

AMENDED AGENDA

POLICY AND RESOURCES COMMITTEE MEETING



Date: Wednesday 25 November 2015
Time: 6.30 pm
Venue: Town Hall, High Street,
Maidstone

Membership:

Councillors Mrs Blackmore, Brice, Chittenden,
Cox, Garland, Mrs Joy, McKay,
McLoughlin, Munford, Naghi, Ross,
Round, Sargeant, Mrs Stockell and
Mrs Wilson (Chairman)

Page No.

1. Apologies for Absence
2. Notification of Substitute Members
3. Urgent Items
4. Notification of Visiting Members
5. Disclosures by Members and Officers

Continued Over/:

Issued on Thursday 19 November 2015

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact Caroline Matthews on 01622 01622 602743**. To find out more about the work of the Committee, please visit www.maidstone.gov.uk

**Alison Broom, Chief Executive, Maidstone Borough Council,
Maidstone House, King Street, Maidstone Kent ME15 6JQ**

6. Disclosures of Lobbying
7. To consider whether any items should be taken in private because of the possible disclosure of exempt information.
8. Minutes of the Meeting Held on 21 October 2015
9. Minutes of the Meeting held on 5 November 2015
10. Presentation of Petitions (if any)
11. Questions and answer session for members of the public (if any)
12. Reference from Heritage, Culture and Leisure Committee - Destination Management Plan
13. Report of the Head of Policy and Communications - Strategic Plan Performance Update - Quarter 2 2015
14. **Report of the Head of Finance and Resources - Budget Monitoring 2nd Quarter 2015/16**

**POLICY AND RESOURCES
COMMITTEE**

25 November 2015

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

Budget Monitoring 2nd Quarter 2015/16

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service	Paul Riley, Head of Finance & Resources
Lead Officer and Report Author	Janette Gill, Chief Accountant (Interim)
Classification	Public
Wards affected	N/A

This report makes the following recommendations to this Committee:

1. To note the Authority's Revenue position at the end of September 2015 i.e. end of Quarter 2 for 2015/16;
2. Agree the slippage position and re-profiling of the Capital Programme for 2015/16;
3. Review the details on the updated progress on the Collection Fund, General Fund Balances and Treasury Management activity.

This report relates to the following corporate priorities:

- Securing a successful economy for Maidstone Borough – The Council is committed to delivery of Value for Money services
- This report outlines its measures in securing that commitment

Timetable

Policy and Resources Committee

25 November 2015

Budget Monitoring 2nd Quarter 2015/16

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The report communicates on the updated progress report of the Capital and Revenue Expenditure as at the end of September 2015, Quarter 2 of 2015/16, against the approved Budgets including the Collection Fund and Treasury Management.
 - 1.2 The report begins by presenting revenue information specifically in relation to this Committee's services. All information on a strategic level across the entire budget is then reported as both perspectives seek to ensure maximum transparency in reporting to this Committee.
 - 1.3 The revenue budget forecast for year end is currently showing a projected underspend of £1,156,000. This figure mainly relates to a variance of approximately £943,000 on the Policy and Resources Committee, details of which are outlined in paragraph 4.2 and 4.3.
 - 1.4 The Capital Programme is forecasted to slippage of approximately £6,000,000 by the year ending 2015/16 and is mainly due to the delay in acquisition of Commercial Assets. The capital expenditure for the quarter ending September 2015 totalled £832,000 from a budget of £10,603,000.
 - 1.5 Other balance sheet elements are reporting satisfactory progress although interest on investments remains lower than expected at 0.78%.
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2. INTRODUCTION AND BACKGROUND

- 2.1 The report intends to provide Members, Senior Officers and stakeholders with an indication of the current position regarding the financial performance of the Council in accordance with the recommendations to the Policy and Resources Committee outlined in the paragraph 3 of this report.
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3. REASONS FOR RECOMMENDATIONS

- 3.1 The Head of Finance and Resources is the Section 151 Officer and Responsible Financial Officer, and has overall responsibility for Budgetary Control and Financial Management. However, in practice the day to day Budgetary Control is delegated to Service Managers, with assistance and advice from their Director and the Finance section. This report provides a progress update report to the Policy and Resources Committee on the current financial performance of the Revenue and Capital Expenditure against the approved budgets, to also include Memorandum Accounts such as the Collection Fund, whilst giving an overview of the performance of Treasury Management.

3.2 This report uses a number of terms that may require definition and a glossary of terms is given in section 7 of the report.

4. REVENUE MONITORING

4.1 The budget used in this report is the agreed and approved estimate for 2015/16 including the carry forward resources as agreed by Policy and Resources Committee on the 11 February 2015. Actual expenditure to the end of September 2015 includes all major accruals for goods and services received but not paid for by the end of the quarter.

Committee Level Outturn 2015/16 - Second Quarter results

The financial information set out in Table 1 is a summary of the expected outturn for the current year.

