



Agenda

Meeting: **Cabinet**
Date: **13 June 2018**
Time: **5.00 pm**
Place: **Council Chamber - Civic Centre Folkestone**

To: **All members of the Cabinet**

All Councillors for information

The cabinet will consider the matters listed below on the date and at the time and place shown above. The meeting will be open to the press and public.

This meeting will be webcast live to the council's website at <https://shepway.public-i.tv/core/portal/home>.

1. **Apologies for Absence**
2. **Declarations of Interest**

Members of the Council should declare any interests which fall under the following categories. Please see the end of the agenda for definitions*:

- a) disclosable pecuniary interests (DPI);
- b) other significant interests (OSI);
- c) voluntary announcements of other interests.

3. **Minutes (Pages 3 - 8)**

To consider and approve, as a correct record, the minutes of the meeting held on 2 May 2018.

4. **District, Parish and Town Council Elections - Kent scale of election fees (Pages 9 - 16)**

Queries about the agenda? Need a different format?

Contact Jemma West – Tel: 01303 853369
Email: committee@folkestone-hythe.gov.uk or download from our website
www.folkestone-hythe.gov.uk

This report sets out changes to the Kent scale of election fees of Folkestone & Hythe's Returning Officer to undertake the arrangements for managing and conducting district, parish and town council elections from 01 April 2018.

5. General Fund Capital programme outturn 2017/18 (Pages 17 - 32)

This report summarises the 2017/18 final outturn position (subject to audit) for the General Fund capital programme compared to the latest approved budget and the quarter 4 budget monitoring position reported to Cabinet on 28 March 2018. The report also summarises the outturn position for the approved prudential indicators for capital expenditure in 2017/18.

6. General Fund Revenue 17/18 provisional outturn (Pages 33 - 44)

This report summarises the 2017/18 final outturn position (subject to audit) for the General Fund revenue expenditure compared to both the latest approved budget and quarter 4 projections.

7. Housing Revenue Account Revenue and Capital Budget Monitoring outturn 17/18 (Pages 45 - 58)

This report summarises the 2017/18 final outturn position (subject to audit) for the HRA revenue expenditure and HRA capital programme compared to both the latest approved budget and quarter 4 projections.

*Explanations as to different levels of interest

(a) A member with a disclosable pecuniary interest (DPI) must declare the nature as well as the existence of any such interest and the agenda item(s) to which it relates must be stated. A member who declares a DPI in relation to any item must leave the meeting for that item (unless a relevant dispensation has been granted).

(b) A member with an other significant interest (OSI) under the local code of conduct relating to items on this agenda must declare the nature as well as the existence of any such interest and the agenda item(s) to which it relates must be stated. A member who declares an OSI in relation to any item will need to remove him/herself to the public gallery before the debate and not vote on that item (unless a relevant dispensation has been granted). However, prior to leaving, the member may address the meeting in the same way that a member of the public may do so.

(c) Members may make voluntary announcements of other interests which are not required to be disclosed under (a) and (b). These are announcements made for transparency reasons alone, such as:

- membership of outside bodies that have made representations on agenda items, or
- where a member knows a person involved, but does not have a close association with that person, or
- where an item would affect the well-being of a member, relative, close associate, employer, etc. but not his/her financial position.

Voluntary announcements do not prevent the member from participating or voting on the relevant item

Minutes

Cabinet

Held at:	Council Chamber - Civic Centre Folkestone
Date	Wednesday, 2 May 2018
Present	Councillors John Collier, Malcolm Dearden, Alan Ewart-James, David Godfrey, Mrs Jennifer Hollingsbee, Rory Love and David Monk
Apologies for Absence	Councillors Mrs Ann Berry, Dick Pascoe and Stuart Peall
Officers Present:	Adrian Hammond (Housing Strategy Manager), Katharine Harvey (Head of Economic Development), John Bunnett (Corporate Director - Place and Commercial Services), Amandeep Khroud (Head of Democratic Services and Law), Tim Madden (Corporate Director - Customer, Support and Specialist Services), Susan Priest (Head of Paid Service) and Matt Rain (Communications Manager)

NOTE: All decisions are subject to call-in arrangements. The deadline for call-in is Monday 14 May 2018 at 5pm. Decisions not called in may be implemented on Tuesday 15 May 2018.

101. **Declarations of Interest**

There were no declarations of interest at this point in the meeting. However, during the consideration of the item relating to Shepway Citizens Advice, Councillor Mrs Hollingsbee made a voluntary declaration in that she was the council's representative on the Citizens Advice.

102. **Minutes**

The minutes of the meetings held on 28 March 2018 were submitted, approved and signed by the Chairman.

103. **LGA Corporate Peer Challenge - Draft Corporate Position Statement**

The report outlined the corporate position statement prepared by the Council that set out the council's current position, telling the story of where we are and provides context in preparation for the Peer Team's visit due in June 2018.

The report had been considered by the Overview and Scrutiny Committee at their meeting on 1 May 2018. Their comments had been circulated to the Committee prior to the meeting.

Proposed by Councillor Love,
Seconded by Councillor Godfrey; and

RESOLVED:

1. That report C/17/101 be received and noted.
2. That the draft Corporate Position Statement be approved.
3. That the final changes will be approved by the Leader prior to sharing with the LGA Peer Challenge Team in preparation for their visit to the district.

(Voting figures: 7 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet previously agreed to participate in the LGA's Corporate Peer Challenge as an opportunity to take stock of where we are and seek guidance, challenge and to share our learning with the selected Peer Challenge Team.

104. Draft Shepway Healthier Housing Strategy 2018/23

The report introduced the draft Healthier Housing Strategy for the period 2018/2023. The document set out how the Council, and its local partners, intend to work together to address the housing and related needs of the district.

The report had been considered by the Overview and Scrutiny Committee at their meeting on 1 May 2018. Their comments had been circulated to the Committee prior to the meeting.

The Cabinet Members suggested a number of minor amendments to the Strategy, which needed to be carried out prior to public consultation on the document.

Proposed by Councillor Ewart-James,
Seconded by Councillor Dearden; and

RESOLVED:

- 1) That the report be received and noted.
- 2) That the draft Healthier Housing Strategy for the district be approved, subject to the amendments suggested by Cabinet Members being included, and to the document being made available for public consultation.
- 3) That the Cabinet Member for Housing has delegated authority (in consultation with the Head of Planning) to make any minor changes to the draft strategy necessary following the consultation.

(Voting figures: 7 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

- a) The draft strategy sets out how the Council and its partners intend to work together to address the housing and related needs of the district.
- b) The draft strategy has been developed using comprehensive housing needs and condition data.
- c) The Council will embark on a comprehensive consultation exercise to seek the views of local partners and the community on the draft strategy for the district.
- d) It is vital that the Council makes the best possible use of the available resources for housing and regeneration purposes within the district.

105. Supporting People Grant Funding for sheltered housing related support services and community alarm services

Kent County Council has advised that it will cease to pay Supporting People Grant Funding for sheltered housing and community alarm services from 31 March 2018. The report set out details of the suggested action that the Council and East Kent Housing (EKH) could take to minimise the financial impact on the 498 sheltered housing tenants in the district currently receiving the grant and on the income received by the Council for its sheltered housing service.

Proposed by Councillor Ewart-James,
Seconded by Councillor Mrs Hollingsbee; and

RESOLVED:

- 1. That the report be received and noted.
- 2. That the Supporting People Grant funding held by the Council should be used to cover any shortfalls experienced by existing tenants currently receiving the Supporting People Grant for their intensive housing management costs (housing related support costs and alarm call service).
- 3. That all new tenants moving into sheltered housing from 1st April 2018 will be informed that they will need to apply for housing benefit to cover their intensive housing management costs and dependent on their income may be liable for some or all of the costs.
- 4. That the Council work with East Kent Housing over the next two years to bring the sheltered housing service in line with the new sheltered housing funding regime to be implemented by the Government from 2020/21. Any service changes necessary will be reported to Cabinet for approval.

(Voting figures: 7 for, 0 against, 0 abstentions).

REASONS FOR DECISION

- a) Kent County Council has advised that they will no longer be providing Supporting People Grant for tenants living in sheltered housing.

- b) The approach set out in this report will protect sheltered housing services and minimise the impact of this funding change on existing tenants in receipt of housing benefit.
- c) The approach set out in this report will minimise the impact on the income received by the Council for its sheltered housing service.
- d) The Council will review its Sheltered Housing Services to ensure that they are in line with the new Government funding regime for Sheltered Housing which is due to be implemented from 2020.
- e) There will be no changes to the Sheltered Housing Service/alarm services provided to tenants. The Supporting People Grant Funding should only be used to support vulnerable tenants living within the Council's sheltered housing.

106. Funding for Shepway Citizens Advice (CA)

The District Council has historically supported Citizens Advice (CA) with grant funding. In the financial year 2016 /2017, CA dealt with over 5000 enquiries (a significant increase on previous years) and saw over 2000 clients who were supported with specialist advice and casework services. CA provides a vital service to the community, dealing with complex issues that significantly impact upon people's lives. The report proposed future funding options for the Council to consider.

The report had been considered by the Overview and Scrutiny Committee at their meeting on 1 May 2018. Their comments had been circulated to the Committee prior to the meeting.

Proposed by Councillor Mrs Hollingsbee,
Seconded by Councillor Dearden; and

RESOLVED:

- 1. That Report C/17/98 be received and noted.
- 2. To support option c in paragraph 3.1, which is to provide £67,800 funding annually for 3 years from 1st April 2018, with a funding review after 3 years and to work with the CA to address how to achieve future funding sustainability for the organisation.

