

Scrutiny	
Meeting Date	22 January 2020
Report Title	Financial Management Report – April to September 2019
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. Note the projected revenue underspend on services of £5,000 (Table 1 refers). 2. Note the transfer of £500,000 from the General Reserve to the Communities Fund as detailed in paragraph 3.12. 3. Note the transfer of £250,000 from the Kent Pool Economic Development Reserve to the Heritage Strategy as detailed in paragraph 3.17. 4. Note the capital expenditure of £8,853,740 to end of September 2019 (paragraph 3.19 and Appendix I Table 2 refers). 5. Note the capital variances and their funding as detailed in paragraph 3.22 and Appendix I Table 2.

1. Purpose of Report and Executive Summary

- 1.1 This report sets out the revenue and capital projected outturn position for 2019/20 as at the end of September 2019. The report is based on service activity up to the end of September 2019 and is collated from monitoring returns from budget managers and has been updated for more recent movements.
- 1.2 The headline figures are:
- total revenue underspend of £5,000;
 - capital expenditure of £8,853,740.

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, the Deputy 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 As at the end of September 2019 the forecast revenue underspend projected to 31 March 2020 is £5,000.

Table 1: Projected Variance by Service

Service	Service Manager	Working Budget £	Projected Outturn £	Projected Variance £
Chief Executive	M. Radford	331,280	238,280	(93,000)
Democratic Services	K. Bescoby	1,114,370	1,035,370	(79,000)
Policy, Communications & Customer Services	D. Clifford	1,203,400	1,141,400	(62,000)
Director of Regeneration	E. Wiggins	179,360	179,360	0
Commissioning, Environment & Leisure	M. Cassell	5,646,030	5,456,030	(190,000)
Planning	J. Freeman	818,230	963,230	145,000
Housing, Economy & Community	C. Hudson	2,845,060	3,246,060	401,000
Finance	N. Vickers	803,120	802,120	(1,000)
Revenues & Benefits	Z. Kent	(245,200)	(494,200)	(249,000)
Property	A. Adams	335,760	382,760	47,000
Licensing & Resilience	D. Fackrell	47,000	50,000	3,000
Environmental Health	T. Beattie	591,070	584,070	(7,000)
Information Technology	C. Woodward	1,202,260	1,217,260	15,000
Audit	R. Clarke	186,180	186,180	0
Human Resources	B. Sandher	436,620	436,620	0
Legal	P. Narebor	461,590	425,590	(36,000)
Sittingbourne Regeneration	N. Vickers	0	76,000	76,000
STC - Retail Park	N. Vickers	182,000	(45,000)	(227,000)
Contributions to Reserves from services shown above	N. Vickers	0	140,000	140,000
Corporate Items	N. Vickers	2,551,870	2,663,870	112,000
NET REVENUE SERVICE EXPENDITURE		18,690,000	18,685,000	(5,000)
Financed by:				
Revenue Support Grant		(113,000)	(113,000)	0
Business Rates		(8,083,000)	(8,083,000)	0
New Homes Bonus		(1,875,000)	(1,875,000)	0
Council Tax Requirement		(8,258,000)	(8,258,000)	0
TOTAL FINANCING		(18,329,000)	(18,329,000)	0
NET EXPENDITURE (Contribution from General Fund)		361,000	356,000	(5,000)

The Working Budget shows the service expenditure being more than the income in the year so the General Fund was budgeted to reduce by £361,000. The projected outturn

forecasts that the service expenditure will be greater than the income in the year so the General Fund is forecast to decrease by £356,000.

Business Rates

- 3.2 The Council is budgeted to collect £48m of business rates in 2019/20. After the complicated system of levies and tariffs has been accounted for, the Council is forecast to receive £7.8m.
- 3.3 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 £4.9m.
- 3.4 The Business Rates Collection Fund has set aside £10m for appeals, of which our share is £4m. In July 2019 we were 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 is £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.
- 3.5 The Council has benefitted very significantly from the localisation of business rates, but the Morrisons outcome does show how volatile this income stream can be.

Use of Reserves

- 3.6 The administration views the Reserves as being an essential part of funding one off expenditure. This section of the report will update on the initiatives underway.

