. Sandher	379,170	340,170	(39,000)
Legal	P. Narebor	437,390	431,390	(6,000)
Corporate Items	N. Vickers	167,320	684,370	517,050
NET REVENUE SERVICE EXPENDITURE		18,578,000	18,307,050	(270,950)
Financed by:				
Revenue Support Grant		0	0	0
Business Rates		(8,441,000)	(8,441,000)	0
New Homes Bonus		(2,046,000)	(2,046,000)	0
Collection Fund Surplus		(178,000)	(178,000)	0
Council Tax		(7,913,000)	(7,913,000)	0
TOTAL FINANCING		(18,578,000)	(18,578,000)	0
NET EXPENDITURE		0	(270,950)	(270,950)
Table 2: Projected Variance by Directorate				
		Working Budget £	Projected Outturn £	Projected Variance £
Chief Executive		336,630	287,630	(49,000)
Democratic Services		993,140	917,140	(76,000)
Regeneration		10,864,780	10,449,780	(415,000)
Resources		3,692,400	4,045,450	353,050
Mid Kent Services		2,691,050	2,607,050	(84,000)
NET REVENUE SERVICE EXPENDITURE		18,578,000	18,307,050	(270,950)

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

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

Business Rates

3.4 The Council is due to collect £48m of business rates in 2018/19. After the complicated system of levies and tariffs has been accounted for, the Council is forecast to receive £8.4m.

- 3.5 The Council has previously agreed to the establishment of a Business Rates Volatility Reserve, in order to assist the Council in managing the anticipated volatility in business rate income resulting from the introduction of business rate localisation from 2013/14. There are a number of causes of this volatility, such as new businesses opening, existing business growing or closing, rating appeals, and collection rates. The balance on the reserve is currently £3.5m.
- 3.6 The Council has set aside £8.5m for business rate appeals. This indicates how business rate income can vary greatly as a result of a decision made on business rate appeals.
- 3.7 This financial year the Council has participated in a Kent wide pilot full localisation of business rates. The financial impact will be reported in the year end Finance report in July.

Improvement and Regeneration Funds

- 3.8 Table 3 below details the position on a number of reserve funds. Total reserves not committed is £593,000. This includes an overspend on the Pension and Redundancy fund of £114,000.
- 3.9 Cabinet in July approved the topping up of funds as detailed in the table below.
- 3.10 Table 3 in Appendix I details the approvals from the Improvement and Regeneration Funds during 2018/19. These total £742,000.
- 3.11 The staffing reductions in Revenues and Benefits needed to balance the 2019/20 budget but meant that the Council incurred redundancy costs of £118,651 and pension fund strain costs of £98,263. Therefore, it is recommended that £250,000 is transferred from the General reserve to top up the Pension and Redundancy reserve.
- 3.12 The Council has been involved in negotiations with the previous owner of the Dockyard Church, Sheerness over compensation for the Compulsory Purchase of the church in 2011. We have arrived at a point where the Director of Regeneration, the Monitoring Officer and the Head of Legal Partnership believe a settlement is in the best interests of the Council. The Chief Financial Officer will use the General Reserve to fund the settlement costs. More information on the proposed settlement is included in the exempt report.

Table 3: Improvement and Regeneration Funds

Funds	Balance as at 1 April 2018	Topping up of funds in 2018/19	Funds Committed as at 1 April 2018	Funds Committed (refer to Appendix I) 2018/19	Funds Not Yet Committed/ (Overdrawn)
	£'000	£'000	£'000	£'000	£'000
Performance	316	300	(265)	(106)	245
Regeneration	350	300	(217)	(221)	212

Funds	Balance as at 1 April 2018	Topping up of funds in 2018/19	Funds Committed as at 1 April 2018	Funds Committed (refer to Appendix I) 2018/19	Funds Not Yet Committed/ (Overdrawn)
	£'000	£'000	£'000	£'000	£'000
Communities	111	75	(40)	(71)	75
Pension & Redundancy	205	0	0	(319)	(114)
Local Loan Fund	200	0	0	(25)	175
TOTAL	1,182	675	(522)	(742)	593