(Voting figures: 7 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

- a) The District receives an excellent service to very vulnerable members of the community needing help and advice often in difficult circumstances and facing complex issues.
- b) The District Council portion of funding is vital to the ongoing running of the Shepway CA with funds supporting operational needs and can enable additional funding to be levered in.

107. **East Kent Growth Framework**

Cabinet endorsement was sought for the East Kent Growth Framework which is a joint initiative undertaken by the five East Kent local authorities and Kent County Council. The report set out our collective ambitions for the East Kent economy and our investment priorities to 2027.

Proposed by Councillor Collier,
Seconded by Councillor Dearden; and

RESOLVED:

1. That report C/17/100 be received and noted.
2. That the collective economic growth ambitions and investment priorities identified set out in the East Kent Growth Framework for East Kent in the period to 2027 be endorsed.

(Voting figures: 7 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

The reason for seeking endorsement of the East Kent Growth Framework was to demonstrate the district council's support for the collective work of the East Kent local authorities and Kent County Council which set out economic growth aspirations and investment priorities across East Kent. Other East Kent local authorities have also recently endorsed the Framework.

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This Report will be made public on 5 June 2018.



Report Number

C/18/01

To: Cabinet
Date: 13 June 2018
Status: Non key Decision
Head of service: Amandeep Khroud, Democratic Services and Law
Cabinet Member: Councillor David Monk, leader of the council

SUBJECT: District, Parish and Town Council Elections – Kent scale of election fees

Summary: This report sets out changes to the Kent scale of election fees of Folkestone & Hythe's Returning Officer to undertake the arrangements for managing and conducting district, parish and town council elections from 01 April 2018.

Reason for decision

The scale of fees enables a fair and reasonable maximum recharge to be made to Folkestone & Hythe District Council by town and parish councils for their elections.

Reasons for recommendations:

This report is for information purposes and no recommendations are made.

Recommendations:

1. To receive and note report C/18/01.

1. BACKGROUND

- 1.1 For a district election (including by-elections), Section 36 (4) of the Representation of the People Act 1983 states that the council may set a maximum scale of charges for the returning officer to use. The legislation states that a returning officer's expenses for conducting an election shall be paid by the council but if a scale is set, the expenses shall not exceed those laid down in the scale.
- 1.2 For parish/town council elections, Section 36 (5) states that the council may similarly set a maximum scale of charges for the returning officer to use, which the district council is responsible for paying, but which shall be repaid to the district council by the parish council for which the election is held, if the district council so requires it to be paid. It is the policy of this council that parish councils are required to pay for their own elections.
- 1.3 In Kent, the costs of conducting district, borough, town and parish elections are applied through the Kent Scale of Fees, which since 1998 has largely mirrored the National Scale.
- 1.4 Each year the Kent Association of Electoral Registration Officers and their staff (KAEROS) submit the Kent Scale to the Joint Kent Chiefs (JKC) for approval. This scale is then adopted by all of the 13 local authorities in Kent as the maximum amounts for returning officers to charge for conducting local elections and parish polls in Kent.
- 1.5 A variant of the scheme is also adopted by the County Council with amendments for deputy returning officers to manage and conduct elections on the county's behalf.
- 1.6 Cabinet agreed at its meeting on 23 March 2016 to:
 - 1.6.1 automatically adopt annually revised versions of the Kent scale of fees and charges in line with the NJC pay award.
 - 1.6.2 agree the revised Kent scale of fees and charges takes effect on 01 April of each year.
 - 1.6.3 instruct officers to submit a report to Cabinet, as soon as possible after any pay award that changes the Kent scale of fees and charges.
- 1.7 This report is submitted to inform Cabinet of the changes (maximum fees) that took effect on 01 April 2018.

2. THE KENT SCALE OF ELECTION FEES

- 2.1 The Kent scale of election fees is revised each year in accordance with the annual National Joint Council APT & C pay award; the current fees will be revised in line with the NJC local government pay award for 2018/19 which averages a 2% increase across all spinal points.

- 2.2 With the exception of polling staff, their travel costs and official poll card delivery costs, the scale uses a “per elector” charge on which to base its charges e.g. for the employment of persons in connection with the counting of votes, clerical and other assistance required by the returning officer, the present charge is £74.37 per 500 electors or part in a contested election.
- 2.3 Poll cards are only a statutory requirement at national elections, referendums and district elections.
- 2.4 Poll cards at parish elections are only sent out if the parish or town council so require by way of notification to the returning officer not later than noon on the nineteenth day before an election. However, if the poll is combined, an official poll card must be sent. Part of the combined costs may be recovered from the parish or town council.
- 2.5 The Kent scale of election fees published on 01 April 2018 is shown at appendix 1.
- 2.6 Without adopting a scale of election fees the Council will be obliged to pay the returning officer’s expenses without setting what it considers a reasonable scale of expenses applicable to district, town and parish elections in Folkestone & Hythe. In addition, the scale does provide some indication to parish and town councils of the likely costs they will be liable to incur if there are contested elections in their area.
- 2.7 As already mentioned in paragraph 1.6.1, Cabinet agreed at its meeting on 23 March 2016 to automatically adopt a scale of election fees.
- 2.8 In the interests of transparency the Kent scale of fees (which represents the maximum) is published on the Folkestone & Hythe District Council website.

3. RISK MANAGEMENT ISSUES

- 3.1 There perceived risks are as follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Failure to adopt a scale of fees.	Low	Low	Adopt scale of fees.

4. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

4.1 Legal Officer’s Comments (AK)

All legal issues are set out in the report

4.2 Finance Officer’s Comments (CS)

The proposed changes in fees and charges represent a marginal increase on the existing position and will therefore have a minimal impact on the financial position.

4.3 Diversities and Equalities Implications (PB)

No diversity and equalities implications.

5. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Paul Butler, Electoral Services Manager
Tel: 01303 853497
Email: paul.butler@shepway.gov.uk

The following background documents have been relied upon in the preparation of this report:
None

Appendix:

Appendix 1: Kent scale of fees from 01 April 2018

ELECTORAL REGISTRATION OFFICERS AND STAFF (Kent AEROS) – SCALE OF FEES

Scale of fees for District/Borough and Parish Council elections and Neighbourhood Referendum held on or after 1st April 2018

1. The scale of fees are uplifted annually, by using the NJC award pay award for local government and approved by the Kent Chief Executives Group.
2. Kent County Council’s scale of fees uses a calculation based upon per 1000 electorate. Kent AEROS’ scale uses a calculation of per 500 electorate because of small parishes.
3. In order to ensure consistency the Kent AERO's scale reflects the KCC 2018 Scale and is in line with the NJC increase
4. The Kent AEROS’ scale has been uplifted by 2% using the NJC Pay Award for Local Government Services 2018/2019

	Item	2018 £
1.	Printing and publishing all notices, forms and other documents, providing stationery and sundries, and other miscellaneous expenditure including postage, telephone calls and faxes	Reasonable and appropriate cost
2.	Stationery and equipment at each polling station, including depreciation	
3.	Hire of any building or room for the purpose of the election and the expenses attending the use of any building or room, including temporary polling stations if necessary	
4.	Fitting-up polling stations including the provision, transport and erection of voting compartments, the hire of necessary furniture (where this is not otherwise available) and the return to store afterwards	
5.	Ballot Papers – provision and printing	

6.	Register of Electors – purchase	
7.	Printing or production of official poll cards and postal vote packs	
8.	Delivery of official poll cards by hand	Second class postage rate
9.	Travelling expenses to DRO's staff to make arrangements for the poll or otherwise in connection with the conduct of the election	46p per mile
10.	Presiding Officer travelling expenses	14.58
11.	Poll Clerk travelling expenses	8.47
12.	Travelling expenses for staff in connection with the counting of votes, at the discretion of the DRO	8.47
13.	One Presiding Officer at each Polling Station – single election	212.59
14.	For each PO at a Polling Station – combined election or difficult station due to local circumstances (at the discretion of the Returning Officer (RO))	261.15
15.	For a PO who acts as a supervisor at a Polling Place where there is more than one Polling Station	(additional) 10.30
16.	Supervising Officer (SO) – for every 10 polling station overseen	212.59
17.	For each Poll Clerk (PC) at a Polling Station – single election	127.55
18.	For each Poll Clerk at a Polling Station – joint election or difficult station due to local circumstances (at the discretion of the Returning Officer (RO))	157.92
19.	For each training session provided by the DRO for Presiding Officers, Poll Clerks or count staff	182.24
20.	For each Presiding Officer and Poll Clerk attending training	47.19
21.	An allowance for each polling station to have	5.10

	available a mobile phone on polling day	
22.	For the employment of persons in connection with the counting of the votes, clerical and other assistance required by the RO – for each 500 electors or part in a contested election	74.37
23.	For the employment of persons in connection with the issue and opening of postal ballot papers – for each 100 postal voters or part	72.89
24.	For the recount of votes – for each 500 electors or part	4.28
25.	Payment to the District/Borough for the use of Council staff to support the RO in the conduct of elections as follows:	
(a)	Contested election – (i.e. without District/Borough) for each 500 electors (or part)	57.60 (per 500)
(b)	Contested joint election (i.e. with District/Borough) – for each 500 (or part)	28.80 (per 500)
26.	Contested single election – payment to DRO for the management and conduct of the election – for each 500 electors or part	32.19
27.	Contested joint election – payment to DRO for the management and conduct of the election – for each 500 electors or part	44.45
28.	For each Counter attending training	15.30
29.	For each Count Supervisor and Count General Assistant attending training	30.60
30.	Reasonable refreshments for staff involved in the verification and count	Maximum £5 per head
31.	Payment to District/Borough Council for the use of Council staff at an uncontested election – for each	15.89 (per 500)

	500 electors or part	
32.	RO fee for the conduct of elections as follows:	
(a)	Uncontested District/Borough election – single fee	55.13
(b)	Uncontested Parish election – single fee	18.89
33.	For clerical and other assistance required by the Returning Officer at an uncontested election – for each 500 electors (or part)	20.23

Notes

1. The fees are calculated on the number of local government electors on the register of electors and entitled to vote at the last day for publication of the notice of election.
2. At parish polls the fees relating to polling staff **may** be pro rata.
3. **Item 24** – in special circumstances, the RO may recover actual costs
4. **Items 10, 11 and 12** – variable mileage rates may be applied where fixed travel is considered appropriate.
5. **Item 31** – the payment referred to applies (in the case of a parish election) to each ward of the parish.