Special Projects Fund

- 3.7 The Special Projects Fund was set up by Cabinet at its July 2019 meeting. The terms of reference are:
- The fund will be used to deliver tangible projects for the residents of the borough making the public spaces cleaner and better presented;
 - We will seek an equitable allocation of resources across all parts of the borough.
- 3.8 It was agreed at Cabinet on 10 July 2019 (minute 122) that £1m per annum will be transferred from Reserves to the Special Projects Fund. This fund replaces the Regeneration Fund.
- 3.9 Special Project Fund approvals to 30 November 2019 are detailed in Appendix I Table 4. Total approved to date is £758,000.
- 3.10 At least initially the projects will be focussed on areas within the Environment portfolio. The two main themes will be:

- (1) Improvements to the public realm including high streets, green spaces and seafronts, and
- (2) Projects to support the achievement of the climate change motion agreed by Council.

3.11 If Members wish to make a Special Projects Fund bid then they should approach the relevant Cabinet Member with a project proposal, a rationale and the costings. Sign off of each bid is by the relevant Cabinet Member and Head of Service, and then the Leader and Cabinet Member for Finance and the Chief Financial Officer.

Communities Fund

- 3.12 Approval is sought to allocate an additional £500k to the Communities Fund from the General Reserve.
- 3.13 The commitments against Communities Fund are summarised in paragraph 3.18 and details of the funds approved in 2019/20 are in Appendix I Table 4.
- 3.14 The allocation of £100k from the Communities Fund to support a major project in Murston should be highlighted. This is an ambitious community led project to make essential repairs to the medieval chancel building and to build new spaces as a community and creative hub. The Murston All Saints Trust is actively fund raising and the support from the Council will be crucial in attracting other funds.

Other

- 3.15 Housing and Commercial Growth Fund: kept to fund affordable housing borrowing costs. This has £1.7m available.
- 3.16 There is a shared business rate pot with Kent County Council and this has been used in the past to fund a contribution to the Lower Road on Sheppey and towards the Visitor Economy Strategy (both £250k).
- 3.17 Approval was sought from Cabinet to allocate a further £250k from the shared business rate pot to be allocated to fund the Heritage Strategy.
- 3.18 Table 2 below details the movements on the Funds up to end of November 2019. Further details regarding the funds committed in 2019/20 are detailed in Appendix I Table 4.

Table 2: Funds

Funds	Balance as at 1 April 2019	Topping up/ transfer of funds in 2019/20	Funds committed prior to 2019/20	Funds committed (refer to Appendix I) 2019/20	Funds not yet committed
	£'000	£'000	£'000	£'000	£'000
Special Projects	0	1,189	0	(758)	431
Communities	121	500	(44)	(164)	413
Performance	494	0	(257)	0	237
Pension & Redundancy	86	0	0	0	86
Regeneration	437	(189)	(248)	0	0
Local Loans Fund	175	0	0	0	175
TOTAL	1,313	1,500	(549)	(922)	1,342

Capital Expenditure

3.19 Table 2 in Appendix I details the actual capital expenditure and highlights any variations.

3.20 Actual expenditure to end of September 2019 was £8,853,740. This represents 40% of the revised budget.

3.21 The revised budget includes the capital rollovers from 2018/19 approved by the July Cabinet.

3.22 The following projects require approval for funding in 2019/20:-

- Bartons Point Coastal Park – replacement bridge – this is to be funded from capital receipts- £120,000;
- Play Improvements - Rectory Road Playing Field – this is to be funded from the special projects fund – playground improvements £11,210;
- Play Improvements - Milton Creek Country Park – to be funded from reserves £7,200;
- Public Toilet Refurbishment – Forum Sittingbourne, Central Car Park Faversham, Spinney Leysdown and Minster Lees – to be funded from capital receipts - £210,000;
- Wheeled bins – additional bins to be purchased funded using the Repairs & Renewals Reserve £94,000;
- ICT Infrastructure & Equipment Replacement – additional expenditure to be funded from reserves £1,300.

Payment of Creditors

3.23 The outturn for payment of creditors for 2019/20 to date was 97.25% paid within 30 days of receipt of invoice, against the target of 97%.

Sundry Debtors

3.24 Tables 3.1 and 3.2 in Appendix I analyse the sundry debt outstanding.

4. Alternative Options

4.1 Do nothing – this is not recommended as the report is required under Financial Regulations and Cabinet approval has to be obtained for the spending proposals.

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.
Financial, Resource and Property	As detailed in the report
Legal and Statutory	None identified at this stage
Crime and Disorder	None identified at this stage
Environmental 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 Report Tables as at the end of September 2019.

