

FINANCE AND RESOURCES ADVISORY COMMITTEE

26 March 2014 at 7.00 pm

Conference Room, Argyle Road, Sevenoaks

AGENDA

Membership:

Chairman: Cllr. Ramsay Vice-Chairman: Cllr. McGarvey
Cllrs. Mrs. Bayley, Brookbank, Cooke, Mrs. Davison, Edwards-Winsler, Mrs. Sargeant,
Scholey and Walshe

	<u>Pages</u>	<u>Contact</u>
Apologies for Absence		
1. Minutes To agree the Minutes of the meeting of the Committee held on 21 January 2014, as a correct record.	(Pages 1 - 6)	
2. Declarations of Interest Any interests not already registered		
3. Actions from Previous Meeting	(Pages 7 - 8)	
4. Update from Portfolio Holder		Councillor Brian Ramsay
5. Referrals from Cabinet or the Audit Committee (if any) None		
6. Establishment of a Local Authority Trading Company Structure	(Pages 9 - 20)	Christine Nuttall Tel: 01732 227245
7. Rural Broadband	(Pages 21 - 34)	Lesley Bowles Tel: 01732 227335
8. Financial Results 2013/14 - To the end of January 2014	(Pages 35 - 70)	Helen Martin Tel: 01732 227483
9. Financial Performance Indicators 2013/14 - to the end of January 2014	(Pages 71 - 76)	Helen Martin Tel: 01732 227483
10. Work Plan	(Pages 77 - 78)	

EXEMPT ITEMS

Consideration of Exempt Information

Recommendation: That, under section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the ground that likely disclosure of exempt information is involved as defined by paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information) as identified in Schedule 12A to the Local Government Act 1972.

- | | | |
|--|-------------------|---------------------------------------|
| 11. White Oak Leisure Centre Asset Maintenance - Update | (Pages 79 - 94) | Lesley Bowles
Tel: 01732
227335 |
| 12. Asset Management Plan Update | (Pages 95 - 112) | Andrew Robson
Tel: 01732
227209 |
| 13. Investment Strategy | (Pages 113 - 122) | Andrew Robson
Tel: 01732
227209 |

To assist in the speedy and efficient despatch of business, Members wishing to obtain factual information on items included on the Agenda are asked to enquire of the appropriate Contact Officer named on a report prior to the day of the meeting.

Should you require a copy of this agenda or any of the reports listed on it in another format please do not hesitate to contact the Democratic Services Team as set out below.

For any other queries concerning this agenda or the meeting please contact:

The Democratic Services Team (01732 227241)

FINANCE AND RESOURCES ADVISORY COMMITTEE

Minutes of the meeting held on 21 January 2014 commencing at 7.00 pm

Present: Cllr. Ramsay (Chairman)

Cllr. McGarvey

Cllrs. Mrs. Bayley, Brookbank, Cooke, Mrs. Davison, Edwards-Winser,
Mrs. Sargeant and Walshe

Cllrs. Mrs. Morris were also present.

35. Minutes

Resolved: That the minutes of the meeting of the Finance and Resources Advisory Committee held on 12 November 2013 be approved and signed by the Chairman as a correct record.

36. Declarations of Interest

No additional declarations of interest were made.

37. Actions from Previous Meeting

The actions from the previous meetings were noted.

38. Update from Portfolio Holder

The Chairman, and Portfolio Holder for Finance and Resources, updated the Committee on his work since the previous meeting of the Advisory Committee listed below:

- 12 Knole Way had come in for completion
- He had taken a Portfolio Holder decision to serve an eviction order on Rural Age Concern Darent Valley
- Decking of car parks was being investigated.
- Interest had been shown by West Kent Housing and the local working men's club in developing the site at Bevan Place, Swanley.
- Timberden Farm – the agricultural lease would be running out soon so investigations into future options for the site are being considered.
- The Government had yet to announce the council tax referendum threshold, and money within the Revenue Support Grant (RSG) had not been ring-fenced for Parish and Town Councils despite what had been stated by Brandon Lewis MP. The Chief Finance Officer advised that he had participated in a conference call with a number of other local authorities and Brandon Lewis MP, where he had stated the announcement would not be within the next couple of days but would be before 12 February 2014.

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- A number of small plots of land were still owned by the Council which had not been transferred when the housing stock was sold. Options for disposing of these plots are being investigated.
- He had hoped to be bringing a report to the committee on White Oak Leisure Centre but he had requested further work to be done before submission.

39. Referrals from Cabinet or the Audit Committee

There were none.

40. Proposed Joint working project between Sevenoaks District Council and Tonbridge and Malling Borough Council on Building Control Services

The Chief Officer Environmental & Operational Services presented a report proposing an operating model for joint working with Tonbridge and Malling Borough Council (T&MBC) for Building Control Services and recommending that a joint working arrangement be entered into. This would build on the previously shared management arrangements and would achieve efficiency savings for both Authorities and significantly increase the resilience of the Service by amalgamating two existing small teams into one larger team covering both Authorities.

It was noted that a more detailed report would be considered by the Economic and Community Development Advisory Committee on 26 February 2014 before consideration at Cabinet on 6 March 2014.

Resolved: That it be recommended to Cabinet, and reported to the Economic and Community Development Advisory Committee that:

- a) in principle, and, subject to the views of the Economic and Community Development Advisory Committee the Council enter into an agreement with T&MBC for a joint working project for Building Control Services;
- b) the Portfolio Holder for Economic and Community Development be delegated the Authority to agree the Heads of Terms for a joint working Agreement; and
- c) the Portfolio Holder for Economic and Community Development be delegated the authority to approve any consequential actions required in order to implement the project.

CHANGE OF AGENDA ITEM ORDER

Agenda Item 11 was moved forward for consideration.

41. Treasury Management Strategy 2014/15

It was reported that the Local Government Act 2003 (the Act) and supporting regulations required the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The Act therefore required the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as

required by investment guidance issued subsequent to the Act) which set out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. Members' attention was drawn to paragraphs 61-64 of the report and Appendix F, which dealt with proposed changes to the investment criteria. The Principal Accountant explained that data referring to the capital programme had been left blank at this stage as it was still to be approved.

Some Members were keen to open up to new counterparties, including banks in countries such as Sweden, Australia and Singapore that operated in the UK. However it was agreed that this should be brought back for further consideration.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That it be recommended to Cabinet that

- a) the following amended investment criteria be included in the Treasury Management Strategy for 2014/15:
 - i) Maximum investment period of 2 years.
 - ii) Investments in any single institution or institutions within a group of companies be limited to 25% of the total fund, at the time the investment is placed, except it be increased for Lloyds Banking Group plc and Royal Bank of Scotland Group plc to 30%.
 - iii) Total investments in any one foreign country be limited to 15% of the total fund, but UK-based institutions to be used as first preference.
 - iv) Investments in banks be limited to £6m per counterparty excluding call accounts and £7m including call accounts except for Lloyds Banking Group plc and Royal Bank of Scotland Group plc, where the limits would be £10m for each with no distinction between fixed deposits and call accounts.
 - v) If the Council's own banker, Barclays, falls below Capita Asset Services' minimum credit rating requirements, it would nevertheless continue to be used, although balances would be minimised in both monetary size and duration.
 - vi) Building Societies with assets in excess of £9bn be included in the lending list with a maximum investment limit of £2m each and a maximum duration of 100 days. If a Building Society meets Capita Asset Services' minimum credit rating requirements, the investment limit be increased to £5m with a maximum duration of two years.

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- vii) Enhanced Money Market Funds (EMMF) to be used as an alternative to the existing standard Money Market Funds (MMF) with a combined maximum limit of £5m per provider.
- b) Property Funds with a limit of £5m in each not be included at this time;
- c) investments in non-UK banks not be included at this time, but the matter be brought before a future meeting of the Committee for further consideration; and
- d) it be recommended to Council to approve the amended Treasury Management Strategy for 2014/15.

42. Capital and Asset Maintenance Budget 2014/15

The Head of Finance presented a report which set out the proposed 2014/17 Capital Programme, with supporting documentation in a standard format for individual scheme bids. [An updated scheme bid](#) for the vehicle replacement programme was tabled. Projected capital receipts were included, indicating the proposed financing of the Programme. A proposed overall provisional limit for Asset Maintenance was also made.