This Report will be made public on 5 June 2018



Report Number **C/18/09**

To: Cabinet
Date: 13 June 2018
Status: Non-Key Decision
Head of Service: Charlotte Spendley, Head of Finance
Cabinet Member: Councillor Malcolm Dearden, Finance

SUBJECT: GENERAL FUND CAPITAL PROGRAMME OUTTURN 2017/18

SUMMARY: This report summarises the 2017/18 final outturn position (subject to audit) for the General Fund capital programme compared to the latest approved budget and the quarter 4 budget monitoring position reported to Cabinet on 28 March 2018. The report also summarises the outturn position for the approved prudential indicators for capital expenditure in 2017/18.

REASONS FOR RECOMMENDATIONS:

- a) Cabinet is asked to agree the recommendations set out below because it needs to be kept informed of the General Fund capital programme position and take appropriate action to deal with any variance from the approved budget.
- b) CIPFA's Prudential Code for Capital Finance requires the actual prudential indicators for the financial year to be reported.

RECOMMENDATIONS:

1. To receive and note Report C/18/09.

1. INTRODUCTION AND BACKGROUND

1.1 This report compares the 2017/18 outturn (subject to audit) for the capital programme to the latest approved budget and the projected position at quarter 4. The projected position at quarter 4 of 2017/18 was reported to Cabinet on 28 March 2018 (minute 93 refers). Specifically, this report;-

- i) provides explanations of the key variances for schemes within the programme between those projected at quarter 4 and the outturn position for 2017/18,
- ii) considers the impact the changes to the overall capital programme will have on the financing resources required to fund it,
- iii) summarises the 2017/18 outturn position for the approved prudential indicators for capital expenditure.

2. 2017/18 FINAL OUTTURN COMPARED TO THE LATEST APPROVED BUDGET AND QUARTER 4 PROJECTION

2.1 The total cost and funding of the General Fund capital programme for 2017/18 is £2,527,000, a reduction of £610,000 compared to the previously reported position at quarter 4 of £3,137,000. The following table provides a summary of the final outturn for the General Fund capital programme in 2017/18 compared to both the latest budget and the quarter 4 projected position. Full details are shown in Appendix 1 to this report. The final outturn figures are consistent with the draft Statement of Accounts and subject to the audit of the accounts.

General Fund Capital Programme 2017/18	Latest Budget 2017/18	Quarter 4 Projection 2017/18	Final Outturn 2017/18	Variance Q4 to Outturn	Variance Budget to Outturn
	£'000	£'000	£'000	£'000	£'000
Service Units					
Commercial & Technical Services	972	847	783	(64)	(189)
Democratic Services & Law	112	112	110	(2)	(2)
Finance	330	701	366	(335)	36
Human Resources	11	-	-	-	(11)
Communities	1,061	1,040	964	(76)	(97)
Strategic Development Projects	1,007	437	304	(133)	(703)
Total General Fund Capital Expenditure	3,493	3,137	2,527	(610)	(966)
Capital Funding					
Capital Grants	(1,120)	(1,067)	(875)	192	245

General Fund Capital Programme 2017/18	Latest Budget 2017/18	Quarter 4 Projection 2017/18	Final Outturn 2017/18	Variance Q4 to Outturn	Variance Budget to Outturn
External Contributions	(7)	(7)	(134)	(127)	(127)
Capital Receipts	(487)	(504)	(485)	19	2
Revenue	(1,490)	(1,460)	(971)	489	519
Borrowing	(389)	(99)	(62)	37	327
Total Funding	(3,493)	(3,137)	(2,527)	610	966

2.2 The following table summarises the reasons for the net reduction in the final outturn expenditure compared to the quarter 4 projection:

Variances – 2017/18 Q4 Projection to Outturn				
1		Slippage and Reprofiling to 2018/19	£'000	£'000
	i)	Oportunitas Ltd - funding drawdown deferred until after March 2018 due to a delay in the acquisition of an additional property	(330)	
	ii)	Princes Parade Planning Costs – planning application delayed until after March 2018	(94)	
	iii)	Empty Homes Initiative (joint initiative with Kent County Council) – balance reprofiled to 2018/19	(43)	
			(12)	
	iv)	Coronation Parade coastal defence scheme – phase 2	(48)	
	v)	Otterpool – acquisition of land options	(20)	
	vi)	Biggins Wood Commercial Development – site preparation costs partly reprofiled	(17)	
	vii)	General Fund Property Portfolio Health and Safety Enhancements	(10)	
	viii)	Net - other schemes	1	
				(573)
2		Other Changes		
	i)	Disabled Facilities Grants and Loans – saving	(19)	
	ii)	Lifeline Units – savings	(7)	
	ii)	Other net savings	(11)	
				(37)
		Total change in overall capital programme for 2017/18		(610)

3. IMPACT OF PROGRAMME CAPITAL FUNDING RESOURCES

- 3.1 One of the key principles underlying the council's Medium Term Financial Strategy is the capital programme is funded from available or realised capital resources. The only exception to this is where a scheme is subject to grant funding or external contributions in which case no commitment is made against these until the funding is confirmed. Borrowing is only to be used to support schemes expected to generate a net revenue saving and/or future capital receipt. The 2017/18 outturn for the General Fund capital programme conforms to this key principle.
- 3.2 The latest position regarding the council's available capital receipts to fund capital expenditure is shown in the following table:

General Fund Capital Receipts Position Statement	£'000
Total receipts in hand at 31 March 2018	7,338
Less:	
Committed towards General Fund capital expenditure	(2,284)
Committed towards HRA capital expenditure	(3,796)
Ring-fenced for specific purposes	(78)
Contingency for urgent or unforeseen capital expenditure	(500)
Balance available to support new capital expenditure	680

- 3.3 Resources to fund the slippage and reprofiling of capital expenditure to 2018/19, outlined in section 2 of the report, have been ring-fenced to meet this.

4 PRUDENTIAL INDICATORS OUTTURN 2017/18

- 4.1 The Local Government Act 2003 requires the Authority to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. Appendix 2 compares the approved indicators with the outturn position for 2017/18. The actual figures have been taken from or prepared on a consistent basis with the Authority's draft Statement of Accounts. The Authority has complied with all the limits set as part of the approved indicators for 2017/18.

5 CONCLUSIONS

- 5.1 The outturn position for 2017/18 is consistent with the draft Statement of Accounts.
- 5.2 The main reason for the reduction in expenditure compared to the quarter 4 projection is due to slippage and reprofiling of expenditure to 2018/19.

5.3 The outturn for the programme is funded mainly from existing available capital resources and only requires a small amount of borrowing to support it.

6 RISK MANAGEMENT ISSUES

6.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Capital resources not available to meet the cost of the new projects.	High	Medium	Capital receipts required have already been realised for the majority of the programme. Schemes subject to future capital resources will only commence once these are realised. Schemes supported by grant funding will only commence once fully approved and committed by the relevant body.
Cost of new projects may exceed the estimate.	High	Medium	Capital monitoring procedures in place allowing prompt early action to be taken to manage the risk effectively.

7. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

7.1 Legal Officer's Comments (DK)

There are no legal implications arising directly out of this report.

7.2 Finance Officer's Comments (LW)

This report has been prepared by Financial Services. There are no further comments to add.

7.3 Diversities and Equalities Implications

The report does not cover a new service or policy or a revision of either and therefore does not require an Equality Impact Assessment.

8. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Lee Walker, Group Accountant

Tel: 01303 853593. e-mail :lee.walker@shepway.gov.uk

The following background documents have been relied upon in the preparation of this report:

None

Appendices:

Appendix 1 – General Fund Capital Programme 2017/18 Outturn

Appendix 2 – Prudential Indicators Outturn Report 2017/18

GENERAL FUND CAPITAL PROGRAMME 2017/18 OUTTURN							
Item No	Service Area and Scheme	Latest Approved Budget	Q4 Projection	Outturn	Variance Q4 to Outturn	Variance Budget to Outturn	Comments - Variance Budget to Outturn
		£'000	£'000	£'000	£'000	£'000	
	Andy Blaszkowicz - Head of Commercial and Technical Services						
1	Improvements to Hawkinge Yard	29	30	30	0	1	
2	Grounds Maintenance Vehicle and Equipment Replacement Programme	284	235	237	2	-47	One vehicle on order delayed until late Spring 2018 (£38k). Balance is a saving against the budget
3	Pumping Stations - New Vehicle	25	0	0	0	-25	Delayed until 2018/19 and subject to discussions with East Kent Housing
4	Coast Protection - Coronation Parade, Folkestone	150	177	129	-48	-21	Expenditure reprofiled to 2018/19. Scheme entirely funded by the Environment Agency and National Grid
5	Coast Protection - Greatstone Dunes Management & Study	15	0	1	1	-14	Planned work for Spring 2018 delayed until after March 2018. Scheme funded by the Environment Agency
6	Coast Protection - Hythe to Folkestone Beach Management (from 2015)	305	240	242	2	-63	Spring 2018 beach recycling delayed until after March 2018. Scheme entirely funded by the Environment Agency
7	General Fund Property - Health and Safety Enhancements	40	40	29	-11	-11	Expenditure reprofiled to 2018/19.
8	Lifeline Capitalisation	42	42	35	-7	-7	
9	Royal Military Canal Enhancements	20	20	20	0	0	

GENERAL FUND CAPITAL PROGRAMME 2017/18 OUTTURN							
Item No	Service Area and Scheme	Latest Approved Budget	Q4 Projection	Outturn	Variance Q4 to Outturn	Variance Budget to Outturn	Comments - Variance Budget to Outturn
		£'000	£'000	£'000	£'000	£'000	
10	Parking Self-Serve System	17	18	18	0	1	
11	Princes Parade Parking Implementation	45	45	42	-3	-3	
	Total - Head of Commercial and Technical Services	972	847	783	-64	-189	
	Amandeep Khroud - Head of Democratic Services and Law						
12	PC Replacement Programme	17	17	17	0	0	
13	Server Replacement Programme	45	45	63	18	18	Additional cost met from saving on cost of virtual desktop technology
14	Virtual Desktop Technology	50	50	30	-20	-20	Saving used to meet additional server replacement costs
	Total - Head of Democratic Services and Law	112	112	110	-2	-2	

GENERAL FUND CAPITAL PROGRAMME 2017/18 OUTTURN							
Item No	Service Area and Scheme	Latest Approved Budget	Q4 Projection	Outturn	Variance Q4 to Outturn	Variance Budget to Outturn	Comments - Variance Budget to Outturn
		£'000	£'000	£'000	£'000	£'000	
	Charlotte Spendley - Head of Finance						
15	Oportunitas Loan & Share Capital Phase 1 (Housing Acquisitions Programme)	330	330	0	-330	-330	Delay on planned property acquisition by Oportunitas Ltd until after March 2018.
16	Transformation Project	0	371	366	-5	366	Elegible revenue costs capitalised and met from the Flexible Use of Capital Receipts guidance
	Total - Head of Finance	330	701	366	-335	36	
	Andrina Smith - Head of Human Resources						
17	Burial Software System	11	0	0	0	-11	Order placed and the system is planned to be installed in June 2018
	Total - Head of Human Resources	11	0	0	0	-11	

GENERAL FUND CAPITAL PROGRAMME 2017/18 OUTTURN							
Item No	Service Area and Scheme	Latest Approved Budget	Q4 Projection	Outturn	Variance Q4 to Outturn	Variance Budget to Outturn	Comments - Variance Budget to Outturn
		£'000	£'000	£'000	£'000	£'000	
	Communities						
18	Disabled Facilities Grant	650	650	632	-18	-18	Saving. Cost entirely met by government grant
19	Home Safe Loans	60	60	57	-3	-3	
20	Empty Properties Initiative	351	330	275	-55	-76	Balance expected to be spent during 2018/19
	Total - Head of Communities	1,061	1,040	964	-76	-97	

GENERAL FUND CAPITAL PROGRAMME 2017/18 OUTTURN							
Item No	Service Area and Scheme	Latest Approved Budget	Q4 Projection	Outturn	Variance Q4 to Outturn	Variance Budget to Outturn	Comments - Variance Budget to Outturn
		£'000	£'000	£'000	£'000	£'000	
	Andy Jarrett - Head of Strategic Development Projects						
21	Hythe Environmental Improvements	7	7	5	-2	-2	
22	Princes Parade - Preparatory Costs	331	331	237	-94	-94	Professional advice to support the planning application process. Scheme partly delayed to 2018/19
23	Varne Holiday Lets - Greatstone	222	0	0	0	-222	Scheme now planned to commence from 2018/19
24	Otterpool Land Acquisitions	75	75	55	-20	-20	Land options partly delayed to 2018/19
25	Ship Street Site, Folkestone (GF Element)	280	0	0	0	-280	Future of scheme to be determined following unsuccessful funding bid
26	Biggins Wood Commercial Development	91.7	24.0	7.0	-17	-85	Share of site preparation costs. Balance of budget reprofiled to 2018/19
	Total - Head of Strategic Development Projects	1,007	437	304	-133	-703	
	Total General Fund Capital Expenditure	3,493	3,137	2,527	-610	-966	

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Appendix 2

Prudential Indicator Outturn Report 2017/18

Capital Expenditure: The Authority's capital expenditure and financing, including the Housing Revenue Account, is summarised in table 1 below and is consistent with the draft statement of accounts for 2017/18:

Table 1

Capital Expenditure and Financing	2017/18 Estimate £'000	2017/18 Actual £'000	Difference £'000
General Fund	3,493	2,527	(966)
HRA	15,262	9,133	(6,129)
Total Expenditure	18,755	11,660	(7,095)
Capital Receipts	(3,932)	(2,054)	1,878
Government Grants	(1,120)	(875)	245
External Contributions	(7)	(1,375)	(1,368)
Revenue (GF)	(1,490)	(971)	519
Revenue (HRA)	(8,400)	(4,128)	4,272
Major Repairs Reserve	(3,417)	(2,195)	1,222
Borrowing	(389)	(62)	327
Total Financing	(18,755)	(11,660)	7,095

Capital Financing Requirement: The Capital Financing Requirement (CFR) shown in table 2 below, measures the Authority's underlying need to borrow for a capital purpose:

Table 2

Capital Financing Requirement	31.03.18 Estimate £m	31.03.18 Actual £m	Difference £m
General Fund	18.452	18.125	(0.327)
HRA	47.417	47.417	-
Total CFR	65.869	65.542	(0.327)

The reduction to the CFR is consistent with the lower than anticipated borrowing requirement for new capital expenditure incurred in 2017/18.

Actual Debt: The Authority's actual debt at 31st March 2017 is shown in table 3 below:

Table 3

Debt	31.03.18 Estimate £m	31.03.18 Actual £m	Difference £m
Borrowing	57.8	57.8	-
Finance leases	-	-	
PFI liabilities	-	-	
Total Debt	57.8	57.8	-

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence and is shown in table 4 below:

Table 4

Debt and CFR	31.03.18 Estimate £m	31.03.18 Actual £m	Difference £m
Total debt	57.8	57.8	-
Capital financing requirement	65.9	65.5	(0.3)
Headroom	8.1	7.7	(0.3)

The total debt remained below the CFR during the forecast period.

Operational Boundary for External Debt: The operational boundary is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Authority's debt. The operational boundary for external debt is shown in table 5 below:

Table 5

Operational Boundary and Total Debt	31.03.18 Boundary £m	31.03.18 Actual Debt £m	Complied
Borrowing	65.0	57.8	✓
Other long-term liabilities	-	-	✓
Total Debt	65.0	57.8	✓

Authorised Limit for External Debt: The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements. The authorised limit for external debt is shown in table 6 below:

Table 6

Authorised Limit and Total Debt	31.03.18 Boundary £m	31.03.18 Actual Debt £m	Complied
Borrowing	69.9	57.8	✓
Other long-term liabilities	-	-	✓
Total Debt	69.9	57.8	✓

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income. The ration of financing costs to net revenue stream is shown in table 7 below:

Table 7

Ratio of Financing Costs to Net Revenue Stream	31.03.18 Estimate %	31.03.18 Actual %	Difference %
General Fund	13.7	8.2	(5.5)
HRA	33.3	35.3	2.0

The reduction to the General Fund ratio is due the net revenue stream from Council Tax and Business Rates income being almost £2.9m more than original forecast together with a reduction in the revenue contribution to meet capital expenditure being about £1.3m lower than original anticipated.

The change to the HRA ratio is due to an increase in the revenue funding of capital because of the reprofiling of the HRA capital programme from 2016/17 to 2017/18.

Adoption of the CIPFA Treasury Management Code: The Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* in February 2012.

HRA Limit on Indebtedness: The Authority's HRA CFR, shown in table 8 below, should not exceed the limit imposed by the Department for Communities and Local.

Table 8

HRA CFR	31.03.18 Limit £m	31.03.18 Actual £m	Complied
HRA Capital Financing Requirement	61.0	47.4	✓

This Report will be made public on 5 June 2018

Report Number **C/18/08**

To: Cabinet
Date: 13 June 2018
Status: Non-Key Decision
Head of Service: Charlotte Spendley – Head of Finance
Cabinet Member: Councillor Malcolm Dearden - Cabinet Member for Finance

SUBJECT: GENERAL FUND REVENUE 2017/18 PROVISIONAL OUTTURN

SUMMARY: This report summarises the 2017/18 final outturn position (subject to audit) for the General Fund revenue expenditure compared to both the latest approved budget and quarter 4 projections.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because Cabinet needs to be informed of the council's General Fund revenue 2017/18 final outturn position.