Capital Expenditure

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

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

Table 4: Reconciliation of Original to Revised Capital Budget

	£
Original Budget	33,717,110
2017/18 rollovers (Minute 112/07/2018)	2,027,980
Leisure Centres (Minute 40/05/2018)	1,000,000
Queenborough Causeway (Minute 104/07/2015)	60,000
Former Bus Depot, East Street (Minute 198/09/2017)	1,155,690
Swale Lifts Replacement (Minute 194/09/2017)	73,060
Agresso Upgrade (Minute 112/07/2018)	25,000
Dolphin Yard Sailing Museum (Delegated Authority 06/11/2018)	105,000
Disabled Facilities Grant (DFG) additional funding from KCC	548,000
Rephasing of projects already approved by Cabinet	(18,276,978)
Revised Budget	20,434,862

3.15 Actual expenditure to end of December 2018 is £12,240,141 (Table 5 below refers). This represents 60% of the revised budget. Further details by Heads of Service are set out in Table 4 in Appendix I.

Table 5: Capital Programme Expenditure

	Revised Budget 2018/19	Actual to end of December 2018	Projected Full Year Variance 2018/19
	£'000	£'000	£'000
Commissioning, Environment & Leisure	2,485	217	0
Housing, Economy & Community Services	17,762	11,919	54
Property	79	73	0
Environmental Services MKS	57	8	0
ICT MKS	27	18	0
Finance	25	5	0
Total Swale Borough Council funded	16,637	10,930	54
Total Partnership funded	3,798	1,310	0
Total Capital Programme	20,435	12,240	54
% spent to date compared to Revised Budget		60%	

3.16 The phasing of the capital programme will not be equal through the year and Sittingbourne Town Centre (STC) spend is greater in the second half of the year with the commencement of the leisure build.

3.17 The 2018/19 capital programme expenditure of £12,240,141 is funded as set out in Table 6 below.

3.18 In January 2019 the Council took out two loans of £5m each, from other local authorities. One loan is for 12 months at a rate of 1.1% and the other for 18 months at a rate of 1.21%.

Table 6: Capital Programme Funding

Source of funding	Revised Budget 2018/19	Actual to end of December 2018	Projected Full Year Variance 2018/19
	£'000	£'000	£'000
Internal Borrowing	16,140	10,678	0
Partnership funding (including S106 Grants)	3,798	1,310	0
Earmarked Reserves	391	244	54
Capital Receipts	106	8	0
Total Funded	20,435	12,240	54

Payment of Creditors

3.19 The payment of creditors to end of December 2018 is 98.92% paid in 30 days against the target of 97%.

Debtors

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

4. Alternative Options

4.1 None identified – this report is for information.

5. Consultation Undertaken or Proposed

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

6. Implications

Issue	Implications
Corporate Plan	Good financial management is key to achieving our Corporate Plan priority of being “A council to be proud of”.
Financial, Resource and Property	As detailed in the report.
Legal, Statutory and Procurement	None identified at this stage.
Crime and Disorder	None identified at this stage.
Environment & Sustainability	None identified at this stage.
Health & Wellbeing	None identified at this stage.
Risk Management and Health and Safety	None identified at this stage.
Equality and Diversity	None identified at this stage.
Privacy and Data Protection	None identified at this stage.

7. Appendices

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

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

8. Background Papers

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

Financial Monitoring Report – April – December 2018

Table 1: Service Movements by Type

Service/Contract	Reason for Variance	Projected Variance (September 2018) £'000	Projected Variance (December 2018) £'000
Additional Income: (brackets in variance mean additional income)			
Parking Management	Additional off- street parking income	(143)	(121)
Parking Management	Net income on-street parking	(39)	(59)
Planning	Net additional planning income	(265)	(316)
Planning	S106 monitoring fees	-	(20)
Licensing	Hackney Carriage (net)	(34)	(34)
Corporate	External interest (net)	(103)	(83)
Highways	Street naming	(20)	(17)
Seafront	Beach hut income	(6)	(13)
Refuse Collection/Street Cleansing/Public Conveniences	Additional income from sale of wheeled bins	(32)	(78)
Loss of Income:			
Development Control	Pre-Application Planning Advice	18	0
Land Charges	Reduced income from fees (net)	45	50
Parking Management	Penalty charge notice	25	16
Licensing	Gambling licence fees	22	22
Housing Benefit & Council Tax	Loss of Admin Grant (net)	108	91
Homelessness	Reduced income	18	18
Stay Put Scheme	Reduced income from Disabled Facilities Grants (DFG) fees	3	3
Total Net Income		(403)	(541)