Members were interested in the saleable value for the old generator. It was noted that a report on asset maintenance at White Oak Leisure Centre was not before the Advisory Committee but would be considered at the next meeting.

Action 1: That the Head of Finance circulate to Members more details on the figures contained in paragraph 8 of the report.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That it be recommended to Cabinet that

- a) the Capital Programme 2014/17 and funding method set out in Appendix B (and amended scheme bid) to the report, be approved; and
- b) the proposed Asset Maintenance budget of £469,000 for 2014/15, be agreed.

43. Risks and Assumptions for Budget 2014/15

Members views were requested on the risks and assumptions included in the appendices to the report. The Draft Budget 2014/15 reported to Cabinet on 5 December 2013 provided information on the key assumptions and risks included within the draft budget proposals and Cabinet were given a further update 9 January 2014. The risk assessment report before Members provided more detail on the assumptions and risks.

Resolved: That the report be noted.

44. Financial Performance Indicators 2013/14 - to the end of November 2013

Members considered a report showing figures on seven internally set performance indicators covering activities that support information provided in the regular financial monitoring statements. Members commented that it was a good positive report.

Resolved: That the report be noted.

45. Financial Results 2013/14 - to the end of November 2013

The report presented figures on internally set performance indicators for 2013/14 up to the end of November 2013, with comparative figures for the previous year. Eight months into the year the results to date showed an overall favourable variance of £533,000, and the year-end position was forecast to be £49,000 better than budget. The Head of Finance was able to comment on the December figures advising Members that there was now a £615,000 favourable variance and the year-end position was forecast to be £293,000 better than budget. The expected variance was still only 0.58% of gross expenditure. There were a variety of reasons for the savings, for example Direct Services had gained £65,000 further extra income.

Resolved: That the report and Comments by the Head of Finance, be noted.

46. Work Plan

It was noted that an additional meeting date had been set since the publication of the agenda. The work plan would be amended accordingly to show that meeting would be considering White Oak and the asset management strategy.

THE MEETING WAS CONCLUDED AT 8.47 PM

CHAIRMAN

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ACTIONS FROM THE MEETING HELD ON 21 JANUARY 2014

Action	Description	Status and last updated	Contact Officer
ACTION 1	That the Head of Finance circulate to Members more details on the figures contained in paragraph 8 of the report.	An email was circulated to Members o the Advisory Committee on 24 January 2014	Helen Martin

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ESTABLISHMENT OF LOCAL AUTHORITY TRADING COMPANY STRUCTURE

Finance and Resources Advisory Committee – 26 March 2014

Report of Chief Officer Legal and Governance

Status: For Decision

Also considered by: Cabinet – 10 April 2014

Key Decision: Yes

Executive Summary: To authorise in principle the creation of a local authority trading company structure to facilitate opportunities for income generation in order to reduce the reliance on Government grants.

This report supports the Key Aim of effective management of Council resources

Portfolio Holder Cllr. Ramsey

Contact Officer(s) Mrs. Christine Nuttall – Ext. 7245

Recommendation to Cabinet:

- (a) That the Chief Officer Legal and Governance be authorised to incorporate a company wholly owned by the Council so as to allow the Council to exercise the power to trade contained in the Local Government Act 2003 and the Localism Act 2011.
- (b) That the broad governance and funding arrangements for the trading company, as set out in this report, be approved and the Chief Officer Legal and Governance in consultation with the Chief Executive, Chief Finance Officer and Portfolio Holder for Finance and Resources be given delegated authority to settle the detailed arrangements for the establishment of the company.
- (c) That consideration be given by the Cabinet as appropriate to any individual business cases in respect of the use of the Council's trading powers as part of the development of the future strategy for income generation.

Reason for recommendation: To allow the Council to undertake trading activities in order to generate additional income in order to be less reliant on Government funding.

Introduction and Background

- 1 Following the recent Peer Challenge the Peer Review Team suggested that in order to enable the Council to become more self reliant as set out in its Corporate Plan,

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it would need to generate more income. The legal framework to enable that to be achieved would require the Council to set up a trading company.

- 2 This report proposes that Sevenoaks District Council (“SDC”) establishes a generic trading company, wholly owned by the Council, to enable the Council to take advantage of the powers to trade for profit introduced under the Local Government Act 2003 and the Localism Act 2011, where opportunities to do so arise and it is appropriate to use the company as a vehicle for the trading activity proposed.
- 3 The legal framework to allow local authorities to undertake trading activities has become relaxed in recent years. There are specific powers contained in the Local Government Act 2003 which allow a local authority to undertake trading activities. In addition, under the “general power of competence” introduced by Section 1 of the Localism Act 2011 local authorities now have a general power that enables them to do anything that a private individual is entitled to do, subject to certain statutory limitations. However, it should be noted that things done for a commercial purpose even under the Localism Act 2011 must be done through a company.
- 4 It is now timely for the SDC to take the necessary preparatory steps to be in a position to utilise its trading powers where individual business cases may be identified. It is therefore proposed that a trading company structure be established.

Company Structure

- 5 There are a number of different types of corporate vehicle available. These break down as follows:
 - Company limited by share;
 - Company limited by guarantee;
 - Industrial and provident society.

There are some other vehicles, such as a community interest company, a limited liability partnership or a joint venture company. However, for the purposes of general trading it is unlikely that such vehicles would be considered to be appropriate.

In practice a Company Limited by Shares tends to be used for those operations which have a commercial character and a Company Limited by Guarantee or Industrial & Provident Society for those which are set up to deliver community purposes or are set up for charitable purposes.

- 6 Given that it is essential that there is a proper examination of a business case before a local authority uses the power to trade in any particular circumstance this will align with the approach SDC is taking to explore appropriate options which would include the development of business cases. Individual business cases relating to trading activity would then be implemented through the trading company structure. However given there is the potential over a period of time for

a range of different business cases to be developed, it may prove advantageous to establish over time a group company structure with a number of subsidiary companies being undertaken to deliver the individual business cases.

Company Requirements

- 7 In setting up the trading company, the following issues need consideration and definition.

Company Name

Purpose of the Company

Aims of the Company

Set up Requirements and Costs

There will be a number of other detailed matters to be resolved and it is suggested that an appropriate delegation be granted to enable these to be settled as set out in the recommendation.

Company Name

- 8 It is proposed that the Members' Communications Working Group be tasked with choosing the name of the Company. Any subsidiary companies that may be developed over time may have a different trading name.

Governance Arrangements

9. The Company must legally appoint Directors. The Directors of the company must ensure that the company does everything it is obliged to do by law and that any decisions they make are in the best interests of the company.

It is proposed that initially the small Board of Directors as set out below be appointed from the senior officers of the Council.

Roles in Company

Roles at Sevenoaks District Council

Finance Director –

Chief Finance Officer

Commercial Director –

Chief Officer Environmental & Operational Services

Managing Director –

Chief Executive

Company Secretary –

Chief Officer Legal and Governance

It is envisaged that there will be 3 non executive Directors who will be Members of SDC to be nominated by the Leader of the Council.

Chief Officers in the above roles may need to draw upon the support from an outside firm of accountants or lawyers if necessary.

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Further Directors, including independent Directors who are neither members nor officers may be appointed in the future if it is believed they may benefit the business of the company.