Committee	Full Year Budget £	Forecast £	Variance £
Policy & Resources	8,794,635	8,615,225	-179,410
Strategic Planning, Sustainability & Transport	-439,700	-548,700	-109,000
Communities, Housing & Environment	8,800,405	8,990,405	190,000
Heritage, Culture & Leisure	540,120	640,448	100,328
Sub-Total	17,695,460	17,697,378	1,918
Net transfer to reserves & balances	2,438,000	2,438,000	0
Totals	20,133,460	20,135,378	1,918

Table 1 : Committee level Outturn Summary Quarter 2 – 2015/16

As can clearly be seen from the table, the Policy and Resources Committee reported an overall positive variance of £179,410 against a net budget of £8,794,635. This is a variance of 2.04%.

4.2 The report detailed the major issues that contributed to the positive variance for this Committee as follows:

- a) The main variance relates to additional grant received from central government of £493,000 to compensate the council for lost business rates following specific discounts allowances agreed in year by central government. There was a consequential loss of business rates that are not reported in the details above and the funding does not create a usable variance;
- b) Learning and Development – there is an underspend of £37,000 against this budget which relates to reduced expenditure on central training offset by additional training income received;

- c) Improvement Section – the underspend of £48,000 is mainly due to vacant posts that exist within this section;
- d) Mid-Kent ICT Services – The shared services have benefited from an underspend of £37,000 due to vacant posts. This will be distributed between the shared service partners;
- e) Customer Services – The underspend of £41,000 is due to vacant posts, of which some will be offered up as savings for 2016/17;
- f) Maidstone House – Additional income streams due to agreements with outsourced partners has resulted in an underspend of £52,000;
- g) In addition there is a balance available from the contingency budget that enables the re-use of budgets that have been identified as savings earlier than needed by the medium term financial strategy of £199,410. This budget will be automatically removed in 2015/16 as part of the normal cycle of budget savings.

4.3 There were no significant adverse variances

Committee Level Second Quarter Results and Forecast 2015/16

4.4 Attached at **Appendix A** is a table detailing the current budget and expenditure position for this Committee's services in relation to the second quarter of 2015/16, to September 2015. The appendix details net budget per cost centre for this Committee. The budget used is the budget approved by Council in February 2015 adjusted to allow for the approved carried forwards agreed by Policy and Resources Committee in July 2015. Actual expenditure is shown to the end of September 2015 and includes accruals for goods and services received but not yet paid for.

4.5 The columns of the table in the Appendix show the following detail:

- a) The cost centre description;
- b) The value of the total budget for the year;
- c) The amount of the budget expected to be spent by the end of September
- d) The actual spend to that date;
- e) The variance between expected and actual spend;
- f) The forecasted spend to year end; and
- g) The expected significant variances at 31 March 2016.

4.6 Appendix A shows that of an annual budget of £8,794,635, the expectation is that £5,488,283 would be spent at the end of the second quarter of the year and £8,615,225 would be the projected outturn by the end of 31 March 2016. At this point in time the budget is reporting an under spend of £971,345 and the forecast for year-end shows a projected variance of £179,410 to reflect the likely outcome at 31 March 2016.

4.7 This variance is a continued consequence of the same government grant for loss of business rates that affected the outturn for 2014/15 and the unused element of the contingency budget.

Strategic Level Second Quarter Results and Forecast 2015/16

4.8 Given at **Appendix B** is a summary of the second quarter's budget performance at the level of the strategic budget. The budget and actual figures are provided at the same level as set out in paragraph 4.5. The figures are analysed in three ways and set out in three tables which show the following levels of detail:

- Table 1: Subjectively by Committee;
- Table 2: Subjectively by Priority;
- Table 3: Subjectively by Expenditure Type.

4.9 *Each Committee has considered the major adverse and positive variances reported within their service areas. In each case they have chosen to either: develop plans to act further in resolving the issue; or to continue to monitor the position and act if necessary at a later date. The full year forecasted variances are set out in summary below:*

Full Year Forecasted Variances:	Positive Variance £	Adverse Variance £
Heritage Culture & Leisure Committee:		
Museum: The museum is making a one-off recovery due to the recent Lego event during the year and has negated some of the overspend for this financial year only.		9,000
Crematorium: The crematorium did not achieve its income target in 2014/15. This is reflected, along with additional expenditure assumptions, in the forecast.		85,000
Strategic Planning, Sustainability and Transport Committee:		
Development Management: The variance across this area is primarily due to a high level of appeals costs to date and increased staffing costs, as additional resources were required to meet the increased number of planning applications. However the increase in applications has meant there is significantly more planning fee income than was initially forecast, therefore it is anticipated this will meet all the additional costs by year end.	110,000	
Car Parking: Early predictions of year end forecast are notoriously difficult for parking income as weather and other trends have a direct impact. In addition the resources are partially ring-fenced to transport services by statute. The committee will continue to monitor this service.	100,000	
Planning Support Shared Service: The outcome of the work currently underway on this		31,000

Full Year Forecasted Variances:	Positive Variance £	Adverse Variance £
shared service is not yet confirmed. Additional costs are currently being incurred and may increase over this figure. The long term budget pressures from this service will be considered by Policy & Resources Committee.		
Communities, Housing and Environment Committee		
Waste and Recycling: A positive variance arising mainly from the green waste scheme. This will be used to support the set up costs within Street Cleansing following the recent restructure.	160,000	
Temporary Accommodation: The level of demand for this service continues to grow. Despite a number of actions being taken over the past two years there is expected to be a further adverse variance this year. The committee will consider options in a specific report on further possible actions.		270,000
	370,000	453,000

Table 2: Summary of significant variances by committee

- 4.10 In addition to the issues considered by the other service committees, this committee is reporting a positive variance as detailed in paragraph 4.9 above.
- 4.11 In accordance with best practice, virements are reported to Policy and Resources Committee as part of quarterly budget monitoring. A virement represents the transfer of a budget between objectives that occurs subsequent to the formal approval of the budget by Council. There were no virements to report for the second quarter of 2015/16.