Service/Contract	Reason for Variance	Projected Variance (September 2018) £'000	Projected Variance (December 2018) £'000
Procurement /Shared Service Savings/Costs: (brackets in variance mean underspend)			
Refuse Collection/Street Cleansing/Public Conveniences	Contracts	(73)	(31)
Parking	Partnership	34	29
Internal Audit	Shared service	12	3
Environmental Services	Shared service	(10)	(15)
CCTV	Additional contract costs	8	(3)
Leisure	Swallows operating & management costs saving	(13)	(18)
Democratic Services	MKS graduate shared service (underspend in 17/18)	(38)	(38)
Enforcement Service – Council Tax	Additional expected profit shared service	(46)	(46)
Legal	Shared service	-	-
Planning	Shared service	30	36
Planning	Additional costs building control	(8)	31
Total Procurement/Shared Service Savings/Costs		(104)	(52)
Additional Costs:			
Homelessness	Temporary accommodation – landlord payments (net)	102	63
Sittingbourne Master Plan	Consultancy fees re Sittingbourne Town Centre project	55	55
Parking Management	Car Parks – business/water rates	28	13
Parking Management	Car Parks – cash security and RingGo fees	51	66
Refuse Collection/Street Cleansing/Public Conveniences	Purchase of wheeled bins	39	82

Service/Contract	Reason for Variance	Projected Variance (September 2018) £'000	Projected Variance (December 2018) £'000
Additional Minimum Revenue Provision (MRP) costs	Confirmation of timing of MRP costs from treasury advisers	103	202
Total Additional Costs		378	481
Underspends: (brackets in variance mean additional underspend)			
Salaries	(refer to note A below)	(151)	(391)
Chief Executive	Special projects	(10)	(10)
Democratic Services	Members' allowances & travel	(30)	(34)
Legal	External legal fees	(11)	(19)
Corporate	Pension Enhancements	(15)	(17)
Markets	Business rates	(16)	(16)
Total Underspends		(233)	(487)
Total Variance		(362)	(547)
Movement on reserves (See Corporate Items Table 2 in Appendix I)		137	206
Set aside to fund the 2019/20 Budget		-	74
Other Net Variances		(2)	(4)
Net Total Variance		(227)	(271)
Net Movement			(44)

Note A – The projected underspend on salaries includes £197k savings being made in Revenue Services to offset the loss of DWP Housing Benefit Grant.

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

Service – Cabinet Member (Budget Manager)	£'000	Explanation
CHIEF EXECUTIVE – Mark Radford (Cllr A. Bowles)		
Chief Executive & Corporate Costs	(49)	(£38k) Underspend – net staff costs. (£10k) Underspend – special project costs. (£1k) Net Underspend.
TOTAL CHIEF EXECUTIVE	(49)	
DEMOCRATIC SERVICES – Katherine Bescoby (Cllr A. Bowles)		
Democratic Process	(53)	(£21k) Underspend – members' allowances. (£13k) Underspend – members' travel. (£5k) Net savings salary costs. (£14k) Savings other costs.
Elections & Electoral Registration	11	£27k Additional canvassing costs. (£19k) Additional grant income. £3k Additional costs.
MKS shared Service Corporate Costs	(34)	(£38k) Underspend on costs of MKS graduate shared service costs from MBC as a result of underspend in 2017/18. £4k Additional costs re MKS Director.
TOTAL DEMOCRATIC SERVICES	(76)	
POLICY, COMMUNICATIONS AND CUSTOMER SERVICES – David Clifford (Cllr D. Dewar-Whalley)		
Communications	(8)	Savings net salary and agency staff costs.
Customer Services	(92)	(£14k) Savings net salary and agency staff costs. (£31k) Savings salary staff costs offsetting overspend in Transformation Team. (£30k) Savings – Sheerness Gateway contract cost (£17k) Savings net other costs.
Policy	(28)	Underspend net salary costs.
Transformation	61	£61k Net staff costs due to extension of Project Team to the end of February. These costs are offset by savings in Revenues & Benefits (£34k) and Customer Services (£31k).
Information Governance	20	£20k Net agency staff.