10. The Memorandum of Association will need to be completed. This will set out the company's objects which are proposed to be 'to carry on business as a general commercial company'. It also shows details of the company's share capital.
11. The Articles of Association will also need to be completed. These set out the regulations governing the running of the company's affairs.
12. It is envisaged that an off the shelf company will be purchased which will have wide trading powers including property investment.
13. A major Governance issue is the relationship with SDC (the Shareholder) and the Company's internal processes. It is important that the Company is able to act quickly in order to generate and sustain business but on the other hand the Council needs to manage risks and to be able to determine whether it is appropriate for the Company to enter into a particular contract(s). Therefore, it is proposed that a provision be included in the Articles of Association whereby the Council's consent via its Shareholders be granted before a particular property acquisition or business contract is entered into by the Company. The Council being the Shareholders would be represented by Cabinet especially as property acquisition and disposal is a Cabinet function. Cabinet will be able to approve any proposed acquisition or disposal by the Company up to a value of 5 million pounds and an emergency meeting of Cabinet may be called if there is a need for an urgent decision.
14. It is likely that some of the Governance structure of the Company or group of Companies will evolve over a period of time. However, it is envisaged that the Cabinet will be responsible for overseeing the Company's overall trading activities. It is suggested that the Directors of the Company or any of its subsidiaries should not be the members of the Cabinet. The Executive Directors will be officers of the Senior Management Team ("SMT") who will be accountable to the Cabinet, with Cabinet acting on behalf of Council who will be the Shareholders.
15. It is also proposed that there is a monthly shareholder meeting at which the Council (the Shareholders) are represented by the Cabinet to which the Executive Directors of the Company i.e. the relevant Officers of the SMT would report.

Accounting and Banking Arrangements

16. The Company will have to comply with all the regulatory requirements of the Companies Acts and additionally with the regulatory regime for local authority companies under the Local Government and Housing Act 1989.
17. The company may need to charge VAT and will be liable for corporation tax on its profits. However, given that SDC must ensure that it fully recovers the cost of all staffing resources and other goods and services provided, it is anticipated that the company's tax liability could be minimised.

18. It is envisaged that the Company will not have a separate bank account from the outset, but all transactions will be posted through the Council's bank account. This model will prevent cash flow implications and avoid the requirement for a working capital balance when the company begins trading.
19. The Company will use the Council's financial facilities. The accounting structure will ensure that all income, expenditure and VAT can be allocated to the Company by use of appropriate budget codes. The Company will use its own stationery for purchase orders and invoices and will facilitate the submission of the Company's VAT returns.
20. Balances held by the Company will be calculated on an annual basis. The Company will be responsible for providing its accounts and tax returns in the appropriate format within set deadlines.
21. The Company will be responsible for the engagement of an external auditor.
22. As the company will be controlled by the local authority a number of requirements may undoubtedly need to be met such as:
 - The company must state on company stationery that the company is controlled by a local authority, giving the name of the relevant authority.
 - The company must limit the remuneration and allowances paid to directors who are officers or members of the local authority to the amounts payable for comparable local authority duties, or as travelling and subsistence allowances.
 - The company must not publish party political material.
 - The company must provide information to the local authority's auditors.
 - The company must provide information to members of the local authority.

Business Case

- 23 By setting up a generic trading company, the authority has the flexibility to operate it in a variety of ways.
- 24 The potential opportunities for trading are wide ranging and it is difficult to explore new services and routes to market without the company set up. Initially the main thrust of the generic trading company will be to invest in land and buildings that can increase SDC's income as set out in the Corporate Plan. The Corporate Plan sets out what the Council will do to make progress in delivering its promises over the next two years. "To help us get there we want to go further, to be truly ambitious and seek to become financially self sufficient. We want to break new ground and make the Council less reliant on Government funding".
- 25 The trading company will enable the Council to operate property investment on a commercial basis. The Report of the Chief Finance Officer entitled "Investment Strategy – Assets For Income" sets out an Investment Strategy for acquiring physical Assets and Cabinet will be asked to approve the proposed Investment

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Strategy. The Business Case in relation to the Investment Strategy will be developed for consideration at a future Cabinet meeting and will cover the following aspects:

- The objectives of the property trading activities
- The investment and other resources required to achieve those objectives
- Any risks the business might face and how significant those risks are and
- The expected financial results of the business, together with any relevant outcomes the business is expected to achieve.

The precise funding mechanism for the property side of the Company will be considered as part of the development of the full business case. However, such a mechanism could include a loan or series of loans by the Council to the Company to allow it to invest in accordance with the Strategy and Business Case.

Under such circumstances, borrowing costs would be met by the Company. Loans would be made available to the Company on a basis which is compliant with the terms of funding which are similar to those which would be achievable by a private funder given the importance of Competition law and State Aid rules. Specialist advice may be sought as part of the development of the business case.

26 Examples of other areas of potential trading activities are as follows:

- Other local authorities and the private sector may use the expertise of Sevenoaks in order to improve their own services.
- Communications could be an area for possible trading activity.
- There may be possibilities for expanding our trade waste service. This can be done under the Goods and Services Act if the work is undertaken for other local authorities or public bodies.
- Events organisation is also another trading possibility leading on from the Council's successful involvement in delivering the Para Olympics

27 If the above outline company structure framework is established then this will expedite implementation of business cases which involve the use of trading as and when they may be approved in due course.

Staffing Implications

28 The company will initially be operated on the basis of part-time secondments from the Council and as a result TUPE will not apply to transfer staff on SDC's terms and conditions to the company.

29 However, if new contracts are secured, or existing contracts are novated such that staff are required to be whole time employed on external contracts traded through the company, then either

- a) Staff could continue to be seconded to the company in the short term; or
- b) Staff will need to be employed directly by the company.

Long term, or for any significant number of employees, option a) above is less attractive because

- c) SDC will be liable for redeployment or for bearing the cost risk of potential redundancy of the employees if the company loses a relevant contract;
- d) Depending on the number of staff who may need to be seconded to the external company this may have an effect on the capacity for our present HR/payroll services which could result in additional costs.
- e) The District Auditor may query the inclusion of staff on SDC's payroll who are not employed at all in the provision of SDC services.

- 30 If the trading company employ staff directly, and former SDC staff are transferred to the Company under TUPE, the company will be required to offer any new staff comparable terms and conditions including pension rights. Staff who are TUPE transferred to an external contractor have the legal right to pension rights that are the same as, or broadly comparable to, or better than those s/he had as an employee of the authority.

State Aid

- 31 In order to ensure transparency and competitiveness with the private sector and not to breach the rules in relation to State Aid the company must not be subsidised by the authority. This means that the authority must recover the costs of any accommodation, goods, services, employees or any other support it supplies to the company. It will be necessary to set up suitable systems and financial controls to ensure this is the case and to demonstrate independence of the company from the authority.
- 32 The Trading Company should be mindful of its trading impact on the local economy. In recognition of this concern it may be decided that new lines of business would only be taken on after a Market Impact Assessment had been carried out.
- 33 However, the trading company could fill gaps in the local market and could benefit local businesses by procuring goods and services to support the trading activity.

Key Implications

Financial

- 34 The set up costs will come from existing approved budgets.
- 35 There may be a need to set up separate financial systems and accounting arrangements (including VAT). Future running costs may be offset to a degree against future income streams.

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- 36 It is anticipated that the trading company will use part time seconded staff, use council accommodation, equipment and services on the basis of recovering the full cost, and as a result start up costs should be minimised but would include matters such as insurance and auditors fees.
- 37 Financial advice will be required in relation to Prudential borrowing requirements especially in relation to the ability to borrow to invest in property.
- 38 It is envisaged that some legal advice will also be required in relation to the package put together by the Council's in house legal department prior to the Company launch taking place.
- 39 There are financial risks arising from the use of the Councils' trading powers. These would need to be analysed in detail as part of any individual business case put forward for the use of the trading powers. Although a trading company would be a separate legal entity with the benefit of limited liability it would be of doubtful propriety for the local authority as a public body and the single shareholder in the company not to honour any liabilities of the company to creditors in the event of significant trading losses occurring.
- 40 However as the Council will have effective control of the company, oversight of its on going operations would allow for early detection of any developing financial problems and the opportunity to take preventative action.

Legal Implications and Risk Assessment Statement.