8. Background Papers

8.1 The Budget 2019/20 and Medium-Term Financial Strategy 2019/20 to 2021/22.

<http://www.swale.gov.uk/assets/Latest-Publications/Revenue-Budget-and-Capital-Programme/Revenue-Budget-and-Capital-Programme-2019-20.pdf>

Table 1 – Main Variations by Service as at the end of September 2019 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 (Mark Radford)		
Chief Executive & Corporate Costs	(93)	(£8k) Underspend – external audit fee; (£10k) Net savings – special projects; (£75k) Net underspend – salaries etc.
TOTAL	(93)	
DEMOCRATIC SERVICES – Cllr R Truelove (Katherine Bescoby)		
Democratic Process	(39)	(£14k) Underspend – members' travel; (£5k) Underspend – members' special responsibility allowance; (£2k) Underspend – net staff costs; (£18k) Reduced net expenditure.
MKS Shared Service Corporate Costs	(8)	(£8k) Reduced costs.
Elections & Electoral Registration	(32)	(£17k) Underspend postage, etc; (£8k) Reduced net salary costs; (£7k) Additional fees and charges income.
TOTAL	(79)	
POLICY, COMMUNICATIONS AND CUSTOMER SERVICES – Cllr R Truelove (David Clifford)		
Policy	(13)	(£14k) Reduced net salary costs; £1k Net additional costs.
Communications	(15)	(£16k) Underspend – net staff costs; £1k Net additional costs.
Customer Services	(24)	(£13k) Underspend – net staff costs; (£11k) Net underspend.
Information Governance	(10)	(£10k) Underspend – net staff costs.
TOTAL	(62)	
REGENERATION – Cllr M Bonney (Emma Wiggins)		
Regeneration	-	Nil variance reported.
TOTAL	-	

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Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
COMMISSIONING, ENVIRONMENT AND LEISURE – Cllr A Harrison, Cllr T Valentine (Martyn Cassell)		
Commissioning, Contracts and Procurement	(59)	(£52k) Savings vacant posts – pending reorganisation; (£8k) Savings equipment purchase and maintenance; £1k Net other costs.
Client & Amenity Services and Technical Services	(5)	(£6k) Salary savings; £1k Savings travel expenses.
Environmental Response Team	(47)	(£33k) Net savings Fixed Penalty Notices (FPNs) expense costs and reduced fee income; £3k Staff cost savings; (£7k) Savings travel/transport costs; (£10k) Net additional income licences issued, recovery of fees and pest control contract commission and reduced BT contribution; £17k Additional Environmental Initiative Grants paid (offset by FPN savings); (£17k) Net other savings.
Leisure, Sports, Open Spaces, Parks, Countryside and Allotments	11	£43k additional costs leisure centres operational agreement; (£52k) savings leisure centres maintenance agreement; £45k additional costs on premises (including play areas £30k); (£29k) net savings equipment costs; (£11k) net additional fees/income/grants/recovery of costs; £15k additional other costs.
Community Halls & Centres	-	Nil variance reported
Grounds Maintenance	(25)	(£25k) Net contract savings.
Cemeteries and Closed Churchyards	1	£1k Additional premises costs.

Table 1 – Main Variations by Service as at the end of September 2019 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	(234)	(£63k) Additional income wheeled bins; (£76k) Contract costs savings; (£66k) Additional income – garden waste collection; (£21k) Net additional income Special Collections including A249 litter; (£5k) Savings Public Conveniences premises; (£3k) Net other savings. NB Wheeled bins purchase additional expenditure of £94k to be met from reserves.
Seafront, Harbour & Quays, Coast Protection and Flood Preparation	(4)	(£2k) Additional income memorial benches, £4k Additional salary costs, Seafront; (£15k) Additional costs recovered (arrangement with Southern Water) £6k Additional contractor costs - seafront; £1k Net Reduced income Beach Huts; £2k Net other costs.
Multi-Storey Car Park (MSCP)	167	£50k Business rates MSCP; £101k Private Consultants (property management); £9k Equipment purchase; £8k Fees & services; (£10k) Fees income receivable; £9k Net other costs.