Service – Cabinet Member (Budget Manager)	£'000	Explanation
TOTAL POLICY, COMMUNICATIONS AND CUSTOMER SERVICES	(47)	
REGENERATION – Emma Wiggins (Cllr M. Cosgrove & Cllr A. Horton)		
Head of Regeneration	(7)	(£7k) Underspend – net salary costs.
TOTAL REGENERATION	(7)	
HOUSING, ECONOMY AND COMMUNITY SERVICES – Charlotte Hudson (Cllr A. Horton, Cllr D. Simmons, Cllr M. Cosgrove, Cllr A Bowles, Cllr D. Dewar-Walley & Cllr K. Pugh)		
Community Services		
CCTV	(3)	£8k Additional contract costs. (£13k) Line rental savings. £2k Other fees & charges.
Community Halls and Centres	0	Nil variance reported.
Community Safety	(24)	Net staff costs saving.
Economy & Community Services, Cultural & Economic	(23)	Net salary and agency staff costs saving.
Members' Grants	0	Nil variance reported.
Economic Development	2	Net staff costs.
Learning, Business & Skills	13	£17k Additional cost of apprentices. (£4k) Savings licence cost.
Tourism	6	Net staff costs.
Arts Events & Activities	0	Nil variance reported.
Markets	(17)	(£5k) net business rates saving Sittingbourne. (£1k) Additional rental income. (£11k) net business rates saving Faversham.
Sports Development	(7)	Net staff costs saving.
Sub-total	(53)	
Housing / Health		
Homelessness Temporary Accommodation	63	(£68k) Landlord payments less than forecast. £141k Benefit income less than forecast. (£10k) Net savings other costs.

Service – Cabinet Member (Budget Manager)	£'000	Explanation
Homelessness Temporary Houses	23	£18k Reduced income rent received from the three properties. £5k Net other additional costs.
Housing Advice / Options	(14)	Net salary and agency staff costs underspend.
Housing Development and Strategy	(5)	(£4k) Savings salary costs. (£1k) Net savings other costs.
Private Sector Housing	(3)	£7k Staff costs. (£10k) Net additional income.
Stay Put Scheme	(11)	(£14k) Net salary and agency staff costs saving. £3k DFG fees reduced income.
Sub-total	53	
TOTAL HOUSING, ECONOMY & COMMUNITY SERVICES	(0)	
PLANNING – James Freeman (Cllr G. Lewin)		
Building Control/ Dangerous Structures	31	£28k Partnership – significant slump in building control applications. £3k Additional costs – dangerous structures.
Development Control	(239)	(£316k) Additional income – planning fees – increase in applications. £90k Additional costs – agency fees – Enforcement. (£15k) Underspend – planning appeal. (£20k) Additional income – S106 monitoring fees. (£39k) Net savings salary costs. £30k Additional external legal fees. £31k Net other additional costs.
Development Services	(26)	(£133k) savings salary costs offset by £80k additional costs - agency fees. £20k Additional costs – training. £7k Additional costs – recruitment adverts.
Local Land Charges	47	£50k reduced income from land charges. (£3k) reduced costs – MKPS.

Service – Cabinet Member (Budget Manager)	£'000	Explanation
Local Planning & Conservation	60	£79k additional costs – Local Plan (£19k) Underspend – Conservation and Design N.B. Any underspend or overspend on the local plan will be transferred to the ring-fenced reserve to be used solely to fund Local Development Framework (LDF) associated work.
Mid Kent Planning Service (MKPS)	36	Additional costs.
TOTAL PLANNING	(91)	
COMMISSIONING, ENVIRONMENT AND LEISURE – Martyn Cassell (Cllr A. Horton & Cllr D. Simmons)		
Commissioning, Contracts & Procurement	(39)	(£43k) Savings salary costs. £4k Net miscellaneous costs.
Environmental Response Team	(53)	(£8k) Savings salary costs. (£29k) Net additional Anti-Littering penalty income. (£11k) Savings re Dog Kennelling and Returned Dogs additional income. (£3k) additional income Pest Control commission. (£2k) Savings use of skips.
Client & Amenity Services and Technical Services	(53)	(£48k) Net savings salary and agency staff costs. (£5k) Net savings miscellaneous costs.
Refuse Collection / Street Cleansing/ Public Conveniences/Recycling & Waste Minimisation	(28)	(£31k) Contract costs savings. (£78k) Additional income wheeled bins. £82k Wheeled bins costs additional expenditure (offset by the £78k of additional income). (£11k) Net additional income Special Collections, including A249 Litter Picking. £7k Additional costs – fly tipping etc. (£3k) Savings Public Conveniences rates. £6k Reduced income – garden waste collection.
Grounds Maintenance	(5)	Net grounds maintenance costs saving.
Cemeteries and Closed Churchyards	14	£13k Loss of income interments. £1k Other net costs.
Highways SBC	(17)	(£17k) Street naming & numbering fees additional income.