- 41 A local authority is able to establish a Local Authority Trading Company ("LATC") through powers in section 95 of the Local Government Act 2003. A local authority is permitted to trade in anything that it is authorised to do under its ordinary functions. The company can with good business planning generate a surplus which can be re-invested into services, or the council, being the single shareholder.
- 42 The Local Authorities (Goods and Services) Act 1970 (the 1970 Act) continues in force and it enables councils to provide services to other councils and to other public bodies but not to the private sector or the public in general. Successful trading has been undertaken by this authority under this legislation since 1970 enabling the saving of money and the achievement of efficiencies through economies of scale. The trading company will enable the authority to take advantage of trading opportunities that cannot be undertaken using the powers within the 1970 Act. However, it is anticipated that existing trading will continue to happen as it currently does under the 1970 Act as this is the most cost effective way to trade with other local authorities and public bodies.
- 43 Under section 1 of the Localism Act 2011 Local Authorities now have a general power that enables them to do anything that a private individual is entitled to do, as long as it is not expressly prohibited by other legislation.
- 44 The key strategic risks are as follows:
- L = Low M = Medium H = High

Risk	Likelihood/Impact		Risk Management
Failure to set up trading arrangement in strict compliance with legislation	L	M	Extensive consultation with other authorities and, appropriate, external legal advice on governance arrangements
Using trading powers where there is a statutory obligation to provide them	L	M	Every new service to trade via the company to list services in their Business Case and to consider statutory obligations.
Possibility of trading ultra vires	L	L	Every new service to trade via the company to consider statutory obligations
Possibility of challenge to state aid	L	L	Obtain full cost recovery
Possibility of conflicts of interest arising for members or officers as Directors	L	M	Abide by Codes of Conduct
Failure to arrange adequate insurance cover for the Company's liabilities/assets	L	H	Ensure Insurer for the company is kept up to date with any new areas of trading activity.
Failure to comply with taxation laws – corporation tax & vat	L	M	Advice to be sought on taxation planning
Consideration of potential TUPE implications	L	L	Review regularly
Trading Company failure	L	M	Benchmark fees and costs. Employ tight budgetary controls
Conflict of interest over workload priorities of Council projects and Company projects	L	L	Effective resource planning and compliance with Corporate Plan

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Company credit rating	L	L	Council could act as guarantor and insurance to mitigate
Challenge from Council's Auditors	L	L	Follow CIPFA Code of Practice on LA Accounting. All transactions applicable to the company can be identified using unique transaction records and coding structures
Lack of capacity to manage additional work	L	L	Careful programming of staff resources and review of balance of staffing needs.
Contractual disputes	L	M	SDC's in house legal section to be employed to check all contracts before they are entered into
Poor investment acquisitions	L	L	Each investment acquisition will be of good quality with the potential of high income return set out in a business case
Poor rate of return on investment property	L	L	Annual valuation which sets a target rate of return and allows for financing costs and the generation of an annual surplus

Equality Impacts

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
a. Does the decision being made or recommended through this paper have potential to disadvantage or discriminate against different groups in the community?	No	There are no Equalities implications arising from this report.
b. Does the decision being made or recommended through this paper have the potential to promote equality of opportunity?	No	

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
c. What steps can be taken to mitigate, reduce, avoid or minimise the impacts identified above?		N/A

Conclusions

It is considered appropriate to make use of the increased power given by the Localism Act 2011 to enable trading to take place for profit through a limited liability company wholly owned by the Council in order for this authority to be less dependent upon Government funding.

Background Papers:

Templates for Business Plans:

Template developed by Mutual Ventures

Barclays – Your Business Plan

Grant Thornton – Responding to the Challenge

Unison – Branch guide to local authority trading companies

General Power for Local Authorities to Trade

Information received from Surrey County Council

PropertyWeek.Com “Surrey council pioneers prop-co”

[Sevenoaks District Council Corporate Plan](#)

Christine Nuttall – Chief Officer Legal and Governance

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RURAL BROADBAND

Finance & Resources Advisory Committee – 26 March 2014

Report of: Chief Officer, Communities & Business

Status: For Decision

Also considered by: Rural Broadband Working Group- 5 February

Economic & Community Development Advisory Committee – 26 February 2014

Cabinet – 10 April 2014

Key Decision: Yes

Executive Summary:

This report summarises the work that has taken place to improve broadband within the District. It also explores 5 options that Members may want to consider in order to improve services in the future.

This report supports the Key Aim of the Community Plan (Dynamic and Sustainable Economy)

Portfolio Holder Cllr. Roddy Hogarth

Contact Officer(s) Lesley Bowles - Chief Officer, Communities & Business x7335

Joe Middleton- Economic Development Officer x7128

Recommendation to Economic & Community Advisory Committee/Finance & Resources Advisory Committee: That Members views are sought on the options for future broadband provision in the District and to make any recommendations to Cabinet.

Recommendation to Cabinet:

Subject to any views of the Advisory Committees and Members views are sought on the options for future broadband provision in the District.

Reason for recommendation:

To determine how the District Council should respond to the need for better broadband in the District.

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Introduction and Background

- 1 In 2010 the government announced that it would be investing £530 million to stimulate commercial investment in superfast broadband infrastructure in rural areas.
- 2 Kent County Council were successful in bidding for £10 million from the BDUK funding; this has been combined with an additional £10 million from the KCC Regeneration Fund. Any private provider would be expected to match this. KCC entered a competitive procurement process and signed a contract with BT. The agreed targets with BT are as follows:
 - At least 95% of all properties in Kent will have access to higher speed fibre based broadband.
 - Every property in the County will be able to access a minimum of 2 mbps
 - A minimum of 91% of premises will get superfast broadband of at least 24 mbps
- 3 We have also been actively engaging with local communities to apply for funds from the DEFRA Rural Community Broadband Fund (RCBF). We have submitted a joint application with Tunbridge Wells Borough Council for funds to upgrade some of our 'hard to reach' rural areas with superfast broadband. This will benefit parts of Leigh, Chiddingstone, Penshurst, Cowden and Hever. Further information is given in the appendix to this report. This project will be delivered by BT as part of the BDUK rollout using the change control mechanism, thus avoiding a lengthy procurement process or difficult state aid sign off. A further pot of government funding will be released on the 17th March 2014. (See Appendix A and B for further details)
- 4 Members have expressed concerns that the BDUK and RCBF process will not provide adequately fast broadband services to our primarily rural District. Officers were tasked with looking at a number of options which the Council could undertake to improve broadband in the District, including those which may provide an income to the Council.
- 5 **OPTION 1 - Assist local communities in taking advantage of the BDUK and RCBF rollout .** We would continue to develop our relationship with BT and assist in delivery of the BDUK and RCBF projects.
- 6 **OPTION 2 - Work with small network providers to encourage them to invest in the District.** Develop of our relationship with small private sector providers. Give them information about specific areas of the District that have subpar speeds. Put them in contact with local communities, parish councils and broadband working groups so that the companies can present to local communities.
- 7 **OPTION 3a - Invest with smaller companies to provide broadband services in the District.** Develop our relationship with small private sector providers, identify those areas with poor broadband connectivity and invest with these companies using Council funds. Those communities with continued poor speeds would get a significant upgrade. Like many investors, the Council is currently getting a poor return on its cash reserves. Investing in small broadband companies for the

remaining poor areas of coverage in the District could be a 'win-win' situation. The Council would receive a more beneficial return on its financial investment and rural communities would receive improved broadband speeds.

The Crockham Hill Community Interest Company (CHCIC) was started with a combination of KCC seed funding and considerable private investment. It delivers a wireless broadband solution with fibre backbone, which will eventually enable residents and businesses to gain speeds of over 100mb/s. So far, they have connected approximately 170 properties (both business and residential). They are currently seeking a further £100,000 funding to expand their network and reach further rural communities. The attractiveness of this model for many residents and businesses is that any profit is then redistributed in the local community.

- 8 **OPTION 3b- Invest in a Special Purpose Vehicle (SPV), which would then allocate funding to smaller companies to provide broadband services in the District.** Develop our relationship with small private sector providers, identify those areas with poor broadband connectivity and invest with these companies through the SPV. Those communities with continued poor speeds would get a significant upgrade. Like many investors, the Council is currently getting a poor return on its cash reserves. Investing in small broadband companies for the remaining poor areas of coverage in the District could be a 'win-win' situation. The Council would receive a more beneficial return on its financial investment and rural communities would receive improved broadband speeds. The fundamental difference between this and Option 3a is that this would bypass burdensome state aid regulations.
- 9 **OPTION 4 - Consider setting up a Community Interest Company to deliver broadband services.** It has been suggested by members that the District Council consider starting its own telecoms company.
- 10 **OPTION 5- Commission technical and demand surveys.** We already have information on which cabinets will be updated in the BDUK programme (Appendix A). However information on coverage and speeds has not been released. To better understand the future provision in the District we could get a technical broadband consultant to provide us with a study. In addition to this, it would be useful to have an in-depth needs survey for the whole District. This could then be used to attract investment and, in the future, purchased by those looking to invest so they know which areas are keen on what service.
- 11 Analysis of each of these options is given in this report and in the appendix.