RECOMMENDATIONS:

1. To receive and note Report C/18/08.
2. As detailed in paragraph 2.34, to allocate £351k of unspent 2017/18 budgets to the Carry Forward Reserve.

1. INTRODUCTION

- 1.1 This report brings the 2017/18 financial monitoring to a conclusion. It sets out the General Fund's financial position at year end (subject to audit) and compares it against the latest approved budget and the projected outturn position at quarter 4.
- 1.2 The Statement of Accounts for 2017/18 will be audited during July and the audited set will be submitted to Audit and Governance Committee on 30 July 2018 for approval.

2. GENERAL FUND OUTTURN 2017/18

- 2.1 The draft Statement of Accounts 2017/18 reports the following year end position. This report however expands further on the detail.
- 2.2 The final outturn shows a net position of £1,377k against the latest approved estimated of £3,528k. This represents an improvement of £2,151k compared to the latest approved 2017/18 budget.
- 2.3 The provisional carry forwards are £351k which were approved by the Section 151 Officer as budgeted revenue expenditure relating to 2017/18 to be carried forward to 2018/19. Recommendation 2 of this report seeks confirmation of this position.
- 2.4 Section 3 of the report compares the outturn to the projected outturn at quarter 4 as reported to Cabinet in March 2018.
- 2.5 The outturn for the General Fund Revenue in 2017/18 is summarised below:

**GENERAL FUND NET REVENUE EXPENDITURE
VARIANCE ANALYSIS 2017/18 - SUMMARY
Outturn report 2017/18**

General Fund Net Cost of Services	Latest Approved Budget	Outturn	Variance
	£000's	£000's	£000's
Strategic Development	456	248	(208)
Leadership Support	887	877	(10)
Communications	247	252	5
Democratic Services & Law	4,891	4,585	(306)
Human Resources	2,453	2,330	(123)
Finance	2,702	3,017	315
Communities	2,231	2,329	98
Strategic Development Projects	1,565	1,085	(480)
Economic Development	581	420	(161)
Planning	828	642	(186)
Commercial & Technical Services	2,598	1,614	(984)
Sub-Total - Heads of Service	19,439	17,399	(2,040)
Unallocated Net Employee Costs	(224)	-	224
Total for Service	19,215	17,399	(1,816)
Internal Drainage Board Levies	444	444	-
Interest Payable and Similar Charges	526	758	232
Interest and Investment Income	(451)	(608)	(157)
New Homes Bonus Grant	(1,572)	(1,572)	-
Other Non Service Related Government Grants	(899)	(1,675)	(776)
Town and Parish Council Precepts	2,053	2,053	-
Minimum Revenue Provision	389	389	-
Capital Expenditure Financed from Revenue	2,190	971	(1,219)
NET REVENUE EXPENDITURE BEFORE USE OF RESERVES	21,895	18,159	(3,736)
Net Transfer to/from(-) Earmarked Reserves	(2,124)	569	2,693
TOTAL TO BE MET FROM TAXPAYERS & FORMULA GRANT	19,771	18,728	(1,043)
Transfer to/from(-) the Collection Fund	(203)	310	513
Revenue Support Grant and Re-distributed NNDR	(848)	(848)	-
Business Rates Income	(3,747)	(4,992)	(1,245)
Demand on the Collection Fund	(11,445)	(11,821)	(376)
SURPLUS(-)/DEFICIT FOR THE YEAR	3,528	1,377	(2,151)

2.6 The above table shows that the final surplus taken to the General Reserve is £2,151k more than budgeted.

2.7 The main reasons for the £1,816m underspend for 2017/18 at the 'total for service' level, are as follows:

Significant Movements

	£000's	£000's	Note
Increased Income			
On Street Parking	(148)		2.8
Off Street Parking	(193)		2.8
Building Control	(69)		2.9
Cleansing	(16)		2.10
Coast Protection	(21)		2.24
Mountfield Industrial Estates	(19)		2.11
Homelessness-contributions/MHCLG grant	(229)		2.18
Registration of Electors	(19)		
Planning Policy - new burdens funding	(71)		2.12
Planning Application Fees	(127)	(912)	2.12
Reduced Income			
Cemeteries	53		2.13
Market income	28		2.14
Lifeline	43		2.15
Council Tax Collection-court costs	68		2.16
Reduced Shingle Extraction	32	224	2.17
Increased Expenditure			
Housing Benefits	428		2.18
Business Rates Levy	369		2.19
Early Retirement Contributions	54		
HR Central Costs-advertising	28		
Vacancy factor assumption	224		2.22
Miscellaneous small variations	(68)	1,035	
Decrease in Expenditure			
Council Tax reduction scheme	(119)		2.20
Otterpool - Developer & Local Planning Authority	(699)		2.21
Net Admin budgets	(203)		2.22
Corporate Training	(62)		2.23
Waste Contract	(52)		
Cleansing	(29)		
Coast Protection	(79)		2.24
ICT Operations	(22)		
Regeneration & Economic Development	(62)		2.25
Rural Regeneration Initiatives	(21)		2.25
Folkestone CLLD	(57)		2.25
Street Furniture	(18)		
Grounds Maintenance	(178)		2.26
Building Holding Accounts	(227)		2.27
Housing Rent Rebates	(85)		2.18
CMT Contingency	(133)		2.28
Pensions Back Funding	(82)		
Members Allowances	(35)	(2,163)	
Total variance against budget		<u>(1,816)</u>	

- Car Parking Income.
- 2.8 Both the on-street and off-street parking services have continued to see a substantial increase in income due to greater usage and an increase in penalty notices issued.

- Building Control Income
- 2.9 The building regulation fees received have continued to see a substantial increase in income.

- Cleansing
- 2.10 Additional funding received from Kent County Council (KCC) in relation to weed sprays (£16k) and a reduction in contract recharges (£29k).

- Mountfield Industrial Estates
- 2.11 Additional rental income received in relation to more units being let than in previous years.

- Planning
- 2.12 Additional new burdens funding received from Ministry of Housing, Communities and Local Government (MHCLG) of £71k and an increase in income relating to pre-application fees and planning application fees of £127k.

- Cemeteries
- 2.13 The reduction in income over recent years has continued in 2017/18; this is expected to continue into future years.

- Market Income
- 2.14 This income has reduced as a result of continued under-utilisation of available spaces.

- Lifeline
- 2.15 There is a net reduction in income due to the rental of portal lifeline units reducing from previous years.

- Council Tax Collection
- 2.16 The amount of income received from court costs was lower than in previous years due to the amount of costs awarded to us being reduced during 2017/18.

- Shingle Extraction
- 2.17 There was a reduction in the income received from shingle extraction in line with recent trends.

- Housing Benefit/Rent Rebates/Homelessness
- 2.18 An increase in demand has resulted in a projected net increase in costs. A significant amount of this variance is as a consequence of an increase in temporary accommodation claims which are only eligible for restricted levels of subsidy. Prevention continues to play a key role in our work with homeless residents and those threatened with homelessness. Officers are exploring ways to mitigate the rise in homeless through initiatives such as the existing Social Lettings Agency, alongside new initiatives including the feasibility of acquiring temporary accommodation and reviewing the

robustness of staffing resources. The further delayed rollout of Universal Credit in the district has also seen an increase in Housing Benefit cases (compared to estimate) which has seen further higher costs than had been originally projected.

The additional income received within Homelessness largely relates to a MHCLG grant being received in year relating to Homelessness Prevention. This has been set up as a separate reserve, as shown in 2.35 below, which can now be used in the year the expenditure is incurred.

These areas are a major element of expenditure for the council but over which little control that can be applied. Government subsidy is received in respect of expenditure incurred but to varying rates which results in an element of cost remaining with the council. The increased expenditure is a very small percentage of overall expenditure incurred. Increased demand from the homeless for bed and breakfast accommodation (which attracted a much lower rate of subsidy) has also impacted on this budget.

General Grants - Business Rates Levy

- 2.19 General Grants is showing an overspend of £369k in relation to payment of non-Folkestone & Hythe District Council (FHDC) shares of the NDR Pool benefit for 17/18 to the Pool Lead. This is offset by additional NDR income below the line relating to FHDC's share of the levy reduction due to Pool membership.

Council Tax Reduction Scheme

- 2.20 Additional grant received from KCC relating to Fraud Initiative and Council Tax Reduction being higher than originally budgeted for.

Otterpool Park

- 2.21 The costs for both the Developer and the Local Planning Authority budgets have underspent in 2017/18 however, as the majority of the Otterpool budgets are funded from the Otterpool Reserve these will need to be re-profiled into 2018/19.

Administration budgets

- 2.22 There are various overspends within the administration budgets mainly relating to temporary staff costs covering vacancies relating to the following areas:-
- Housing Benefits;
 - Finance;
 - Housing Options;
 - Corporate Director – Strategic Development;
 - Community Safety;
 - Planning – the increase in staff costs is off-set by the increased income in Planning Services (please see 2.12 above).

There is also an assumed vacancy factor amount budgeted for each year of £224k.

There are also various underspends within the administration budgets relating to vacancies and turnover of staff in year, within the following areas:-

- Customer Services;
- Electoral Services;
- Committee Services;
- Legal Services;
- Business Support Systems;
- Leadership Support;
- Corporate Debt;
- Environmental Protection;
- Strategic Development Projects;
- Building Control;
- Property Services.