Service – Cabinet Member (Budget Manager)	£'000	Explanation
Parking Management	(81)	(£7k) Staff costs saving. £29k Additional costs – Parking Partnership. £13k Additional costs – business rates and water rates. £6k Additional costs – cash security costs for cash in transit. £60k Additional costs – increased use of cashless parking option RingGo. We collect their fees for additional services and then pay them back out. Offset by increased income. (£121k) Net additional income – pay & display fees (including season tickets). £16k Reduced income – Penalty charge notices. (£59k) Net surplus on-street parking (see note below). (£18k) Other net savings/income. N.B. Any surplus on street parking will be transferred to the ring fenced on-street parking account under Section 55 of the Road Traffic Act 1984.
Seafront and Harbour & Quays	(11)	£4k Salary costs. (£13k) Net additional income Beach Huts. (£12k) Additional income memorial benches. £4k Additional non-contract grounds maintenance. £2k Additional cost RNLI contract. £4k Other net costs.
Leisure, Sports, Open Spaces, Parks, Countryside and Country Parks	3	(£18k) Leisure centres net operating and management contracts costs saving. £8k Cesspool clearance Barton's Point. £32k Play Areas on non-contract grounds maintenance, equipment purchase and signage, offset by (£31k) Savings play areas equipment maintenance. £11k Net other costs.
TOTAL COMMISSIONING, ENVIRONMENT AND LEISURE	(270)	

Service – Cabinet Member (Budget Manager)	£'000	Explanation
RESOURCES – Nick Vickers		
ENVIRONMENTAL HEALTH – Tracey Beattie (Cllr. D. Simmons)		
Environmental Health MKS	(10)	Underspend on shared service as a result of vacant posts.
Environmental Services	(5)	Net underspends/savings on client side.
Sub Total	(15)	
FINANCE, RESILIENCE AND LICENSING, REVENUES & BENEFITS – Nick Vickers (Cllr D. Dewar-Whalley)		
Finance	(11)	(£11k) Net savings.
Resilience & Licensing	(34)	(£39k) Additional income – Hackney Carriage licences. £7k Additional costs – Hackney Carriage. £22k Reduced income – gambling licence fees. (£23k) Net savings salary and agency staff costs. (£1k) Net savings other costs. N.B. Any surplus on Hackney Carriage Licensing will be transferred to the ring-fenced reserve to be used solely to fund Hackney Carriage related work
Revenues & Benefits	(121)	£306k Loss of income Benefit Admin Subsidy; (£212k) Additional DWP Housing Benefit Grant; (£197k) Staff cost savings; (£3k) Additional DWP grant income. N.B. The net saving of (£106k) detailed above will be transferred to reserves at year end. (£34k) Additional staff cost savings offsetting overspend in Transformation Team. £35k Loss of income – from under recovery of overpayments of Housing Benefits. (£46k) Additional income – MKS Debt Enforcement Partnership anticipated surplus for 18/19. £30k Additional costs.
Sub Total	(166)	
PROPERTY – Anne Adams (Cllr. D. Dewar-Whalley)		
Administrative Buildings	6	£6k Net additional costs.

Service – Cabinet Member (Budget Manager)	£'000	Explanation
Property Services	(5)	£5k Net savings.
Property Management	1	(£6k) Savings on utility costs at Sheerness District Office. £7k Net additional costs on general fund properties.
Building Maintenance	0	Nil variance.
Sub Total	2	
TOTAL RESOURCES	(163)	
IT SERVICES – Chris Woodward (Cllr D. Dewar-Whalley)		
Telecommunications (Admin Buildings)	(27)	(£15k) savings on equipment maintenance. (£10k) savings on line rental. (£2k) savings on courier fees.
Mid Kent ICT	0	N.B. Any variance at year-end on IT maintenance & software will be transferred to the ring-fenced reserve to be used solely to fund IT related expenditure in future years.
TOTAL IT SERVICES	(27)	
INTERNAL AUDIT – Rich Clarke (Cllr D. Dewar-Whalley)		
Mid Kent Audit	3	Variance reported
TOTAL INTERNAL AUDIT	3	
HUMAN RESOURCES – Bal Sandher (Cllr D. Dewar-Whalley)		
Mid Kent HR Service	(39)	Saving on shared service partnership
TOTAL HUMAN RESOURCES	(39)	
LEGAL – Patricia Narebor (Cllr D. Dewar-Whalley)		
Mid Kent Legal Partnership	0	£107k additional costs – net salary and agency costs. £3k additional costs – net running costs. (£110k) additional income – from MBC and TWBC.
External Legal Fees	(19)	Underspend reported.
Legal Income	13	Variance reported.
TOTAL LEGAL	(6)	