Key Implications

Financial

OPTION 1 - There would be no financial implications associated with this option.

OPTION 2 - There would be no financial implications associated with this option.

OPTION 3a - In order to take account of State Aid rules we would only be able to invest in areas which were in 'market failure'. There is a precedent for this. Northamptonshire are currently out at procurement for the most rural areas which are not covered under the

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BDUK contract. A number of areas of the District are already going to be covered by the following programmes/private companies:

- BDUK or RCBF
- Gigaclear (Underriver project)
- Crockham Hill CIC
- Callflow Solutions
- V Fast

None of the areas covered by these programmes or private providers will be in 'market failure'. This is likely to leave a small proportion of the District which would be eligible for an upgrade from public funds, making this investment less attractive for the Council.

A business case would need to be procured to assess demand and the financial implications for the Council. Privately provided rural broadband is extremely expensive. As an example, the Underriver project, being delivered by Gigaclear is costing approximately £1.1 million for 1,200 rural households.

The financial return from investing in either a private company or CIC is unknown and the payback period will be over the next 10-15 years. In the case of the Crockham Hill CIC, investment by the Council in the Crockham Hill company, whilst it would enable wider reach of the project, would not produce a financial return. However, the Council may be able to help steer how the profits, which are ploughed back into the community, could be spent. We may have to commission an independent review.

OPTION 3b- Investing in an SPV would bypass many of the state aid problems mentioned in Option 3a. However, there would still be a considerable financial outlay for the Council. The SPV would still be investing considerable amounts of public money. A business case would need to be procured to assess demand and the financial implications for the Council. Privately provided rural broadband is extremely expensive. As an example, the Underriver project, being delivered by Gigaclear is costing approximately £1.1 million for 1,200 rural households.

The financial return from investing in a private company is unknown and the payback period will be over the next 10-15 years.

OPTION 4 - The Council would need to apply for an Electronic Communications Code licence which would cost the Council £10,000 for a successful application and then an annual fee, payable at the beginning of each financial year of £1000. There is no guarantee that this would be granted. Commercial providers are able to comment on the application and are known to oppose applications, particularly where they feel that State Aid regulations may apply.

As an estimate we would need four additional members of staff (a network administrator, two technical operators and a consultant to oversee and map the process). Investing in rural broadband is expensive. The approximate cost for the Underriver project (which covers approximately 1,200 households in West Kent) is £1.1 million.

Two very high profile DIY projects have failed, one of them in Kent. The financial consequences have been significant.

Digital Region was established in South Yorkshire in 2012 to deliver superfast broadband to over 526,000 homes in Sheffield, Barnsley, Doncaster and Rotherham. It was started with considerable European Regional Development Fund (ERDF) and local authority funding. The total funding was £95 million. With such funding the network expanded quickly. Unfortunately the project was plagued by low subscription rates and undercutting from competing private sector providers. The project closed earlier this year at a considerable loss to the taxpayer. It is still required to pay back the ERDF loan funding it received.

In another instance, Selling Parish Council received a £50,000 grant from Kent County Council to upgrade broadband services. They decided to embark upon a Fibre to the Premise (FTTP) solution. Three years later over £500,000 has been spent and only 36 properties have been connected to the service. Much like the Digital Region project, demand for the project was low, a number of communities were unconvinced and there was competition from larger private sector providers.

OPTION 5 - We would need to go out to tender in order to commission the technical and demand study. The financial outlay is uncertain at this time.

Legal Implications and Risk Assessment Statement.

OPTION 2- There are no legal implications or risk associated with this option.

OPTION 5- There are no legal implications or risk associated with this option.

	Risk	Effect	Mitigation
Option 1	Risk to SDC reputation if the rollout is slow or misses out difficult to reach properties	Residents are unhappy that we have not been more proactive in getting better broadband to rural areas	Work with residents to understand other broadband solutions.
Option 3a and 3b	We would be investing into a very competitive, saturated market.	The company we invest in could become bankrupt or insolvent.	A large amount of due diligence would have to be done on any company in which we chose to invest. Agreements would have to be in place with any company we invested with so that in the event of their insolvency the infrastructure (and subsequent service) would transfer to another

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	<p>Rural broadband is extremely expensive. It remains to be seen if the public would be sympathetic to the Council investing such large sums of money in relatively rural, small areas of the District.</p> <p>For 3a we may contravene State Aid regulations</p>	<p>The public may be critical of the Council spending large sums of money during a time of fiscal austerity.</p>	<p>provider.</p> <p>Public opinion would have to be monitored.</p>
Option 4	<p>We would be entering an extremely competitive, saturated market. There is a precedent for the public sector entering the telecoms market; the Digital Region project has proven a disastrous use of public money.</p> <p>The company could become under-cut by private sector providers</p> <p>Public sector models of this type face a competitive disadvantage compared with their private sector counterparts. Small providers are able to respond much faster to the market as they have a smaller regulatory burden.</p> <p>There is no guarantee we would be granted the Electronic Communications Code. The application process is lengthy, expensive and all private providers who currently have the code are asked to respond to the</p>	<p>-The company we set up loses customers and wastes taxpayer money.</p> <p>People would leave our service.</p> <p>The company becomes inefficient and unable to respond to market changes or innovation.</p> <p>The likely negative and severe response from</p>	<p>Meet with Digital Region and understand the pitfalls and risks of setting up a company to deliver broadband services.</p> <p>Prices would have to be monitored and kept competitive.</p> <p>A corporate working group would need to be created to encourage innovation and 'fast track' ideas.</p> <p>Communications would have to monitor the</p>

	<p>application in a 10 week consultation. We should expect the response to our application to be vigorous and negative.</p> <p>For this model to work we would have to take on 4-5 permanent new members of staff</p> <p>Large financial outlay. Rural broadband provision is expensive</p>	<p>both the public (cost) and the private sector will have a negative impact upon the Council's reputation.</p> <p>The trading company may not be able to afford to pay them.</p> <p>The company may become insolvent and the Council may lose the taxpayer's investment.</p>	<p>public response. We would have to meet with private providers.</p> <p>Ensure that proper risks are accounted for and understood before embarking on this type of project.</p>
<p>Option 5</p>	<p>It may be that, having commissioned technical and demand surveys, they show that there is no demand for broadband in addition to that being rolled out under the BDUK programme.</p> <p>It may be that companies would prefer to conduct their own technical and demand studies rather than purchase those undertaken by the Council</p>	<p>The data collected would not be valuable</p>	

Option 3a would both require some form of legal advice in relation to State Aid. Any investment in broadband over £200,000 over a two year period requires State Aid sign off. Any upgrade we would want to make would require us to contact BT in order to understand which areas are in 'market failure' to ensure that we can get State Aid sign off for any investment. The reason for this is that they are the only ones who currently hold the detailed information on which areas of the District will be upgraded using public

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money. We would need this information in order to prove that the areas we wanted to invest in fell within 'market failure'.

Option 3b would require some advice from legal and finance on the operation of an SPV.

Option 4 will be technically exempt from State Aid regulations. The reason is that the Council would set up a private company which would then borrow money from the Council to deliver the service. It remains to be seen whether a private provider would put forward a legal challenge on this model.

Equality Impacts

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
a. Does the decision being made or recommended through this paper have potential to disadvantage or discriminate against different groups in the community?	No	The paper sets out options for future broadband provision.
b. Does the decision being made or recommended through this paper have the potential to promote equality of opportunity?	Yes	Improved broadband services have the ability to be able to significantly improve well-being and access to services in rural areas of the District.
c. What steps can be taken to mitigate, reduce, avoid or minimise the impacts identified above?		The paper sets out options for future broadband provision.

Community Impact and Outcomes

Increased broadband provision throughout the District would have a beneficial impact on rural communities.

Resource (non financial)

Option 1 - No additional resource would be needed.