Table 1 – Main Variations by Service as at the end of September 2019 by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
Parking Management	5	<p>£20k Net reduced income – car parks pay and display fees and season tickets (average monthly income from off-street parking has increased to £164k at quarter 2 compared to £157k at quarter 1);</p> <p>£1k Net reduced income on and off-street Penalty Charge Notices (PCN's);</p> <p>£39k Net additional car park equipment purchase, maintenance costs, licences and other fees;</p> <p>(£10k) Saving Cash Security costs;</p> <p>(£30k) Additional Income – Residents Parking permits;</p> <p>£2k Season Ticket reduced income;</p> <p>£9k Additional costs – Parking Partnership Maidstone Borough Council;</p> <p>(£12k) Staff cost savings;</p> <p>(£10k) Net additional income traffic orders;</p> <p>(£4k) Net other savings.</p> <p>N.B. Any surplus relating to on-street parking will be transferred to the ring fenced on-street parking account under Section 55 of the Road Traffic Act 1984.</p>
Highways	-	Nil variance reported
TOTAL	(190)	
PLANNING – Cllr M Baldock (James Freeman)		
Building Control/Dangerous Structures	-	Nil variance reported.
Development Services	(126)	(£138k) Reduced net salary costs; £12k Additional costs – Training etc.
Local Land Charges	74	£80k Reduced income from land charges; (£6k) Reduced costs – Mid Kent Planning Service.
Planning Support	17	£15k Additional costs – Mid Kent Planning Service; £2k Additional net costs.

Table 1 – Main Variations by Service as at the end of September 2019 by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
Local Planning & Conservation	12	£12k Increased costs – Local Plan. N.B. Any variance on the local plan will be transferred to the ring-fenced reserve for Local Plan associated work.
Development Control	168	£38k Additional net salary costs; £165k Reduced income – planning fees. A slowdown in the number of significant major planning applications as existing local plan allocations have come forward for determination; (£56k) Net additional Income – Planning Performance Agreement (PPA) offset by reduced pre-application advice income; (£19k) Net savings/underspend; £40k Additional costs – legal fees / planning consultancy advice; <i>Note: £195k estimated for additional consultancy costs for defending two public enquiries on planning applications and extended determination periods for handling major planning applications. Major appeals inquiries start 2020/21. To be funded from reserves</i>
TOTAL	145	
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	(8)	(£16k) Line rental savings; £4k Additional contract costs; £6k Additional consultants' costs for CCTV project; (£2k) Additional contribution income.

Table 1 – Main Variations by Service as at the end of September 2019 by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
Community Safety	(13)	(£11k) Net staff cost savings; (£5k) Fees & services savings; £4k Additional grants made; (£1k) Net other additional income.
Learning & Skills	(3)	£5k additional agency staff costs; (£8k) savings fees & services.
Members Grants and Community Services	-	Nil variance reported
Economy & Community Services, Cultural & Economic Development	3	£2k Net staff costs; £1k Net other costs.
Tourism & Heritage	(1)	(£3k) Grant savings; £2k Net other additional expenditure.
Markets	(5)	(£5k) Net additional rental income.
Sports Development	(23)	(£7k) Net salary savings; (£16k) Net other savings.
Youth	(2)	(£1k) Savings Youth Diversion Project; (£1k) Savings Youth Forum catering.
Sub-total	(52)	
Housing:-		
Homelessness Temporary Accommodation	412	£412k Net additional homelessness costs, being: £705k accommodation costs, (£337k) net housing benefit income, £50k overspend Flexible Housing Grant, £11k additional storage costs, (£12)k contributions to rent and repaid deposits and (£5k) net other savings. Number of bookings to end of September 2019 is 1,414 compared to this time last year of 1,249. In addition the average cost per a booking has increased by £152 (31%).
Homelessness Temporary Houses	10	£8k Loss of rental income; £2k Net additional costs.
Housing Advice / Options	30	£30k Additional agency staff costs.

Table 1 – Main Variations by Service as at the end of September 2019 by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
Private Sector Housing	11	£8k Additional salary costs; £8k Net additional costs incl. fees & services £3k and environmental works £5k; (£5k) Net additional income incl. recharged environmental works (£5k).
Housing Development and Strategy	6	£6k Additional salary costs.
Stay Put Scheme	(16)	(£10k) Additional Disabled Facilities Grant (DFG) Fee income; (£4k) Additional grants, donations and fee income; £197k premises costs to be funded by DFG; (£197k) DFG grant to fund expenditure; (£2k) Net additional savings.
Sub-total	453	
TOTAL	401	
FINANCE – Cllr R Truelove (Nick Vickers)		
Financial Services	(1)	(£1k) Net underspend.
TOTAL	(1)	