Service – Cabinet Member (Budget Manager)	£'000	Explanation
NON-SERVICE BUDGETS		
Corporate Items	517	<p>£55k Additional Expenditure - Sittingbourne Town Centre Regeneration – consultants and specialist advice for regeneration works.</p> <p>£10k Additional Expenditure – Princess Street Retail Park – service charges.</p> <p>(£77k) Additional net income – including external interest (£83k). Increase in cash flow and an improved return on our investments.</p> <p>£202k Due to MRP confirmation of timing of MRP costs for STC from treasury advisers.</p> <p>£70k Salary savings in 2018/19 budget not being achieved.</p> <p>£6k Additional expenditure – Insurance premiums.</p> <p>(£17k) Reduced expenditure – Annual Pension.</p> <p>£206k net contribution to reserves ring fenced services as detailed in the table above.</p> <p>£74k to fund 2019/20 budget.</p> <p>(£11k) Net other savings.</p>
TOTAL	517	
	(271)	NET REVENUE EXPENDITURE (Underspend)

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

Performance Fund	Amount £
Housing Register Apprentice	9,895
Best Companies b-Heard Survey 2018/19	12,000
Transformation Team	17,812
Independent Housing Consultant	20,000
High Priority Projects to Leisure Section	46,500
Total Performance Fund Approved as at December 2018	106,207
Regeneration Fund	Amount £
Member Grants	47,000
Delivering For You - Public Realm Improvements	7,310
Delivering For You - Town and Borough Sign Replacement	18,000
Delivering For You - New Litter Bins	25,000
Delivering For You - Bus Shelter Refurbishment	11,886
Delivering For You - Flood Lane Space Improvement	2,550
Delivering For You - Street Name Plates	8,307
Delivering For You - Floral Planters	3,800
Regeneration Officer 2019/20	52,755
Economic Development Officer 2019/20	44,166
Total Regeneration Fund Approved as at December 2018	220,774

Communities Fund	Amount £
The Mount Garden	5,000
Dolphin Sailing Barge Museum	35,000
Feasibility works for TS Hasarde	13,700
Sittingbourne Orpheus Choral Society	3,000
Sittingbourne & Milton Swimming Club	4,000
Volunteer swale awards 2019	4,900
Salt giveaway	3,807
Catenary wires Sheerness	1,842
Total Communities Fund Approved as at December 2018	71,249
Pension & Redundancy Fund	Amount £
Pension and Redundancy costs	318,818
Total Pension & redundancy Fund Approved as at December 2018	318,818
Local Loan Fund	Amount £
Borden Sport Limited	24,999
Total Local Loan Fund Approved as at December 2018	24,999
Total All Funds Approved as at December 2018	742,047

Table 4: Capital Programme 2018/19

	Original Budget 2018/19	Revised Budget 2018/19	Actual to December 2018	Projected Full Year Variance 2018/19	Notes
	£	£	£	£	
<u>Commissioning, Environment & Leisure - M. Cassell</u>					
Faversham Recreation Ground Improvements – External Grant	0	133,950	63,250	0	
Faversham Recreation Ground Improvements – S106	0	27,440	3,144	0	
Gunpowder Works Oare Faversham - S106	0	9,000	0	0	
Iwade Orchard Artwork – S106	0	5,000	5,000	0	
Leisure Centres – Internal/External Borrowing	1,000,000	2,000,000	0	0	
Open Spaces Play Equipment – S106	100,000	14,000	0	0	
New Play Area - Thistle Hill - S106	0	26,380	26,382	0	
Nursery Close/Queenborough Lines Bridge Replacement - Reserves	0	400	400	0	
Play Area Refurbishment - Milton Recreation Ground - S106	0	45,190	45,185	0	
Play Area – Windermere Faversham – S106	0	13,890	13,892	0	
Queenborough Causeway - Reserves	0	60,000	60,000	0	
Resurfacing Promenade, The Leas - External Grant	0	30	34	0	
Play Area Improvements – Reserves	0	150,000	0	0	
Total Commissioning, Environment & Leisure	1,100,000	2,485,280	217,287	0	