Strategic Level Capital Programme 2015/16

- 4.12 The capital programme was approved by Council on 25 February 2015.
- 4.13 Funding for the programme remains consistent with previous decisions of Council in that the majority of resources come from New Homes Bonus along with a small grants budget and a small number of capital receipts from asset sales. Previous decisions of Council and Policy and Resources Committee have focused the use of New Homes Bonus on infrastructure projects where these are required by the infrastructure delivery plan that forms part of the Local Plan.
- 4.14 The current programme is set out in **Appendix C** and shows the approved budget and actual expenditure to date. The Appendix details the profile of expenditure that is forecast for the remainder of the year and identifies £6,184,034 that will require carry forward approval into 2016/17. The major schemes that have incurred slippage are:

- a) **Housing Grants** – based on the current and average spend over the last 3 years, we will need to slip £880,000 into 2016/17.
- b) **Flood Defences** – there is no planned expenditure for 2015/16 so this budget will be slipped into 2016/17.
- c) **Continued Improvements to Play Areas** – the planned programme of works is on schedule with a view to the works commencing in early Spring 2016, therefore there will only be minor expenditure incurred during 2015/16 so the majority of the budget will be slipped into 2016/17.
- d) **High Street Regeneration** – this is the unspent balance from phase 2 of the project. Future plans for the town centre are yet to be fully developed so this budget will slip into 2016/17.
- e) **Enterprise Hub** – this is the unspent balance from the development of the Business Terrace, and will slip into 2016/17.
- f) **Acquisition of Commercial Assets** – this budget will be utilised to fund economic development initiatives and the majority of the expenditure will be incurred in 2016/17.
- g) **Commercial Projects** – these projects relate to the Pet Crematorium, Brunswick Street and Mote Park Adventure Zone – these schemes are being developed, but there will be no significant expenditure until 2016/17.

4.15 The Council has the necessary resources to manage the programme in 2015/16 with the majority of funding arising from New Homes Bonus. There are a small number of minor asset sales and government grant in relation to disabled facilities grants also funding the programme.

Reserves and Balances

4.16 The total of reserves and balances as at 1st April 2015 was £15.3m. The current medium term financial strategy assumes balances of £14.4m by 31st March 2016.

4.17 The movement in balances during 2015/16 relates to the use of carry forwards approved by Policy and Resources Committee in July 2015 and the use of resources from earmarked reserves in relation to the local plan.

The position set out above allows for the minimum level of general balances of £2.3m, as agreed by Council in February 2015, to be maintained.

Collection Fund

4.18 Due to the risks that surround the pooling arrangements in place for business rates growth and the local council tax discount scheme, the Council monitors the collection fund carefully.

- 4.19 The collection rates achieved during the second quarter, and the targets set, are reported below. The rates are given as a percentage of the debt targeted for collection in 2015/16.

	Target %	Actual %
Business Rates	59.3	60.4
Council Tax	58.1	57.6

Table 3: Collection Rates for Council Tax and Business Rates to September 2015

- 4.20 Council Tax has marginally missed the target. This sum equates to approximately £453,000 out of a collectable debt for the year of £90,668,206.
- 4.21 As shown above, while the percentage variances are small, the gross value of Council Tax collected each year is significant. The Head of the Revenues and Benefits Partnership follows a recovery timetable and action will be taken before year end to attempt to bring the collection rate back to target.
- 4.22 Officers will continue to pursue payment of any developing arrears along with the arrears from prior years which is on target and.
- 4.23 **Council Tax Support** – The actual collection rate is 52.91% against a target of 53.03%.
- 4.24 The level of local council tax support recorded at the end of Quarter 2 shows a caseload of 9,723 claimants (10,196 as at Q2 - 2014/15). For Maidstone Borough Council the support provided is £1.56m (£1.49m at Q2 - 2014/15) compared to an estimated support of £1.5m used to calculate the budget.
- 4.25 Whilst there is a significant proportion of pensionable age claimants the overall reduction in claimants shows a positive correlation between reductions in those claiming job seekers allowance in the borough and the reduction in caseload. Members should note that as the year progresses, changes in caseload have a proportionately reduced effect on the full year cost.
- 4.26 **Retained Business Rates** – the current collectable business rates is £58,696,000 against a target of £58,525,000 showing a minor net increase of £0.170 m against the original estimate.

Treasury Management

- 4.27 The Council has adopted and incorporated into its Financial Regulations, the CIPFA Code of Practice on Treasury Management in Local Authorities. This Code covers the principles and guidelines relating to borrowing and investment operations. In February 2015, the Council approved a Treasury Management Strategy for 2015/16 that was based on this code. The Strategy requires that the Committee should formally be informed of Treasury Management activities on a quarterly basis as part of budget monitoring.