Training and Corporate Training

- 2.23 This was a combination of trainee training costs underspending, income being received from Institute of Leadership & Management training and corporate training underspending.

Coast Protection

- 2.24 Reduction in grant received from KCC. Coast protection includes long term schemes contributed to by KCC as a loan agreement, therefore income will reduce year on year as schemes drop out.

Regeneration & Economic Development

- 2.25 Rural Regeneration Initiatives and Folkestone Community Led Local Development (CLLD) have received additional funding from Romney Marsh Partnership and salary reimbursements from Folkestone Community Works respectively. There was also an underspend on programme management expenditure relating to the Folkestone CLLD. However, this is a rolling programme over several years and a carry forward will be required into 2018/19.

Grounds Maintenance

- 2.26 The reduction in costs relates to a combination of salary costs, new Hythe Town Council contract reduction and supplies, services and vehicle costs. There is also an increase in income for plant sales.

Building Holding Accounts

- 2.27 The reduction in expenditure relates to utility and insurance costs for the Civic Centre as well as business rates appeals. There is also an increase in rental income on corporate property and Otterpool Farm rental.

CMT Contingency

- 2.28 The total amount held for CMT to support additional growth pressures wasn't fully required in 2017/18.

- 2.29 There are further accounting entries below the 'total for service' level line that have resulted in variances and the reasons are shown below:

2.30 Interest Payable

The increased contribution to bad debt provision of £263k compared to budget relates to increases in provisions for Housing Benefit overpayments,

Housing Options payments, Sundry Debtors and Council Tax court costs based on arrears balances at 31st March 2018.

Interest Receivable.

- 2.31 Additional investment interest mainly due to having higher than anticipated cash balances.

Other Non-Service Related Government Grants.

- 2.32 The increase in income of £776k relates to funding received from MHCLG. An additional £441k was received relating to Section 31 grant receipts and a further £355k for Garden Towns Capacity Funding, relating to Otterpool Park, was received in March 2018.

Capital Financed from Revenue

- 2.33 In line with the outturn on the General Fund Capital Budget Monitoring report, also on this agenda, the cost was £971k in 2017/18, a variance of £1,219k against the latest approved budget.

The decrease of £1,219k against the budgeted sum is mainly in respect of the re-profiling of Oportunitas capital scheme between financial years. There is no net cost to the General Fund as capital expenditure is funded from Reserves.

Transfers to Earmarked Reserves

- 2.34 The table at 2.35 below sets out the various Earmarked Reserves that the council holds and shows the movement in year to be £2,694k. The Carry Forward reserve includes £351k which was approved by the Section 151 Officer as budgeted revenue expenditure relating to 2017/18 to be carried forward to 2018/19 and will be endorsed through the approval of recommendation 2 of this report.

Net Movement in Reserves

- 2.35 Based on the outturn as at 31 March 2018 the council's net movements in earmarked reserves were:

Movement in Earmarked Reserves

	Balance at 01/04/2017	Latest Budget	Movement	Outturn	Balance at 31/03/2018
	£'000's	£'000's	£'000's	£'000's	£'000's
Business Rates	2,681	0	479	479	3,160
Carry Forward	1,117	-312	-385	-697	420
Corporate Initiatives	755	-439	63	-376	379
IFRS Reserve	67	-18	0	-18	49
Invest to Save	366	0	0	0	366
Leisure	147	50	0	50	197
New Homes Bonus (NHB)	2,431	357	-75	282	2,713
VET Reserve	876	-63	-159	-222	654
Economic Development	2,027	-150	317	167	2,194
Otterpool	1,989	-1,550	1,793	243	2,232
Maintenance of Graves	12	0	0	0	12
Community Led Housing	0	0	437	437	437
Lydd Airport	0	0	9	9	9
Homelessness Prevention	0	0	215	215	215
	12,468	-2,125	2,694	569	13,037

Collection Fund

- 2.36 The variance relates to movement in the surplus/deficit on the Collection Fund between the estimated and actual outturn. The Council Tax surplus was lower than estimated and the NDR resulted in a deficit compared to an estimated surplus.

Business Rates Income

- 2.37 The variance relates to a revised tariff for 2017/18 following Valuation Office Agency (VOA) adjustments (£295k) and the reduced levy as a result of Pool membership (£950k). The benefit of Pool membership is not budgeted for.

Demand on Collection Fund

- 2.38 The variance relates to the income accounting adjustment for Council Tax in relation to FHDC's share of the movement in surplus.

3. GENERAL FUND OUTTURN 2017/18 COMPARED TO PROJECTED OUTTURN

- 3.1 This section compares the final outturn to the projected outturn at quarter 4 as reported to Cabinet in March 2018.

**GENERAL FUND NET REVENUE EXPENDITURE
VARIANCE ANALYSIS 2017/18 - SUMMARY
Outturn report 2017/18**

General Fund Net Cost of Services	Projected Outturn @ Qtr 4	Outturn	Variance
	£000's	£000's	£000's
Strategic Development	304	248	(56)
Leadership Support	856	877	21
Communications	252	252	-
Democratic Services & Law	4,644	4,585	(59)
Human Resources	2,459	2,330	(129)
Finance	3,811	3,017	(794)
Communities	2,233	2,329	96
Strategic Development Projects	1,250	1,085	(165)
Economic Development	410	420	10
Planning	759	642	(117)
Commercial & Technical Services	1,841	1,614	(227)
Sub-Total - Heads of Service	18,819	17,399 [▼]	(1,420)
Unallocated Net Employee Costs	-	-	-
Total for Service	18,819	17,399	(1,420)
Internal Drainage Board Levies	444	444	-
Interest Payable and Similar Charges	526	758	232
Interest and Investment Income	(597)	(608)	(11)
New Homes Bonus Grant	(1,572)	(1,572)	-
Other Non Service Related Government Grants	(1,340)	(1,675)	(335)
Town and Parish Council Precepts	2,053	2,053	-
Minimum Revenue Provision	389	389	-
Capital Expenditure Financed from Revenue	1,460	971	(489)
NET REVENUE EXPENDITURE BEFORE USE OF RESERVES	20,182	18,159	(2,023)
Net Transfer to/from(-) Earmarked Reserves	(502)	569	1,071
TOTAL TO BE MET FROM TAXPAYERS & FORMULA GRANT	19,680	18,728 [▼]	(952)
Transfer to/from(-) the Collection Fund	(203)	310	513
Revenue Support Grant and Re-distributed NNDR	(848)	(848)	-
Business Rates Income	(3,747)	(4,992)	(1,245)
Demand on the Collection Fund	(11,445)	(11,821)	(376)
SURPLUS(-)/DEFICIT FOR THE YEAR	3,437	1,377	(2,060)

3.2 The major reasons for the variance at 'total for service' level are as below:

Significant Movements

	£000's
On & Off Street Parking	(34)
Planning Policy - new burdens funding	(36)
Planning Application Fees	(50)
Council Tax Collection-court costs	(52)
Business Rates Levy (see 2.19 above)	369
Miscellaneous small variations	(295)
Otterpool - Developer & Local Planning Authority (see 2.21 above)	(241)
Coast Protection (see 3.3 below)	(125)
Housing Benefits/Rent Rebates (see 3.4 below)	(660)
Homelessness - MHCLG grant (see 2.18 above)	(214)
Pensions Back Funding	(82)
Total variance against projected outturn	<u>(1,420)</u>

Coast Protection

- 3.3 There was approval to carry forward £64k from 2016/17 and £16k from the 2017/18 budget, totalling £80k relating to structural maintenance on beach railings. The carry forward was transferred in Feb/March and assumed would be spent by the end of the financial year. This is part of the proposed carry forwards that will now be spent in 2018/19.

Housing Benefits/Rent Rebates

- 3.4 The main difference relates to housing benefit overpayments due to new debt raised and rent allowance payments due to a change in market conditions and represents less than 1% of the overall rent allowances expenditure.
The difference on rent rebates relates to rent rebates payments and rent rebates subsidy due to change in market conditions, specifically around B&B and short term leased agreements being higher than projected.

4. RISK MANAGEMENT ISSUES

- 4.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Fluctuating interest rate movement impacting on investment returns	Medium	Low	Interest rate forecasts regularly reviewed. Investment portfolios split between fixed rate/fixed term deposits to help manage impact of interest rate movement.
Adverse weather conditions impacting on car parking income	Medium	Low	Regularly reviewing monthly budget monitoring to identify key income trends/variances and taking remedial action where possible.
Increase in	Medium	Medium	Regularly reviewing the

Perceived risk	Seriousness	Likelihood	Preventative action
claimants receiving housing benefits due to the economic climate			number of claimants receiving benefits and highlighting any significant increases as early as possible so remedial action can be taken where possible
Increase in homelessness numbers due to the changes to the benefit system	High	High	Regularly reviewing the homelessness situation and highlighting any significant increases as early as possible so remedial action can be taken where possible.

5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

5.1 Legal Officer's Comments (DK)

There are no legal implications arising from this report.

5.2 Finance Officer's Comments (LH)

This report has been prepared by Financial Services. There are therefore no further comments to add.

5.3 Diversities and Equalities Implications

The report does not cover a new service/policy or a revision of an existing service or policy therefore does not require an EIA.