Option 2 - No additional resource would be needed.

Option 3a - Considerable officer time would be spent designing a procurement process, going the Open Market Review (OMR) process and getting sign off for State Aid.

Option 3b - Considerable officer time would be spent designing a procurement process and working with the companies on delivery.

Option 4 - Considerable officer time would be spent creating a business case, which would heavily involve the finance team. We would also have to spend time interviewing for new staff, procuring equipment, mapping the network and marketing.

Option 5 - Some officer time will have to be spent tendering for the work. Officers will also have to spend time working with consultants. This should not be onerous.

Conclusions

Members views are sought on which options should be taken forward.

Appendices

Appendix A- BDUK Cabinets to be upgraded in Q1

Appendix B- Superfast Broadband Availability after BDUK and RCBF Projects

Background Documents None

Lesley Bowles

Chief Officer Communities and Business

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Appendix A- BDUK Cabinets to be upgraded in Quarter 1 – document available on request

Appendix A- BDUK Cabinets to be upgraded in Quarter 1 – document available on request

Appendix A- BDUK Cabinets to be upgraded in Quarter 1 – document available on request

Appendix B- document available on request

FINANCIAL RESULTS 2013/14 – TO THE END OF JANUARY 2014

Finance and Resources Advisory Committee – 26 March 2014

Report of Chief Finance Officer

Status: For consideration

Key Decision: No

This report supports the Key Aim of Effective Management of Council Resources

Portfolio Holder Cllr. Ramsey

Contact Officer(s) Helen Martin Ext. 7483

Recommendation to Finance and Resources Advisory Committee: That the report be noted.

Introduction and Background

Overall Financial Position

1. Ten months into the year the results to date showed an overall favourable variance of £477,000. Reasons for this current favourable variance are explained in the individual commentaries from Chief Officers.
2. The year-end position is forecast to be £271,000 better than budget.

Key Issues for the year to date

3. **Income** – investment income is performing above target and is forecast to be better than budgeted at the year-end. This is due to higher than estimated balances and slightly higher rates being achieved during the first half of the year.
4. Income from On-street parking, Land Charges and Development Management has achieved or exceeded budget targets at the end of January.
5. **Pay costs** – the actual expenditure to date on SDC funded salaried staff is £202,000 below budget. An underspending of £258,000 relates to Direct Services and will be offset by agency staff costs held within the trading account. Additional resources are being used to address the Benefits workload and costs will be met by additional funding from both partners.
6. **Other** – Direct Services' results show a positive variance of £186,000 compared to budget.

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7. Costs amounting to £30,000 were incurred in facilitating the sale of 66 London Road.
8. Revised Members expenses were agreed on 1 October and adjustments were paid in November.

Year End Forecast

9. The year-end position is forecast to be £271,000 better than budget.
10. Investment income is still a small favourable variance, however interest rates are expected to remain low into the future.
11. Income from council tax court costs is expected to be above budget for the year.
12. Following the sale of 66 London Road, there will be a saving on rent and rates at that site. Expenditure is forecast to be £76,000 below budget, however, £50,000 of this saving will be used to fund initial investigations into potential property developments...
13. A saving of £30,000 is expected against the annual budget for audit fees.
14. The contracts for markets at Sevenoaks and Swanley were re-tendered in 12/13 following the voluntary liquidation of the previous operators. Income from these new contracts is forecast to be £62,000 worse than budget.
15. Car Parking income, mainly pay and display, is now expected to be £70,000 worse than budget.
16. Direct Services are forecasting a favourable variance of £119,000 for the year. A favourable variance of £69,000 is forecast on income, particularly from the vehicle workshop.
17. Planning Services are now predicting that Planning fee income will be £115,000 better than budget.
18. Additional income from legal work on s106 agreements is giving rise to a £21,000 favourable variance.
19. The review of the senior management structure did not take effect until 1 September and as a result the full salary saving will not be met in 2013/14 although this shortfall of £48,000 will be met from other Corporate savings. The full saving will be delivered in future years. Following the restructure, there is a favourable variance of £12k on the budget for administrative expenses.

Risk areas

20. The current economic situation continues to have a real and potential impact on the Council's finances:

- the investment strategy is constantly under review in light of the changing long term credit ratings which affects the number of organisations the Council can invest in
- property related income such as Development Control (particularly pre-application fees and S106 monitoring), Building Control, Land Charges remain vulnerable.
- the Benefits workload is at a higher level than before the recession. Agency staff are being used to address the workload and to fill any vacancies due to continuing uncertainties relating to Universal Credit;
- Council Tax collection rates, though currently in line with 2012/13, could be affected by increased unemployment and squeezed household incomes;

21. Planned savings through the generation of income, particularly from new partnership working, remain risk areas for the current and for future years.

Key Implications

Financial

The financial implications are set out elsewhere in this report.

Legal Implications and Risk Assessment Statement.

Under section 151 of the Local Government Act 1972, the Section 151 officer has statutory duties in relation to the financial administration and stewardship of the authority.

Detailed budget monitoring is completed on a monthly basis where all variances are explained. Future risk items are also identified.

Equality Impacts

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
a. Does the decision being made or recommended through this paper have potential to disadvantage or discriminate against different groups in the community?	No	The recommendation is concerned with sound control of the Councils finances and does not directly impact on services provided to the community
b. Does the decision being made or recommended through this paper have the potential to promote equality of opportunity?	No	
c. What steps can be taken to mitigate, reduce, avoid or minimise the impacts identified above?		No mitigating steps are required

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Appendices

Appendix – January Budget Monitoring Reports

Adrian Rowbotham

Chief Finance Officer

BUDGET MONITORING - Strategic Commentary - As at 31st January 2014

Overall Financial Position

1. Ten months into the year the results to date show an overall favourable variance of £477,000. Reasons for this current favourable variance are explained in the individual commentaries from Chief Officers.
2. The year-end position is now forecast to be £271,000 better than budget.

Key Issues for the year to date

3. Investment income is performing above target and is forecast to be marginally better than budgeted at the year-end. This is due to higher than estimated balances and slightly higher rates being achieved during the first half of the year.
4. Income from On Street Parking, Land Charges and Development Management has achieved or exceeded budget targets at the end of January.
5. Pay costs – the actual expenditure to date on SDC funded salaried staff is £202000 below budget. An underspending of £258,000 relates to Direct Services and will be offset by agency staff costs held within the trading account. Additional resources are being used to address the Benefits workload and costs will be met by additional funding from both partners.

6. Other

- 5 Direct Services' results show a positive variance of £186,000 compared to budget.
- 6 Costs amounting to £30,000 were incurred in facilitating the sale of 66 London Road.
- 7 Revised Members expenses were agreed on 1 October and adjustments were paid in November.

Year End Forecast

7. The year-end position is forecast to be £271,000 better than budget.
8. Investment income is still a small favourable variance, however interest rates are expected to remain low into the future.
9. Income from council tax court costs is expected to be above budget for the year.

10. Following the sale of 66 London Road, there will be a saving on rent and rates at that site. Expenditure is forecast to be £76,000 below budget, however £50,000 of this saving will be used to fund initial investigations into potential property development.
11. An unfavourable variance of £59,000 is expected on the budget for management of properties where the Council has to meet the business rates of properties now vacant pending disposal, and the associated reduced rental income.
12. A saving of £30,000 is expected against the annual budget for audit fees.
13. The contracts for markets at Sevenoaks and Swanley were re-tendered in 12/13 following the voluntary liquidation of the previous operators. Income from these new contracts is forecast to be £62,000 worse than budget.
14. Car Parking income, mainly pay and display, is still expected to be £70,000 worse than budget.
15. Direct Services are forecasting a favourable variance of £119,000 for the year. A favourable forecast of £69,000 is forecast on income, particularly from the vehicle workshop.
16. Planning Services are now predicting that Planning fee income will be £115,000 better than budget.
17. Additional income from legal work on S106 agreements is giving rise to a £21k favourable variance.
18. The review of the senior management structure did not take effect until 1st September and as a result the full salary saving will not be met in 2013/14 although this shortfall of £48k will be met from other Corporate savings. The full saving will be delivered in future years. Following the restructure, there is favourable variance of £12k on the budget for administrative expenses.