During the Quarter ended 30th September 2015:

- CPI has now fallen further to -0.1% in September which was mainly due to lower fuel prices.
- Growth has increased by 0.7%

The Council's Treasury Management advisors, Capita Asset Services, provide the following forecast:

- The latest forecast still shows that the first Bank Rate change is projected to be in June 2016. This is due to the fact that CPI inflation being at such a low, it will be difficult for the Bank of England to increase within 2015.
- The Governor of the Bank of England, Mark Carney, has repeatedly stated that increases in the Bank Rate will be slow and gradual.

The latest interest rate and PWLB rate forecast is listed below.

	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18
Bank rate	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.50%	1.50%	1.75%	1.75%
5yr PWLB rate	2.40%	2.50%	2.60%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.50%
10yr PWLB rate	3.00%	3.20%	3.30%	3.40%	3.50%	3.70%	3.80%	3.90%	4.00%	4.10%	4.20%
25yr PWLB rate	3.60%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%
50yr PWLB rate	3.60%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%

Current Investments as at 30th September 2015

The council held investments totalling £34.55m. A full list of investments held is given in Appendix D. £9.55m of investments are in accounts which can be called upon immediately or for a short notice period for daily cash flow purposes. The majority of investments are fixed between 6 months and 2 years to maximise yield.

Investment income is below target with a balance of £116,000
Average interest rate for this period is 0.78%.

Borrowing

The Council had to borrow for short term liquidity reasons on the following occasion:

Amount of Borrowing	Date	Duration	Interest Charged
£1.5m	22 September 2015	1 day	£32.88

5. AVAILABLE OPTIONS

- 5.1 This report covers a series of issues all of which require consideration. Each issue and the options are set out below:
- 5.2 In considering the strategic position on the revenue budget at the end of September 2015 the committee has been provided with details of the actions each service committee plans to take on significant variances.
- 5.3 The committee can chose to note those actions and reconsider the outcomes at the end of the second quarter or it could chose to take further action.
- 5.4 The capital programme is reporting approximate slippage of £6,184,000 and expenditure of £832,000. Details of the programmes where major slippage occurs have been detailed in Appendix C. The committee could agree the slippage as proposed or take an alternative action such as removal of the budget or transfer of the budget to other schemes. If such alternative action is taken the councillors should be aware that the medium term financial strategy sets a hierarchy of priorities for the capital programme and any alternative scheme should be the highest priority unfunded scheme currently proposed.
- 5.5 Details of the performance of the collection fund and the level of available balances are both as expected and the committee need only note this information at this time.
- 5.6 Treasury Management is for information only as the Audit, Governance & Standards Committee takes responsibility for considering changes that may be required, for reference on to Council. The committee could make reference to the Audit, Governance and Standards Committee of any issues that it may wish to be considered at a future meeting.

6. PREFERRED OPTIONS AND RECOMMENDATIONS

- 6.1 The report is for advice in relation to the actions being taken by officers and other service committees and it is recommended that the committee note the current situation and to approve the proposed slippage in the capital programme to enable more accurate monitoring of the programme in future periods.

7. GLOSSARY OF TERMS

Term	Definition
Accrual	The inclusion in the financial report of a money value to represent the receipt of goods or services within the report period, if actual payment has not yet been made.

Adverse variance	The difference between expected (budgeted) cost and actual cost where the actual value is a higher cost than expected.
Capital expenditure	Spending on the creation, purchase or enhancement of the Council's assets.
Capital Receipts	Income from the sale of assets. This income can only be used for the creation, purchase or enhancement of other Council assets.
Carry forwards	A budget for works or services that remained unused at year end, has a purpose that still requires completion and has been moved into the following year with the approval of Policy and Resources Committee.
Collection Fund	The collection fund is a statutory fund that the Council maintains for the collection and distribution of council tax and business rates.
Cost centre	An accounting location or service as set out in the annual budget report i.e. The Museum or the Leisure Centre.
Local council tax support	The local system of discount applied to council tax that replaced the national council tax benefit system on 1st April 2013.
Positive variance	The difference between expected (budgeted) cost and actual cost where the actual value is a lower cost than expected.
Profiled budget	The total amount expected to be spent (from the budget) by the period end, after considering the expected pattern of spend throughout the year and past trends.
Retained business rates	The system of localised business rates in operation since 1st April 2013. The system allows the Council to retain a proportion of business rates collected rather than pay the total amount to central government.
Revenue expenditure	Expenditure on the day to day running costs of the Council's services.
Revenue Support	Revenue funding that has been set aside to finance goods and service of a capital nature.
SELEP	South East Local Enterprise Partnership

Subjective analysis	An accounting type used to define costs i.e. salaries, vehicle hire, premises rents.
Treasury Management	The management of the organisation's investments, cash flows and banking along with control of the risks associated with those activities.
Virement	A virement represents the transfer of a budget between services (cost centres) that happens after the formal approval of the budget by Council. The authority to make certain types of virement is set out in the Council's constitution.

8. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	Delivery of Value of Money Services – This report monitors actual activity against the revenue and capital budgets and other financial matters set by Council for the financial year. The budget is set in accordance with the Council's medium term financial strategy which is linked to the strategic plan and corporate priorities.	Head of Finance & Resources
Risk Management	The Council has produced a balanced budget for both capital and revenue expenditure and income for 2015/16. This budget is set against a backdrop of limited resources and in a difficult economic climate. Regular and comprehensive performance monitoring of the type included in this report ensures early warning of significant issues that may place the Council at financial risk. This gives this committee the best opportunity to take actions to mitigate such risks. Retrofits one of the five risks outlined in the Finance Risk Register – Maximise the Council's capability to make informed strategic decisions,	Head of Finance & Resources

Issue	Implications	Sign-off
	<p>manage budgets, commit and measure resources.</p> <p>The issues set out in this report do not exhibit the level of potential risk identified in previous years.</p>	
Financial	<p>Forms a key part of the process of budget monitoring and ensures that the Authority can react quickly to potential service problems. Financial implications are the focus of this report through high level budget monitoring. The process ensures that the Council is not faced with corporate financial problems that may prejudice the delivery of the Council's strategic priorities.</p>	Head of Finance & Resources
Staffing	<p>The budget for staffing represents approximately 50% of the direct spend of the council and is carefully monitored. Any issues in relation to employee costs will be raised in this and future monitoring reports.</p>	Head of HR
Legal	<p>The Council has a statutory obligation to maintain a balanced budget this monitoring process enables the committee to remain aware of issues and the process to be taken to maintain a balanced budget for the year.</p>	Mid-Kent Legal Services
Equality Impact Needs Assessment	<p>The budget ensures the focus of resources into areas of need as identified in the Council's strategic priorities. This monitoring report ensures that the budget is delivering services as set in the budget to meet those needs.</p>	Policy & Information Manager
Environmental/Sustainable Development	<p>No specific issues arise</p>	Head of Service or Manager

Issue	Implications	Sign-off
Community Safety	No specific issues arise	Head of Service or Manager
Human Rights Act	No specific issues arise	Mid-Kent Legal Services
Procurement	No specific issues arise	Head of Finance & Resources
Asset Management	Resources available for asset management are contained within both revenue and capital budgets and do not represent a significant problem at this time.	Head of Service & Manager

9. REPORT APPENDICES

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

- Appendix A: Revenue Budget Monitoring – 2nd Quarter 2015/16 (Committee Level)
- Appendix B: Revenue Budget Monitoring – 2nd Quarter 2015/16 (Strategic Level)
- Appendix C: Capital Programme Monitoring – 2nd Quarter 2015/16
- Appendix D: Treasury Management – Budget Monitoring, Investments 2nd Quarter 2015/16

10. BACKGROUND PAPERS

None.

Cost Centre	Full Year Budget	To September	Actual	Variance	Forecast	Projected	Comment
Economic Research	8,475	2,120	3,169	-1,049	8,475	0	
Business Support & Enterprise	19,100	-4,770	-8,837	4,067	19,100	0	
Town Centre Management Sponsorship	18,000	18,000	18,000	0	18,000	0	
Economic Dev. Training & Employment	0	0	276	-276	0	0	
Economic Dev Government Initiatives	1,400	702	0	702	1,400	0	
Economic Dev - Promotion & Marketing	181,040	14,670	10,823	3,847	181,040	0	
Civic Occasions	37,400	29,144	33,724	-4,580	37,400	0	
Members Allowances	412,530	206,268	177,019	29,249	412,530	0	
Portfolio Allocations	0	0	28	-28	0	0	
Members Facilities	67,760	38,658	21,709	16,949	67,760	0	
Subscriptions	18,100	18,100	10,700	7,400	18,100	0	
Overview & Scrutiny	9,350	4,676	1,320	3,356	9,350	0	
Contingency	346,410	-47,656	-47,656	0	147,000	199,410	No specific use is identified this year for this resource
Performance & Development	64,800	16,657	8,294	8,363	64,800	0	
Corporate Projects	304,440	144,679	142,703	1,975	304,440	0	
Press & Public Relations	41,240	20,613	19,203	1,410	41,240	0	
Corporate Management	153,780	80,840	68,955	11,885	153,780	0	
Mid Kent Improvement Partnership	960	-123,840	-127,338	3,498	960	0	
Unapportionable Central Overheads	1,638,375	884,777	884,777	0	1,638,375	0	
Council Tax Collection	-285,200	54,824	52,473	2,351	-285,200	0	
Council Tax Benefits Administration	-160,200	-80,100	-80,100	0	-160,200	0	
Council Tax Benefits	0	0	96	-96	0	0	
NNDR Collection	-244,370	2,490	5,069	-2,579	-244,370	0	
Registration Of Electors	117,910	25,586	17,230	8,356	117,910	0	
Elections	110,390	53,853	39,203	14,650	110,390	0	
Emergency Centre	33,980	25,811	18,160	7,651	33,980	0	
Business Support Team	0	0	-737	737	0	0	
Repair and Renew	0	0	1	-1	0	0	
Medway Conservancy	108,870	54,435	54,470	-35	108,870	0	
Parish Precepts	1,393,960	1,393,960	1,393,958	2	1,393,960	0	
External Interest Payable	173,050	0	107	-107	173,050	0	
Interest & Investment Income	-270,000	-135,000	-114,241	-20,759	-270,000	0	
Palace Gatehouse	-9,420	-4,710	-374	-4,336	-9,420	0	
Archbishops Palace	-98,360	-41,936	-47,258	5,322	-98,360	0	
Parkwood Industrial Estate	-302,540	-151,265	-156,821	5,556	-302,540	0	
Industrial Starter Units	-21,970	-7,634	-13,050	5,416	-21,970	0	
Parkwood Equilibrium Units	-45,125	-23,805	-28,726	4,921	-45,125	0	
Sundry Corporate Properties	-119,380	-59,869	-33,845	-26,024	-119,380	0	
Parks Dwellings	-8,060	1,209	-2,920	4,129	-8,060	0	
Chillington House	-41,130	-20,564	1,571	-22,135	-41,130	0	
Phoenix Park Units	-218,910	-109,455	-114,454	4,999	-218,910	0	
Non Service Related Government Grants	-4,256,640	-2,128,320	-2,621,405	493,085	-4,256,640	0	Government grant to set off against reduced business rates
Rent Allowances	-344,090	-157,336	-161,176	3,840	-344,090	0	