Table 1 – Main Variations by Service as at the end of September 2019 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)		
		(£140k) Additional income - Department for Works and Pensions (DWP) Housing Benefit Grant; £32k Reduction in Benefit Admin Subsidy; (£65k) Staff cost savings; N.B. The net saving of (£173k) detailed above will be transferred to reserves at year end.
	(249)	£104k Increased expenditure on net Housing Benefits; (£50k) Additional income – from recovery of over payments of Housing Benefits; (£31k) Additional income – recovery of Council Tax benefit overpaid and recovery of Council Tax costs; (£16k) Additional income – recharge to Collection Fund Business Rates; (£14k) Reduced costs Fraud Partnership with Maidstone Borough Council; (£7k) Reduced costs re postage; (£14k) Reduced external audit fees; (£30k) Additional income MKS Debt Enforcement Partnership share of surplus; (£18k) Net additional savings.
TOTAL	(249)	
PROPERTY SERVICES – Cllr M Bonney (Anne Adams)		
Property Services	(1)	(£30k) Underspend net salary costs; £28k Additional expenditure – Printing costs (equipment maintenance, rental and increased paper costs); £1k Additional expenditure net.

Table 1 – Main Variations by Service as at the end of September 2019 by Service

Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
Administrative Buildings	33	(£4k) Underspend net salary costs; £32k Additional expenditure on security – Swale House; £5k Reduced rental income and property charges – Central House;
Property Management	15	£7k Reduced income – rental income; £5k Additional expenditure net; £3k Additional expenditure – electric car.
Building Maintenance	-	N.B. Any variance on building maintenance will be transferred at year end to the ring-fenced reserve to be used solely to fund building maintenance expenditure in future years.
TOTAL	47	
LICENSING & RESILIENCE PLANNING – Cllr R Palmer (Della Fackrell)		
Licensing & Resilience	3	£20k Reduced income – Gambling licence fees; (£27k) Additional income – Hackney Carriage licences; £7k Additional staff costs net; £3k Net additional costs. N.B. Any net underspend or overspend on Hackney Carriage licences will be transferred to the ring-fenced reserve under the Local Government Act 1976. This reserve is to be used to fund Hackney Carriage related expenditure in future years.
TOTAL	3	
ENVIRONMENTAL HEALTH – Cllr T Valentine (Tracey Beattie)		
Environmental Health Mid Kent Service	-	Nil variance on shared service with Tunbridge Wells Borough Council.
Environmental Services	(7)	(£7k) Net underspend/additional income on client side.
TOTAL	(7)	

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Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
IT SERVICES – Cllr R Truelove (Chris Woodward)		
Telecommunications	(22)	(£22k) Reduced expenditure on equipment maintenance and costs of telephones.
IT Maintenance and Software	-	Nil variance on IT maintenance and software. N.B. Any variance will be transferred to the ring-fenced reserve to be used solely to fund IT related expenditure in future years.
Mid Kent ICT	37	£4k GIS Additional expenditure £33k ICT Additional expenditure due to revised method of allocating costs between shared service councils based on usage.
TOTAL	15	
INTERNAL AUDIT – Cllr R Truelove (Rich Clarke)		
Mid Kent Audit Services	-	Nil variance reported.
TOTAL	-	
HUMAN RESOURCES – Cllr R Truelove (Bal Sandher)		
Mid Kent Human Resources	-	Nil variance reported on shared service with Maidstone Borough Council.
Organisational Development	-	Nil variance reported.
TOTAL	-	
LEGAL – Cllr R Truelove (Patricia Narebor)		
Legal MKLS	(75)	£3k Net salary costs; (£73k) Additional income as a result of Swale's usage of the service being below the budgeted level. Therefore additional income from Maidstone Borough Council and Tunbridge Wells Borough Council; (£5k) Net reduced costs.
External Legal Fees	-	Nil variance reported.
S106 Income	39	£39k Reduced income.
TOTAL	(36)	
NON-SERVICE BUDGETS		
Sittingbourne Town Centre (STC)	76	£35k Additional salary costs; £41k Net additional costs.