Risk areas

19. The current economic situation continues to have a real and potential impact on the Council's finances:
- the investment strategy is constantly under review in light of the changing long term credit ratings which affects the number of organisations the Council can invest in;
 - property related income such as Development Control (particularly pre-application fees and S106 monitoring), Building Control, Land Charges remain vulnerable;
 - the Benefits workload is at a higher level than before the recession. Agency staff are being used to address the workload and to fill any vacancies due to uncertainties relating to Universal Credit;
 - Council Tax collection rates, though currently in line with the previous year, could be affected by increased unemployment and squeezed household incomes; and

20.Planned savings through the generation of income, particularly from new partnership working, remain risk areas for the current and for future years.

Contacts:

Pav Ramewal	Chief Executive	ext 7298
Adrian Rowbotham	Chief Finance Officer	ext 7153
Helen Martin	Head of Finance	ext 7483

Service	Variance to date £'000 (Minus is bad news)	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Leisure Contract	22		Late invoicing by Sencio.
West Kent Partnership Business Support	12		External funding received in advance.
Salaries – Ext Funded	-24	-25	This is offset by additional external income to cover externally funded staff.
Capital – Big Community Fund	-35		This is fully funded from the earmarked reserve at the year end.
Capital – Parish Projects	46	61	There are no current capital schemes in Parish projects, balance to be carried forward.

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Future Issues/Risk Areas

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**Chief Officer Communities and Business
February 2014**

Corporate Support – January 2014 Commentary

Service	Variance to date £'000 (Minus is bad news)	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Estates Management – Buildings	-53	-59	£30k costs associated with facilitating the sale of 66 London Road. Remaining variance due to the Council having to meet the business rates of properties now vacant pending disposal and the associated reduced rental income.
Support – Central Offices	26		Fire alarm system works not included in these figures yet, originally profiled for earlier in the year.
Support – Contact Centre	28		Awaiting costs for new kiosk and other self-service projects.
Support – General Admin	18		Additional work to support corporate projects not yet invoiced.
Support – Human Resources	-12	-1	SMT will be reviewing the training budgets with a view to adjusting them.
Salaries	40	4	£4k - HR salaries underspend due to vacant post. Awaiting costs for new kiosk and other self-service projects.

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Future Issues/Risk Areas

**Chief Officer Corporate Support
February 2014**

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Environmental & Operational Services – January 2014 Commentary

Service	Variance to date £'000 (Minus is bad news)	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Admin Expenses – Health	11	6	Forecast savings on furniture and training expenses.
Asset Maintenance Car Parks	-21	-25	Essential car park maintenance undertaken in October to be offset, partly, by £17,500 underspend on other asset maintenance budgets.
Building Control	-9		Income £24,000 below profile. Savings on structural checking fees. Shared management arrangement with T&MBC ended end of September 2013 (£23,000 shortfall in income). Savings made on salary costs by not yet filling one Surveyor post. Fee income low December – February.
Car Parks	-54	-70	Income £49,000 below profile, due to actual shortfall in income from 2012/13 budget. Income mainly down on pay and display.
CCTV	-12	-15	The challenging income budget is currently underachieving and has been partially offset by the savings on salaries and transmission costs.
EH Animal Control	-20	-20	Over-expenditure on kennel fees and vet treatments for unclaimed stray dogs.
EH Environmental Protection	31	25	Savings on air quality monitoring costs.
Estates Management – Grounds	10		Refer to commentary on Parks and Recreation Grounds.
Land Charges	17	18	Income £20,000 above profile.
Licensing Partnership Hub (Trading)	27		Licensing trading 'hub' currently £26,800 in 'surplus'. If not spent on initiatives such as on-line forms, end of year 'surplus' is shared between the three Licensing partners.
Licensing Regime	-13	-19	General licensing fees are £19k above profile which has helped to offset the other income lines which are currently underachieving.
Markets	-57	-68	Income budget for Swanley market is £62,000 greater than tender price accepted. Some over-expenditure on cleaning and monitoring costs. Savings on salaries.

Service	Variance to date £'000 (Minus is bad news)	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Parks & Recreation Grounds	-33		Overspend on Parks and Recreation areas offset by underspends on Estate Management Grounds and Parks Rural.
Parks – Rural	24		Refer to commentary on Parks and Recreation areas.
Public Conveniences	-10	-12	As a result of the closure & transfer of public conveniences there is a gap in the income budget.
Support – Direct Services	14	6	Savings on printing and mobile phone costs. Further expenditure required on training.
Salaries – Building Control	11		Two Surveyor posts vacant in Building Control, partly offset by one agency Surveyor cover.
Salaries – Licensing	22		Savings on salaries in the Licensing admin 'hub' reflected in the Licensing 'hub' account.
Salaries – Operational Services	258	258	Savings on Direct Services salaries due to vacancies partly offset by use of agency staff to maintain services. Reflected in Direct Services trading accounts.
Capital – Vehicle Purchases	366		Vehicle replacement programme will be delivered within approved budget. Any slippage is carried forward into the vehicle replacement fund. All vehicles now ordered.
Direct Services – Refuse	79	53	Underspend on salaries partly offset by additional costs of agency staff, fuel and vehicle repairs.
Direct Services – Trade	15	9	Income £5,000 above profile. Expenditure £9,000 below profile.
Direct Services – Workshop	46	44	Income £55,000 above profile, mainly on vehicle repairs. Expenditure £10,000 above profile on vehicle parts.
Direct Services – Green Waste	36	27	Income £34,000 above profile mainly due to annual bin permits.
Direct Services – Cesspools	-11	-16	Income slightly over profile, but expenditure £13,000 over profile mainly on salaries and transport repairs.
Direct Services – Pest Control	-17	-15	Income £20,000 below profile, mainly on wasp nest treatments, however, £31,000 income generated on wasp nest treatments this year.
Direct Services – Grounds	-7	-15	Income fixed. Over-expenditure on salaries and fixed transport.

Service	Variance to date £'000 (Minus is bad news)	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Direct Services – Depot	21	19	Income from small construction team slightly above profile. Over-expenditure on utility charges. Underspend on support and services.
Direct Services - Trading Accounts Overall	186	119	Income £93,000 above profile. Expenditure £92,000 below profile.

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Future Issues/Risk Areas

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**Chief Officer Environmental & Operational Services
February 2014**

Financial Services – January 2014 Commentary

Service	Variance to date £'000 (Minus is bad news)	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Admin Expenses – Community Director	9	11	Forecast amended to reflect year end position on accounts no longer in use.
Admin Expenses – Financial Services	18	10	Printing and staff training budgets are currently underspent.
Benefits Admin	20		£16,000 New Burdens Grant received from Government for Welfare Reform.
Corporate Management	6	66	Savings of £48k will off-set the shortfall in meeting the savings target for the senior management restructure which is explained further below.
Corporate Savings	-6	-38	The new senior management structure took effect in September. As a result the full year saving will not be met this year, giving a forecast annual variance of -£48k. Savings in the corporate management budget will off-set the shortfall this year. Additional savings of £10k have been achieved elsewhere in the Corporate Savings budget to reduce the overall variance to -£38k.
Dartford Partnership Hub (SDC Costs)	-231	-145	Additional resources to help address the Benefits increased workload. Both partners have agreed to provide additional funding. Total forecast is £290,000 of which half will be funded by Dartford BC.
Dartford Partnership Implementation & Project Costs	99	145	External funding received that will fund SDC's share of the Benefits increased workload above.
Local Tax	-30	2	Income behind profile but year end forecasting extra Council Tax court costs.
Members	21	20	This is underspent because some Councillors do not claim basic allowance and others do not claim the increases.
Misc. Finance	-17	58	Savings on rent and rates for 66 London Road following sale of the site. £50,000 of this saving has been moved to Property to fund initial investigations into potential property developments. Discretionary Rate Relief budget is no longer required due to the change to the Business Rates Retention Scheme.
Performance Improvement	14	14	The Council received a small New Burdens Grant for the administration of Community Rights legislation. This funding has been used prudently through the year and enabled a favourable variance of £14k to be forecast.
Support – Finance Function	72		Work on non finance partnerships is currently being contained within original resources.