Cost Centre	Full Year Budget	To September	Actual	Variance	Forecast	Projected	Comment
Non HRA Rent Rebates	3,320	166,134	172,171	-6,037	3,320	0	
Discretionary Housing Payments	2,300	53,700	53,513	187	2,300	0	
Housing Benefits Administration	-439,660	-215,346	-219,504	4,158	-439,660	0	
Economic Development Section	222,540	110,575	113,808	-3,233	222,540	0	
Head of Economic and Commercial Development	92,870	46,932	45,137	1,795	92,870	0	
Commercial Projects Manager	52,110	26,152	25,451	701	52,110	0	
Town Centre Visioning Section	0	0	78	-78	0	0	
Democratic Services Section	119,240	59,620	74,276	-14,656	119,240	0	
Mayoral & Civic Services Section	99,090	49,598	46,550	3,048	99,090	0	
Overview and Scrutiny Section	43,540	21,762	14,607	7,155	43,540	0	
Chief Executive	156,900	78,498	78,461	37	156,900	0	
Communications Section	165,510	92,986	75,522	17,464	165,510	0	
Policy & Information	165,760	82,876	74,809	8,067	165,760	0	
Head of Policy and Communications	95,230	47,614	48,036	-422	95,230	0	
Revenues Section	430,590	239,299	227,307	11,992	430,590	0	
Registration Services Section	123,960	61,876	50,782	11,094	123,960	0	
Benefits Section	397,980	215,415	220,593	-5,178	397,980	0	
Fraud & Visiting Partnership Section	151,640	85,348	62,085	23,263	151,640	0	
Head of Internal Audit & Risk Strategy	184,410	102,313	83,164	19,149	184,410	0	
Head of Human Resources	115,800	57,670	41,944	15,727	115,800	0	
Human Resources	165,810	83,196	74,542	8,654	165,810	0	
Pay & Information	112,260	55,574	49,562	6,012	112,260	0	
Learning & Development	108,400	54,346	17,137	37,209	108,400	0	Reduced expenditure central training offset additional training income
Director of Regeneration & Head of Finance and Resources	131,180	66,084	70,031	-3,947	131,180	0	
Accountancy Section	94,060	46,778	47,669	-891	94,060	0	
Legal Services Section	577,710	294,394	294,601	-207	577,710	0	
Director of Environment & Shared Property & Procurement Manager	419,610	209,803	188,020	21,783	419,610	0	
Procurement Section	131,380	65,778	65,198	580	131,380	0	
Property & Projects Section	79,480	39,730	37,000	2,730	79,480	0	
Facilities & Corporate Support Section	66,570	33,613	60,201	-26,588	116,570	-50,000	Income targets not as expected due to reduced services by external organisations
Improvement Section	249,560	125,085	107,518	17,567	249,560	0	
Executive Support	468,240	231,072	212,627	18,445	468,240	0	
Customer Services Management	225,670	106,750	58,587	48,163	225,670	0	Vacant posts exist
Gateway Reception Section	151,070	75,521	71,324	4,197	151,070	0	
Contact Centre	79,290	39,888	44,512	-4,624	79,290	0	
Revenues & Benefits Manager	0	0	0	0	0	0	
Revenues & Benefits Business Support	0	-5	0	-5	0	0	
Mid Kent ICT Services	225,530	125,094	124,576	518	225,530	0	
	125,580	64,018	64,454	-436	125,580	0	
	619,730	315,864	279,247	36,617	619,730	0	Vacant posts exist

Cost Centre	Full Year Budget	To September	Actual	Variance	Forecast	Projected	Comment
GIS Section	100,840	84,010	68,140	15,870	100,840	0	
Customer Services Section	796,190	387,055	345,840	41,215	796,190	0	Vacant posts exist
Town Hall	77,220	45,204	45,388	-184	77,220	0	
South Maidstone Depot	129,070	87,613	73,108	14,505	129,070	0	
The Gateway King Street	145,010	190,967	184,322	6,645	145,010	0	
Maidstone House	1,404,520	1,042,713	990,377	52,336	1,374,520	30,000	Additional income streams from letting
I.T. Operational Services	328,090	174,442	148,839	25,603	328,090	0	
Central Telephones	65,200	15,600	12,335	3,265	65,200	0	
Mid Kent ITC Software	141,270	63,686	77,404	-13,718	141,270	0	
Youth Development Programme	47,520	26,298	5,484	20,814	47,520	0	
Internal Printing	-85,240	-40,722	-16,669	-24,053	-85,240	0	
Appropriation Account	594,760	0	0	0	594,760	0	
Pensions Fund Appropriation	0	0	2,674	-2,674	0	0	
Policy & Resources	8,794,635	5,488,283	4,516,938	971,345	8,615,225	179,410	