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Net (under)/overspend / income shortfall for 2019/20 by service		
Service – Cabinet Member (Head of Service)	£'000	Explanation
STC – Retail Park	(227)	(£245k) Additional income – rental income Princes Street Retail Park (total rental income for year £495k); £18k Additional Expenditure – Fees & Services;
Transfer to Reserves	140	£140k Net contribution to reserves from ring fenced services as detailed in table above.
Corporate	112	£37k Reduction in cash flow offset by an improved return on our investments; £75k Net additional expenditure.
	(5)	Projected Net Expenditure Underspend

Table 2 – Capital Programme 2019/20 Outturn as at end of September 2019

Capital Scheme	Funding SBC/ Partnership (P)	2019/20 Original Budget £	2019/20 Revised Budget £	2019/20 Actual to Date £	2019/20 Projected Variance £	Ref
CCTV - Reserves - Repairs & Renewals	SBC	15,000	30,000	0	0	
The Mill Project, Sittingbourne Skate Park - S106	P	15,000	16,350	0	0	
The Mill Project, Sittingbourne Skate Park - Capital Receipts	SBC	150,000	200,000	117,409	0	
Faversham Creek Basin Regeneration Project – Capital Receipts	SBC	200,000	200,000	0	0	
Sittingbourne Town Centre – Cinema Complex	SBC	14,212,758	14,212,758	6,618,451	(462,689)	1.
Sittingbourne Town Centre - Other Assets	SBC	0	0	220,530	0	
Sittingbourne Town Centre - Multi Storey Car Park	SBC	0	0	190,026	0	
Disabled Facilities Grants - External Grant	P	2,062,800	3,676,727	650,213	0	
Winter Warmth Grants – from recycled capital receipts	SBC	0	0	1,313	0	
Decent Home Loans Owner Occupier – from recycled capital receipts	SBC	0	0	5,180	0	
Total Housing, Economy & Community Services		16,655,558	18,335,835	7,803,122	(462,689)	
Bartons Point Coastal Park – Replacement Bridge	SBC	0	0	0	120,000	2.
Faversham Recreation Ground Improvement – External Grant	P	1,103,000	1,103,000	269,540	0	
Faversham Recreation Ground Improvement – Reserves	SBC	0	50,000	0	0	
Faversham Recreation Ground Improvement – S106	P	225,920	225,920	0	0	
Gunpowder Works Oare Faversham -S106	P	0	9,000	0	0	
Leisure Centres	SBC	0	1,079,000	578,366	0	

Table 2 – Capital Programme 2019/20 Outturn as at end of September 2019

Capital Scheme	Funding SBC/ Partnership (P)	2019/20 Original Budget £	2019/20 Revised Budget £	2019/20 Actual to Date £	2019/20 Projected Variance £	Ref
Milton Creek Country Park Access Road	SBC	40,000	40,000	0	0	
Modular Toilet Kiosk, Minster Lees	SBC	30,000	30,000	0	0	
New Play Area – Iwade Scheme	P	45,000	45,000		0	
Hugh Price Close Play Area Improvements – External Grant	P	0	30,000	0	0	
Open Spaces Project Play Equipment – S106 Grant	P	226,000	226,000	0	0	
Play Improvements Project – Reserves	SBC	150,000	0	0	0	
Rectory Road Playing Field – Reserves	SBC	0	40,300	51,510	11,210	3.
Open Spaces Project – Balas Drive – External Grant	P	0	1,000	0	0	
Open Spaces Project – Balas Drive – Reserves	SBC	0	10,000	0	0	
Open Spaces Project – Digent Drive – Reserves	SBC	0	18,000	0	0	
Open Spaces Project – Minster Leas – Reserves	SBC	0	22,000	20,247	0	
Open Spaces Project – Minster Leas – External Grant	P	0	9,000	9,000	0	
Open Spaces Project – Milton Creek Country Park – Reserves	SBC	0	20,000	27,184	7,200	4.
Open Spaces Project – Shellness Road – Reserves	SBC	0	30,000	0	0	
Open Spaces Project – Shellness Road – External Grant	P	0	15,000	0	0	
Open Spaces Project – Shellness Road – S106 Grant	P	0	11,750	0	0	
Open Spaces Project – Rectory Play Field – S106 Grant	P	0	20,000	19,999	0	
Public Toilet Refurbishment – Forum Sittingbourne	SBC	0	0	0	50,000	5.