6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councilors with any questions arising out of this report should contact the following officer prior to the meeting

Leigh Hall, Group Accountant

Telephone: 01303 853231 Email: leigh.hall@folkestone-hythe.gov.uk

The following background documents have been relied upon in the preparation of this report:

Budget outturn and projection working papers

This Report will be made public on 5 June 2018

Report Number **C/18/07**

To: Cabinet
Date: 13 June 2018
Status: Non-Key Decision
Head of Service: Charlotte Spendley, Head of Finance
Cabinet Members: Councillor Malcolm Dearden, Finance and
Councillor Alan Ewart-James, Housing

SUBJECT: HOUSING REVENUE ACCOUNT REVENUE AND
CAPITAL FINANCIAL OUTTURN 2017/18

SUMMARY: This report summarises the 2017/18 final outturn position (subject to audit) for the HRA revenue expenditure and HRA capital programme compared to both the latest approved budget and quarter 4 projections.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because Cabinet needs to be kept informed of the Housing Revenue Account final 2017/18 position.

RECOMMENDATIONS:

1. To receive and note Report C/18/07.

INTRODUCTION

- 1.1 This report brings the 2017/18 financial monitoring to a conclusion. It sets out the HRA's financial position at year end (subject to audit) and compares it against the latest approved budget and quarter 4 projections. The report covers both revenue and capital expenditure for last year.
- 1.2 The formal Statement of Accounts for 2017/18 is being audited over July and will be submitted to Audit and Governance Committee on 30 July 2018 for approval.

2. HRA REVENUE AND CAPITAL 2017/18 OUTTURN

2.1 Final Revenue outturn compared to latest approved budget

- 2.1.1 The draft Statement of Accounts 2017/18 reports the following year end position for the HRA. This report however expands further on the detail.

HRA Net Revenue Expenditure 2017/18	Latest Approved Budget 2017/18	Final Outturn 2017/18	Variance
	£000's	£000's	£000's
Income	(16,032)	(16,141)	(109)
Expenditure	11,353	13,685	2,332
HRA Share of Corporate Costs	226	200	(26)
Net Cost of HRA Services	(4,453)	(2,256)	2,197
Interest Payable/Receivable	1,591	841	(750)
HRA Surplus/Deficit	(2,862)	(1,415)	1,447
Other items of Income & Expenditure	(22)	(3,535)	(3,513)
Revenue Contribution to Capital	8,419	4,128	(4,291)
Decrease/(Increase) to HRA Reserve	5,535	(822)	(6,357)

- 2.1.2 The above table shows that the final position is £6.357m better than the latest approved budget.
- 2.1.3 The main reasons for the £6.357m underspend compared to the latest approved budget, are as follows:

HRA	
Net Revenue Expenditure	Variance £000's
Charges for services and facilities	<u>24</u>
	24
Revenue contribution to capital expenditure	(4,291)
Depreciation costs	(1,371)
Repairs and maintenance	(328)
Provision for bad or doubtful debts	(108)
General management	(69)
Dwelling rents	(67)
Non dwelling rents	(66)
Pension costs adjustment	(39)
HRA Share of Corporate Costs	(26)
Other net variances	<u>(16)</u>
	<u>(6,381)</u>
Final year end movement compared to latest approved budget	<u>(6,357)</u>

Revenue contribution to capital expenditure

- 2.1.4 The decrease in revenue contribution to capital relates to the slippage of the capital programme and relates to the re-profiling of schemes that will commence in 2018/19 and 2019/20. The amount of revenue contribution to capital will change from year to year depending on the profile of the new build/acquisitions programme.

Depreciation costs

- 2.1.5 The decrease in depreciation costs relates to the combined decreases of depreciation on HRA dwellings and non-HRA dwellings. This is mainly due to having to charge the real depreciation cost to the HRA instead of using the Major Repairs Allowance as a proxy for depreciation which has been allowed and used in previous years. This entry is an accounting adjustment and is reversed through the major repairs reserve.

Repairs and maintenance

- 2.1.6 The decrease in repairs and maintenance expenditure mainly relates to an underspend of internal and external decorations of £335k due to an outstanding issue with the current supplier being resolved.

Provision for bad or doubtful debts

- 2.1.7 The phased implementation of Universal Credit commenced in January 2016 however, full implementation is now expected in May 2018. Therefore, there has been minimal impact during 2017/18.

General Management

- 2.1.8 The decrease in general management expenditure relates to HRA new builds budget underspending due to feasibility studies, professional and planning advice not required during 2017/18 which aligns with the profile of the new build and acquisition programme.

Dwelling rents

2.1.9 The increase in dwelling rents income relates to vacant properties being let quicker than originally estimated.

2.2 Final Revenue outturn compared to quarter 4 projections

2.2.1 The table below shows that the final position is £511k better than the quarter 4 projections.

HRA Net Revenue Expenditure 2017/18	Qtr 4 Projection 2017/18	Final Outturn 2017/18	Variance
	£000's	£000's	£000's
Income	(16,043)	(16,141)	(98)
Expenditure	10,847	13,685	2,838
HRA Share of Corporate Costs	206	200	(6)
Net Cost of HRA Services	(4,990)	(2,256)	2,734
Interest Payable/Receivable	1,585	841	(744)
HRA Surplus/Deficit	(3,405)	(1,415)	1,990
Other items of Income & Expenditure	(22)	(3,535)	(3,513)
Revenue Contribution to Capital	3,116	4,128	1,012
Decrease/(Increase) to HRA Reserve	(311)	(822)	(511)

.2.2 The main reasons for the £0.511m variance compared to quarter 4 projection, are as follows:

HRA	Variance	
Net Revenue Expenditure	£000's	
Revenue Contribution to Capital expenditure	1,012	
General management	<u>35</u>	1,047
Depreciation costs	(1,371)	
Non dwelling rents	(70)	
Pension costs adjustment	(39)	
Provision for bad or doubtful debts	(38)	
Dwelling rents	(35)	
Other net variances	<u>(5)</u>	
		<u>(1,558)</u>
Final year end movement compared to Qtr. 4 projection		<u>(511)</u>

2.3 Final Capital outturn compared to latest approved budget

2.3.1 The table below shows that the final position on the HRA Capital programme is £6.129m less than the latest approved budget.

HRA Capital Programme 2017/18	Latest Approved Budget 2017/18	Final Outturn 2017/18	Variance
	£000's	£000's	£000's
HRA Capital programme	15,262	9,133	(6,129)

2.3.2 The main reasons for the £6.129m variance compared to the latest approved budget, are as follows:

HRA Capital Programme	Variance £000's
New Build/Acquisitions programme	(4,505)
External Enveloping (see 2.3.4 below)	(313)
Environmental Works	(231)
Re-roofing (see 2.3.4 below)	(223)
Fire Protection Works	(207)
Heating Improvements	(128)
Cyclical Sheltered Schemes (see 2.3.4 below)	(110)
	(73)
Lift Replacement	(70)
Rewiring	(68)
Voids Capital Works	(49)
Garage Improvements	(49)
Thermal Insulations (see 2.3.4 below)	(42)
Replacement Windows and Doors (see 2.3.4 below)	
Disabled Adaptations	(33)
Other net variances	(28)
Variance	<u>(6,129)</u>

New Build/Acquisitions programme

2.3.3 The decrease in revenue contribution to capital is due to slippage of the capital programme in 2017/18 and relates to the re-profiling of new build schemes that will commence in 2018/19 and 2019/20. The amount of revenue contribution to capital will change from year to year depending on the profile of the new build/acquisition programme.

External Enveloping

2.3.4 There are a number of underspends due to contracts requiring re-procurement which has resulted in the work not being undertaken in 2017/18. This includes external enveloping, re-roofing, windows and

doors, thermal insulations and cyclical sheltered schemes for the new scooter store at Romney Marsh House.

Environmental Works

- 2.3.5 The improvement works approved from The Shepway Tenant & Leaseholders Board are less than previously experienced and the use relating to the use on HRA land is no longer required due to the new build programme using larger non-HRA sites.

Fire Protection Works

- 2.3.6 The decrease in fire protection works relates to works that arose from the Fire Risk Assessment surveys requiring a new contract to be procured which was not possible during 2017/18 due to the timescale.

Heating Improvements

- 2.3.7 The decrease in heating improvements is largely due to the contractors including revenue works in their forecasts/workflow for capital. Win Pine House and Halliday Court installs have been deferred until 2018/19 due to the need to procure the works.

Lift Replacement

- 2.3.8 A programme of works was originally projected for 2017/18 for lift works at Mittel Court which included the refurbishment of two lifts, one has been completed with the second now planned for 2018/19.

Rewiring

- 2.3.9 The decrease in rewiring relates to the kitchens and bathroom replacements not requiring the anticipated level of works.

Voids Capital Works

- 2.3.10 The decrease in void capital works is due to the demand for high category works required being lower than originally anticipated.

- 2.3.11 There have been carry forward requests totaling £5.099m for current schemes within the programme, these are as follows:

	£000's
New Build/Acquisitions programme	4,505
Fire Prevention Works	207
Re-roofing	200
Cyclical Sheltered Schemes	110
Replacement Windows and Doors	50
Environmental Works	<u>27</u>
Total carryforward requests	<u>5,099</u>

2.4 Final Capital outturn compared to quarter 4 projections

- 2.4.1 The table below shows that the final position on the HRA Capital programme is £0.449m less than the quarter 4 projection.