ANALYSIS BY COMMITTEE

Committee	Full Year Budget	To September	Actual	Variance	Forecast	Year End
Policy & Resources	8,794,635	5,459,834	4,516,938	942,896	8,615,225	179,410
Strategic Planning, Sustainability & Transport	-439,700	81,601	-7,692	89,293	-548,700	109,000
Communities, Housing & Environment	8,800,405	4,055,935	3,935,806	120,129	8,990,405	-190,000
Heritage, Culture & Leisure	540,120	413,346	409,211	4,136	640,448	-100,328
	17,695,460	10,010,717	8,854,263	1,156,454	17,697,378	-1,918
Net Transfer to Balances & Reserves	2,438,000	0	0	0	2,438,000	0
	20,133,460	10,010,717	8,854,263	1,156,454	20,135,378	-1,918

ANALYSIS BY PRIORITY

Priority	Full Year Budget	To September	Actual	Variance	Forecast	Year End
Character	811,790	477,730	484,713	-6,984	811,790	0
Health & Wellbeing	1,666,545	897,258	784,696	112,562	1,856,545	-190,000
Clean & Safe	3,871,410	1,539,768	1,588,004	-48,236	3,871,410	0
Leisure & Culture	1,462,810	894,614	811,626	82,988	1,512,638	-49,828
Town Centre	18,000	18,000	18,000	0	18,000	0
Employment & Skills	432,555	123,297	119,240	4,057	432,555	0
Homes	855,130	669,243	748,344	-79,101	905,630	-50,500
Infrastructure	634,440	314,134	250,158	63,975	634,440	0
Trading	-3,533,335	-1,644,344	-1,649,186	4,842	-3,646,745	113,410
Central & Democratic	11,476,115	6,721,017	5,698,667	1,022,350	11,301,115	175,000
	17,695,460	10,010,717	8,854,263	1,156,454	17,697,378	-1,918
Net Transfer to Balances & Reserves	2,438,000	0	0	0	2,438,000	0
	20,133,460	10,010,717	8,854,263	1,156,454	20,135,378	-1,918

ANALYSIS BY SUBJECTIVE SPEND

Subjective	Full Year Budget	To September	Actual	Variance	Forecast	Year End
Employees	18,632,130	9,308,539	9,207,358	101,180	18,592,130	40,000
Premises	4,209,730	2,688,740	2,644,568	44,172	4,209,730	0
Transport	1,456,660	726,091	648,926	77,165	1,456,660	0
Supplies & Services	8,766,140	4,089,153	4,174,509	-85,355	8,897,140	-131,000
Agency	4,236,870	1,966,388	2,062,457	-96,069	4,236,870	0
Transfer Payments	46,780,130	24,087,040	23,794,123	292,917	46,780,130	0
Asset Rents	875,100	137,135	139,833	-2,698	875,100	0
Income	-67,261,300	-32,992,369	-33,816,844	824,475	-67,350,382	89,082
	17,695,460	10,010,717	8,854,930	1,155,787	17,697,378	-1,918
Net Transfer to Balances & Reserves	2,438,000	0	0	0	2,438,000	0
	20,133,460	10,010,717	8,854,930	1,155,787	20,135,378	-1,918