Table 4: Capital Programme 2018/19

	Original Budget 2018/19	Revised Budget 2018/19	Actual to December 2018	Projected Full Year Variance 2018/19	Notes
	£	£	£	£	
<u>Housing Economy & Community Services – C. Hudson</u>					
CCTV - Reserves - Repairs & Renewals	15,000	15,000	0	0	
Disabled Facilities Grants - External Grant	1,664,800	3,290,640	1,076,693	0	
Dolphin Yard Sailing Barge Museum – S106	0	70,000	70,000	0	
Dolphin Yard Sailing Barge Museum - Reserves	0	35,000	35,000	0	
Easthall Farm Community Centre - S106	0	158,170	3,604	0	
Faversham Creek Basin Regeneration Project (swing bridge) - Capital Receipts	0	0	0	0	
Former Bus Depot, East Street – Internal Borrowing	0	1,155,690	1,155,694	0	
Home Repair Grants - Over 60 – Reserves	0	0	1,825	1,825	(a)
Home Repair Grants - Winter Warmth Grants – Reserves	0	0	16,347	16,347	(a)
RHB2 Decent Home Loans Owner Occupier – Reserves	0	0	35,463	35,463	(a)
The Mill Project, Sittingbourne Skate Park - S106	0	4,020	2,675	0	
The Mill Project, Sittingbourne Skate Park - Capital Receipts	0	50,000	0	0	
The Mill Project, Sittingbourne Skate Park - Capital Grant	0	0	0	0	
Sittingbourne Town Centre – Internal/ External Borrowing	30,833,920	12,983,862	9,522,289	0	
Total Housing Economy & Community Services	32,513,720	17,762,382	11,919,590	53,635	
<u>Property - A. Adams</u>					
Swale House - Lifts Refurbishment – Reserves	0	78,560	73,064	0	
Total Property	0	78,560	73,064	0	

Table 4: Capital Programme 2018/19

	Original Budget 2018/19	Revised Budget 2018/19	Actual to December 2018	Projected Full Year Variance 2018/19	Notes
	£	£	£	£	
<u>Environmental Services – T. Beattie</u>					
Replacement of Air Pollution Monitoring Station – Capital Receipts	0	56,640	7,798	0	
Total Environmental Health	0	56,640	7,798	0	
<u>ICT - C. Woodward</u>					
ICT infrastructure and equipment replacement – Reserves	103,400	27,000	17,780	0	
Total ICT	103,400	27,000	17,780	0	
<u>Finance – N Vickers</u>					
Agresso Upgrade	0	25,000	4,625	0	
Total Finance	0	25,000	4,625	0	
Total Capital Programme Funded by Swale Borough Council	31,952,320	16,637,152	10,930,285	53,635	
Total Capital Programme Funded by Partners	1,764,800	3,797,710	1,309,859	0	
Total Capital Programme	33,717,120	20,434,862	12,240,144	53,635	

(a) These schemes will be funded from recycled receipts at the end of the year.

Table 5: Total Debt (Including Not Due) by Due Date

	December 2018 £'000	September 2018 £'000	December 2017 £'000
Not Due (less than 1 Month)	221	368	514
1 – 2 Months	368	43	81
2 – 6 Months	48	59	52
6 – 12 Months	78	75	53
1 – 2 Years	28	28	24
2 – 3 Years	17	18	37
3 – 4 Years	31	33	9
4 – 5 Years	6	7	7
5 – 6 Years	3	4	1
> 6 Years	34	35	36
Total	834	670	814
Total Due	613	302	300
% Total Due	74%	45%	37%

Note – 1- 2 months includes an invoice for £298,000 relating to recycling credits. This has now been paid.

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

	December 2018 £'000	September 2018 £'000	December 2017 £'000
Property	191	193	152
Housing Services	87	117	164
Commissioning, Environment & Leisure	366	51	54
Economy & Communities	28	10	29
Environmental Health	1	0	2
Planning	7	3	13
Finance	3	0	0
Legal	37	0	0
Communications	1	0	2
Other	113	296	398
Total	834	670	814

Note – Property includes £108k relating to one company. Commissioning, Environment & Leisure includes £298,000 relating to recycling credits which has now been paid. The 'Other' includes £87K of S106 Income.