Table 2 – Capital Programme 2019/20 Outturn as at end of September 2019

Capital Scheme	Funding SBC/ Partnership (P)	2019/20 Original Budget £	2019/20 Revised Budget £	2019/20 Actual to Date £	2019/20 Projected Variance £	Ref
Public Toilet Refurbishment – Central Car Park Faversham	SBC	0	0	0	40,000	6.
Public Toilet Refurbishment – Spinney Leysdown	SBC	0	0	0	40,000	7.
Public Toilet Refurbishment – Minster Leas	SBC	0	0	0	80,000	8.
Resurfacing Promenade, The Leas	P	84,970	84,970	5,000	0	
Wheeled Bins – Reserves	SBC	0	0	0	94,000	9.
Total Commissioning, Environment & Leisure		1,904,890	3,119,940	980,846	442,410	
Replacement of Air Pollution Monitoring Station	SBC	0	49,045	0	0	
Total Environmental Health		0	49,045	0	0	
New Folder/Inserter machine in Print Room	SBC	0	20,110	20,106	0	
Total Property Services		0	20,110	20,106	0	
Agresso Upgrade	SBC	0	5,210	0	0	
Total Finance		0	5,210	0	0	
ICT infrastructure and equipment replacement	SBC	91,200	91,200	49,666	1,300	10.
Total Information Technology		91,200	91,200	49,666	1,300	
Total Capital Programme (SBC funded)	SBC	14,888,958	16,147,623	7,899,988	(18,979)	
Total Capital Programme (Partnership funded)	P	3,762,690	5,473,717	953,752	0	
Total Capital Programme	SBC & P	18,651,648	21,621,340	8,853,740	(18,979)	

Notes

1. Rephasing of Sittingbourne Town Centre project.

Table 2 – Capital Programme 2019/20 Outturn as at end of September 2019

2. New scheme funded using capital receipts.
3. Additional expenditure to be funded using reserves.
4. New scheme funded using capital receipts.
5. New scheme funded using capital receipts.
6. New scheme funded using capital receipts.
7. New scheme funded using capital receipts.
8. New scheme funded using capital receipts.
9. Purchase of new wheeled bins using Repairs and Renewals Reserve.
10. Additional expenditure to be funded using reserves.

Table 3.1: Sundry Debt Outstanding by Due Date

	September 2019 £'000	September 2018 £'000
Not Due (less than 1 month)	301	368
1-2 Months	41	43
2-6 months	269	59
6-12 months	93	75
1-2 years	32	28
2-3 years	21	18
3-4 years	10	33
4-5 years	27	7
5-6 years	5	4
6 years +	33	35
Total	832	670
Total over two months	490	259
% Total over two months	59%	39%

'2 - 6 months' includes Spirit of Sittingbourne Network Rail invoice of £146,776;

Table 3.2: Sundry Debt Outstanding by Head of Service

	September 2019 £'000	September 2018 £'000
Property	143	193
Commissioning, Environment & Leisure	43	51
Housing, Economy & Communities	278	127
Environmental Health	0	0
Planning	4	3
Finance	0	0
Communications	5	0
Other	359	296
Total	832	670

'Housing, Economy & Communities' includes Spirit of Sittingbourne Network Rail invoice £146,776; 'Other' includes invoices for Council Tax Support Scheme Administration £141,600 and Swale Borough Council Incentive Fund Payment £112,070.

Table 4: Fund Allocations 2019/20 as at the end of November 2019

	November 2019 £'000
Special Project Fund	
Carbon Management Plan 2019 – 2023	25
Members Grants 2019/20	54
Parks Infrastructure Fund	150
Fuel and Water Poverty Outreach Worker (2 years)	100
Project Support Surveyor	45
Playground Improvements	40
Recycling Bins on main bathing beaches	10
Faversham Swimming Pool Boiler Replacement	93
Deep Clean in the four Air Quality Monitoring Areas	50
Clean Air Zone feasibility study	50
Eco stars – continued participation – working with haulage companies	5
Schools Walk to School project	1
Community Engagement – cross borough events	35
Social Inclusion Task Force – initiative to tackle social cohesion at grass roots level	40
Sheppey Hall – part fund essential improvements	40
Harty Ferry Artesian Well - repairs	10
St Anne's Footbridge – lighting improvements	10
Total Special Project Fund Approved as at 30 November 2019	758
Communities Fund	
Murston Old Church	100
Volunteer Swale Awards 2019/20	5
Salt Giveaway	4
20's Festival	25
Food Bank	30
Total Communities Fund Approved as at 30 September 2019	164