MAIDSTONE BOROUGH COUNCIL
POLICY & RESOURCES COMMITTEE
BUDGET MONITORING - SECOND QUARTER 2015/16

Capital Programme 2015/16 by Service Committee to 30th September 2015

Capital Programme Heading	Adjusted Estimate 2015/16	Actual to September 2015	Budget Remaining £	Q3 Profile	Q4 Profile £	Projected Total Expenditure £	Slippage into 2016/17 £	Budget not required £
CCTV Control Room	£1,100		£1,100	£1,100		£1,100	£0	
Housing Grants	£1,657,300	£176,880	£1,480,420	£250,000	£350,000	£776,880	£880,420	
Support for Social Housing	£1,440,500		£1,440,500	£720,000	£720,500	£1,440,500	£0	
Stilebridge Lane Sewage Treatment Works	£50,350		£50,350	£50,350		£50,350	£0	
Gypsy Site Improvements	£185,400	£770	£184,630	£94,630	£90,000	£185,400	£0	
Land Drainage/Improvement to Ditches & Watercourses	£4,990		£4,990	£4,990		£4,990	£0	
Crematorium Access	£10,600		£10,600	£10,600		£10,600	£0	
Flood Defences	£50,000		£50,000			£0	£50,000	
Communities, Housing & Environment Total	£3,400,240	£177,650	£3,222,590	£1,131,670	£1,160,500	£2,469,820	£930,420	0
Cobtree Golf Course	£6,950		£6,950	£6,950		£6,950	£0	
Continued Improvements to Play Areas	£829,800	£50,560	£779,240	£25,000	£25,000	£100,560	£729,240	
Green Space Strategy	£9,600		£9,600	£9,600		£9,600	£0	
Small Scale Capital Works Programme	£3,400		£3,400	£3,400		£3,400	£0	
Heritage, Culture & Leisure Total	£849,750	£50,560	£799,190	£44,950	£25,000	£120,510	£729,240	0
Parkwood Industrial Estate Environmental Improvements	£37,530		£37,530	£37,530		£37,530	£0	
Asset Management / Corporate Property	£184,800	£36,383	£148,417	£74,000	£74,417	£184,800	£0	
Software / PC Replacement	£243,050	£133,438	£109,612	£55,000	£54,612	£243,050	£0	
Policy & Resources Total	£465,380	£169,821	£295,559	£166,530	£129,029	£465,380	£0	0
King Street Multi-storey Car Park	£22,100	£800	£21,300		£21,300	£22,100	£0	
High Street Regeneration	£334,470	£14,013	£320,457	£10,000	£10,000	£34,013	£300,457	
Enterprise Hub	£687,500	£194,108	£493,392	£10,000		£204,108	£483,392	
Improvements to the Council's Car Parks	£14,800	£5,958	£8,842	£8,842		£14,800	£0	
Planning Delivery	£9,300		£9,300		£9,300	£9,300	£0	
Bridges Gyrotory Scheme	£500,000		£500,000		£500,000	£500,000	£0	
Acquisition of Commercial Assets	£4,000,000	£9,475	£3,990,525		£250,000	£259,475	£3,740,525	
South Maidstone Depot - Drainage Works	£65,000	£40,826	£24,174	£24,174		£65,000	£0	
Economic Development Website	£75,000	£74,895	£105	£105		£75,000	£0	
Commercial Projects - RE Panels	£75,000	£74,305	£695			£74,305	£695	
Commercial Projects - Pet Crematorium	£10,000	£355	£9,645		£9,645	£10,000	£0	
Commercial Projects - Brunswick Street Housing Development	£75,000	£13,376	£61,624	£10,000	£51,624	£75,000	£0	
Commercial Projects - Mote Park Adventure Zone	£20,000	£5,546	£14,454	£5,000	£9,454	£20,000	£0	
Strategic Planning, Sustainability & Transport Total	£5,888,170	£433,657	£5,454,513	£68,121	£861,323	£1,363,101	£4,525,069	0
Total	£10,603,540	£831,688	£9,771,852	£1,411,271	£2,175,852	£4,418,811	£6,184,729	0

MAIDSTONE BOROUGH COUNCIL
INVESTMENTS AS AT 30TH SEPTEMBER 2015

APPENDIX D

Type of Investment/Deposit	Counterparty	Issue Date	Maturity Date	Amount Invested £	Interest Rate %	Credit Limits	
						£ Maximum Deposit	Suggested Term
Money Market Fund	GS MMF			1,550,000	0.45	8,000,000	2yrs
Money Market Fund	Standard Life			5,000,000	0.49	8,000,000	2yrs
Enhanced Money Market Fund	Standard Life			3,000,000	0.66	8,000,000	2yrs
Fixed Term Deposit	Leeds Building Society	01/04/2015	01/10/2015	2,000,000	0.69	3,000,000	6mnths
Fixed Term Deposit	Lloyds Bank	14/10/2014	13/10/2015	2,000,000	0.70	3,000,000	6mnths
Fixed Term Deposit	Barclays Bank	01/05/2015	02/11/2015	1,000,000	0.65	3,000,000	6mnths
Fixed Term Deposit	Santander UK Plc	08/05/2015	09/11/2015	2,000,000	0.75	3,000,000	6mnths
Fixed Term Deposit	Santander UK Plc	11/06/2015	11/12/2015	1,000,000	0.69	3,000,000	6mnths
Fixed Term Deposit	Goldman Sachs Intl Bank	29/06/2015	18/12/2015	3,000,000	0.72	3,000,000	6mnths
Fixed Term Deposit	Skipton Building Society	11/06/2015	22/12/2015	1,000,000	0.72	2,000,000	6mnths
Fixed Term Deposit	Skipton Building Society	28/07/2015	28/01/2016	1,000,000	0.70	2,000,000	6mnths
Fixed Term Deposit	Lloyds Bank	29/01/2015	28/01/2016	1,000,000	1.00	8,000,000	2yrs
Fixed Term Deposit	Nationwide Building Society	10/08/2015	10/02/2016	1,000,000	0.66	3,000,000	6mnths
Fixed Term Deposit	Barclays Bank	27/08/2015	29/02/2016	2,000,000	0.69	3,000,000	6mnths
Fixed Term Deposit	Commonwealth Bank of Australia	15/09/2015	15/07/2016	1,000,000	0.71	5,000,000	1yr
Fixed Term Deposit	Lloyds Bank	03/08/2015	01/08/2016	2,000,000	1.00	8,000,000	2yrs
Fixed Term Deposit	Lloyds Bank	22/07/2014	22/07/2016	3,000,000	1.30	8,000,000	2yrs
Fixed Term Deposit	Royal Bank of Scotland	11/03/2015	11/03/2017	2,000,000	1/1.44	8,000,000	2yrs

Total Investments			£34,550,000
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