HRA Capital Programme 2017/18	Qtr 4 Projection 2017/18	Final Outturn 2017/18	Variance
	£000's	£000's	£000's
HRA Capital programme	9,582	9,133	(449)

2.4.2 The main reasons for the £0.449m variance compared to the quarter 4 projections, are as follows:

HRA Capital Programme	Variance £000's	
Heating Improvements	216	
Replacement Windows and Doors	<u>28</u>	244
New Build/Acquisitions programme	(332)	
EKH Single System	(93)	
Cyclical Sheltered Schemes	(80)	
Environmental Works	(60)	
Disabled Adaptations	(33)	
Garage Improvements	(30)	
Rewiring	(29)	
Re-roofing	(23)	
Other net variances	<u>(13)</u>	
		<u>(693)</u>
Variance		<u>(449)</u>

3. CONCLUSION

- 3.1 The HRA revenue outturn 2017/18 is £6.357m better than the latest approved budget.
- 3.2 The HRA capital outturn 2017/18 is £6.129m better than the latest approved budget.
- 3.3 The financial results are subject to audit.

4. RISK MANAGEMENT ISSUES

- 4.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
The latest projection of the outturn could be materially different to the actual year end position.	Medium	Low	This report has been drafted once all known entries have been processed, the remaining risk lies with errors and misstatements identified

			through the audit process.
Capital receipts (including right to buy sales) not materialising	Medium	Low	The capital programme uses realised capital receipts only.
Insufficient capacity to manage delayed expenditure along with new year programme	Medium	Medium	The 2018/19 capital programme will need to continue to be reviewed to take account of the capacity to manage the programme including the slippage from 2017/18.
Significant amendments having to be made to the financial results following audit.	Medium	Low	The formal accounts have been prepared in accordance with professional standards and best accounting practice.

5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

5.1 Legal Officer's Comments (DK)

There are no legal implications arising from this report.

5.2 Finance Officer's Comments (LH)

This report has been prepared by Financial Services. There are therefore no further comments to add.

5.3 Diversities and Equalities Implications (DA)

The report does not cover a new service/policy or a revision of an existing service or policy therefore does not require an EIA.

6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Leigh Hall, Group Accountant
Tel: 01303 853231
Email: leigh.hall@shepway.gov.uk

The following background documents have been relied upon in the preparation of this report:

Budget projection working papers

Appendices:

Appendix 1 Housing Revenue Account revenue budget outturn report

Appendix 2 Housing Revenue Account capital programme outturn report

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HRA REVENUE OUTTURN POSITION 2017/18

Actual 2016/17 £	<u>HOUSING REVENUE ACCOUNT</u>	Latest Budget 2017/18 £	Actuals 2017/18 £	Variance £	Qtr 4 Proj 2017/18 £	Variance £
	INCOME					
14,820,687	Dwelling rents	14,648,980	14,715,576	66,596	14,680,000	35,576
352,605	Non-dwelling rents	351,920	418,443	66,523	348,000	70,443
946,430	Other charges for services and facilities	978,980	955,220	-23,760	963,000	-7,780
50,300	Contributions from general fund	52,200	52,200	0	52,000	200
16,170,022	TOTAL INCOME	16,032,080	16,141,440	109,360	16,043,000	98,440
	EXPENDITURE					
2,840,513	Repairs and maintenance	3,309,450	2,981,478	-327,972	2,974,000	7,478
2,797,223	General management	2,953,640	2,884,223	-69,417	2,849,000	35,223
999,885	Special management	1,020,370	1,008,192	-12,178	1,016,000	-7,808
22,238	Rents, rates & taxes	22,750	24,655	1,905	31,000	-6,345
43,680	Increase provision for bad or doubtful debts	140,000	31,445	-108,555	70,000	-38,555
0	<u>Capital Financing Costs</u>					
6,588,273	Depreciation charges	3,884,870	4,592,260	707,390	3,885,000	707,260
-6,158,817	Exceptional Item Impairment	0	2,138,627	2,138,627	0	2,138,627
24,612	Debt management expenses	22,030	24,540	2,510	22,000	2,540
7,157,607	TOTAL EXPENDITURE	11,353,110	13,685,419	2,332,309	10,847,000	2,838,419
	NET COST OF SERVICES					
-9,012,415		-4,678,970	-2,456,020	2,222,950	-5,196,000	2,739,980
221,710	HRA Services Share of Corporate & Democratic Core	225,820	200,265	-25,555	206,000	-5,735
0	HRA share of other amounts	0	0	0	0	0
-8,790,705	NET COST OF HRA SERVICES	-4,453,150	-2,255,755	2,197,395	-4,990,000	2,734,245
-732,788	(Gain)/Loss on Sale of HRA fixed Assets	0	-842,589	-842,589	0	-842,589
1,737,740	Loan charges - Interest	1,676,500	1,677,431	931	1,676,000	1,431
0	<u>Investment Income</u>					
0	Mortgages	0	0	0	0	0
-100,107	Interest on notional cash balances	-85,490	-95,973	-10,483	-91,000	-4,973
77,000	Pensions Interest Cost and Expected Return on Assets	0	102,000	102,000	0	102,000
-7,808,860	NET OPERATING INCOME	-2,862,140	-1,414,886	1,447,254	-3,405,000	1,990,114
3,552,916	Any other item of income & expenditure	-2,090	-4,216,974	-4,214,884	0	-4,216,974
-23,802	Amounts charged to income & exp. for premiums & discounts	-20,180	-20,178	2	-22,000	1,822
657,296	Gain/(Loss) on Sale of HRA fixed Assets	0	842,589	842,589	0	842,589
0	Repayment of Debt	0	0	0	0	0
2,169,037	Revenue Contribution to Capital Expenditure	8,419,510	4,128,272	-4,291,238	3,116,000	1,012,272
-62,000	Net charges made for retirement benefits	0	-141,000	-141,000	0	-141,000
0	Transfer to/from(-) Major Repairs Reserve	0	0	0	0	0
-1,515,413	TOTAL DEFICIT/SURPLUS(-) FOR YEAR	5,535,100	-822,177	-6,357,277	-311,000	-511,177
5,864,734	Balance as at 1st April	7,380,146	7,380,146	7,380,146	1,845,046	7,380,146
7,380,146	Balance as at 31st March	1,845,046	8,202,323	13,737,423	2,156,046	7,891,323

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HRA CAPITAL OUTTURN POSITION 2017/18

Actual 2016/17 £	<u>HRA CAPITAL PROGRAMME</u>	Latest Budget 2017/18 £	Outturn 2017/18 £	Variance 2017/18 £	Qtr 4 Projections £	Variance 2017/18 £
	<u>EXPENDITURE</u>					
	<u>MAJOR REPAIR & IMPROVEMENT</u>					
	<u>Decent Homes Standard</u>					
137,815	Fire Protection Works	424,000	216,534	-207,466	215,000	1,534
183,817	Replacement Windows and Doors	210,000	167,942	-42,058	140,000	27,942
37,692	Re-roofing	365,000	142,022	-222,978	165,000	-22,978
489,797	Heating Improvements	480,000	351,594	-128,406	135,000	216,594
534,103	Kitchen Replacement	300,000	311,944	11,944	300,000	11,944
171,200	Bathroom Improvements	200,000	185,705	-14,295	200,000	-14,295
198,344	Voids Capital Works	280,000	212,227	-67,773	200,000	12,227
190,694	External Enveloping	370,000	57,319	-312,681	60,000	-2,681
97,930	Rewiring	100,000	30,360	-69,640	60,000	-29,640
2,041,393	Sub-Total	2,729,000	1,675,647	-1,053,353	1,475,000	200,647
	<u>Non Decent Homes Standard</u>					
1,050	Treatment Works	10,000	0	-10,000	5,000	-5,000
375,889	Disabled Adaptations	350,000	316,696	-33,304	350,000	-33,304
444	Cyclical Sheltered	110,000	185	-109,815	80,000	-79,815
30,812	Garages Improvements	68,000	19,330	-48,670	50,000	-30,670
14,136	Lift Replacement	100,000	27,045	-72,955	26,000	1,045
9,544	Thermal Insulations	50,000	1,409	-48,591	15,000	-13,591
431,874	Sub-Total	688,000	364,665	-323,335	526,000	-161,335
	<u>Environment/Estate Improvement</u>					
108,589	Environmental Works	335,000	103,713	-231,287	163,500	-59,787
16,133	New Paths	15,000	9,101	-5,899	13,000	-3,899
840	Play Areas	10,000	0	-10,000	0	0
125,562	Sub-Total	360,000	112,815	-247,185	176,500	-63,685
	<u>OTHER SCHEMES</u>					
2,678,231	New Builds/Acquisitions	11,485,020	6,979,742	-4,505,278	7,311,844	-332,102
0	EKH Single System	0	0	0	93,000	-93,000
2,678,231	Sub-Total	11,485,020	6,979,742	-4,505,278	7,404,844	-425,102
5,277,061	TOTAL EXPENDITURE	15,262,020	9,132,869	-6,129,151	9,582,344	-449,475
	<u>FINANCING</u>					
803,469	1-4-1 Capital Receipts	3,445,506	1,568,923	-1,876,583	1,819,000	-250,077
2,473,267	Major Repairs Allowance	3,417,000	2,194,705	-1,222,295	3,397,000	-1,202,295
0	Section 106	0	1,240,969	1,240,969	1,250,000	-9,031
2,000,325	Revenue Contribution	8,399,514	4,128,272	-4,271,242	3,116,344	1,011,928
5,277,061	TOTAL FINANCING	15,262,020	9,132,869	-6,129,151	9,582,344	-449,475
0	SURPLUS C/FWD	0	0	0	0	0

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