Service	Variance to date £'000 (Minus is bad news)	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Treasury Management	-5	-11	Additional costs of debit/credit card transactions.
Salaries	-154	-145	Agency staff are being used to help address the Benefits increased workload and to fill vacant posts due to the uncertain future caused by Universal Credit.

Future Issues/Risk Areas

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**Chief Finance Officer
February 2014**

Housing – January 2014 Commentary

Service	Variance to date £'000 (Minus is bad news)	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Private Sector Housing	27	24	Part of the Housing Standards and Energy Conservation Officer is now externally funded which has created a short term saving. The Energy efficiency area is 50% of a Housing Initiative Officer post. The new structure is now in place and this will take effect in 2014.
Salaries – Ext Funded	28	37	This external funding and will not affect Council budgets.
Capital – Improvement Grants (West Kent & SDC)	199		It is difficult to predict when works will be completed but see below for risk areas.
Capital – SDC / RHPCG	-36		External funding which will not affect Council budgets.

Future Issues/Risk Areas

It is likely for this year that the DFG budget may be underspent by between £50-70,000 (dependant on resolution of 2 complicated cases). The reason for this is the service has been taken in-house from the HIA since December 2013 and will take a few months to be developed and a review will take place November 2014 to assess the success and whether this continues.

**Chief Housing Officer
February 2014**

Legal & Governance – January 2014 Commentary

Service	Variance to date £'000 (Minus is bad news)	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Admin Expenses – Legal & Governance	15	15	Due to the reduction in Committee reports we anticipate an underspend on internal printing.
Register of Electors	31	14	The annual canvass has been delayed in 2013 by Government; as a result, fees to canvassers will not be paid until March and is estimated to be £15k better than budget. £6.8k is the Government grant for the introduction of individual electoral registration; costs have been and are being drawn down.
Support – Legal Function	17	21	Income generated from s.106 agreements and miscellaneous sources exceeds expectations this year.

Agenda Item 8

Future Issues/Risk Areas

Planning Services – January 2014 Commentary

Service	Variance to date £'000 (Minus is bad news)	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Planning – Development Management	135	147	It remains the case that the overachievement on fee income is down to a relatively small number of high fee applications, including fees of c£58k, c£25k, c£22k, c£20k and c£18k for sites at West Kingsdown, Birchwood School, Hartley, Mackerels Plain and The Farmers in Sevenoaks. There is also an underspend on pay due to staff working reduced hours, vacancy, and maternity leave.
Planning - Enforcement	10	9	This is a combination of underspends on salaries and the enforcement legal budget (external) and some cost recovery.
Planning - Policy	-12	-17	The overspend is a result of agency costs to cover staff absence during a critical period preparing for the Allocation & Development Management Plan (ADMP) examination.
Salaries	24	25	The underspend is due to a variety of factors including filling vacant posts, staff sickness, maternity leave and an element of part time working.
Capital – Affordable Housing	-342		Met from monies secured by S106 planning obligations. This will be financed at the end of the year.

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Future Issues/Risk Areas

The Judicial Review at Forge Field, planning appeals and the ADMP examination.
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Chief Planning Officer
February 2014

Agenda Item 8

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3 Services

Net Service Expenditure for each Chief Officer - analysed by Budget area														
	Period		Period		Period		Period		Y-T-D		Y-T-D		2012/13	
	Budget	Actual	Variance	£'000	%	Budget	Actual	Variance	£'000	%	Annual Budget	Annual Forecast (including Accruals)	Annual Variance	Actual
	£'000	£'000	£'000			£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
communities & Business														
SDC Funded														
Administrative Expenses - Communities & Business	1	0	1	77		11	7	5	42		14	10	4	9
All Weather Pitch	-0	-0	0	-		-2	-2	0	4		-2	-2	-	-2
Community Development Service Provisions	-0	-	-0	-		-2	-5	4	230		-2	-4	2	-11
Community Safety	17	19	-2	-12		171	172	-1	-0		205	205	-	205
Economic Development	5	3	1	27		39	43	-3	-8		45	45	-	41
Grants to Organisations	2	2	0	3		178	177	1	0		183	183	-	178
Health Improvements	4	4	-1	-15		38	37	1	3		45	45	-	42
Leisure Contract	23	6	17	75		180	158	22	12		273	273	-	259
Leisure Development	5	-	5	100		20	15	5	25		20	20	-	20
STAG Community Arts Centre	-	-	-	-		75	75	0	1		75	75	-	100
The Community Plan	5	4	1	16		54	54	-0	-0		64	64	-	59
Tourism	1	1	-0	-5		27	25	2	8		29	29	-	24
West Kent Partnership	-0	3	-3	-		-5	4	-9	-175		-	-	-	-
Youth	8	3	5	64		34	27	7	21		49	45	5	39
Total Communities & Business (SDC Funded)	70	46	23	34		819	786	33	4		999	988	11	966
Externally Funded														
Big Community Fund	-	-	-	-		-	1	-1	-		-	-	-	-
Choosing Health WK PCT	-22	-30	8	35		-21	-23	2	10		-	-	-	-
External Partnership - Community Sports Activation Fund	-	-3	3	-		-	-3	3	-		-	-	-	-
Falls Prevention	-	0	-0	-		-	4	-4	-		-	-	-	-
Local Strategic Partnership	-	-	-	-		-	1	-1	-		-	-	-	-
New Ash Green	-	-	-	-		-	2	-2	-		-	-	-	-
Partnership - Home Office	3	31	-28	-969		-6	-0	-6	-98		-	-	-	-
PCT Health Checks	-	4	-4	-		-	-3	3	-		-	-	-	-
PCT Initiatives	-	-	-	-		-	0	-0	-		-	-	-	-
Troubled Families Project	-	-6	6	-		-	-12	12	-		-	-	-	-
West Kent Partnership Business Support	-	-3	-16	-83		-27	-38	12	45		-	-	-	-
Total Communities & Business (Ext Funded)	-19	-3	-16	-83		-27	-38	12	45		-	-	-	-
Total Communities & Business	50	43	8	15		792	747	45	6		999	988	11	966

3 Services

Net Service Expenditure for each Chief Officer - analysed by Budget area														
January 14 - Final	Period		Period		Period		Y-T-D		Y-T-D		Y-T-D		2012/13	
	Budget	Actual	Variance	£'000	%	Budget	Actual	Variance	£'000	%	Annual Budget	Annual Forecast (including Accruals)	Variance	Actual
Environmental and Operational Services	206	250	-44	-21		2,208	2,235	-27	-1		2,502	2,655	-153	2,816
Administrative Expenses - Building Control	1	1	-0	-56		7	5	3	38		9	9	-	8
Administrative Expenses - Direct Services	-1	0	-1	-100		-6	-0	-6	-100		-9	-9	-	-
Administrative Expenses - Health	2	1	2	73		21	10	11	53		25	19	6	12
Administrative Expenses - Transport	2	1	1	64		14	6	8	60		18	18	-	7
Air Quality (Ext Funded)	-	3	-3	-		4	4	-4	-		-	-	-	-
Asset Maintenance Car Parks	1	0	1	81		13	34	-21	-164		16	41	-25	55
Asset Maintenance CCTV	1	-	1	100		10	4	5	56		12	12	-	14
Asset Maintenance Countryside	0	-	0	-		9	9	9	100		10	3	7	2
Asset Maintenance Direct Services	2	8	-6	-275		23	13	9	42		27	27	-	25
Asset Maintenance Playgrounds	1	-	1	100		7	3	4	57		8	4	4	-
Asset Maintenance Public Toilets	1	-	1	100		7	0	7	95		8	3	5	-
Building Control	-11	8	-19	-174		-79	-69	-9	-12		-97	-97	-	-58
Building Control Discretionary Work	-0	1	-1	-		-0	4	-4	-		-0	-0	-	2
Car Parks	-164	-161	-3	-2		-1,346	-1,291	-54	-4		-1,854	-1,584	-270	-1,448
CCTV	25	25	0	11		216	228	-12	-5		244	259	-15	271
Civil Protection	2	2	0	11		27	24	3	12		32	32	-	25
Dangerous Structures	2	1	0	15		19	17	1	6		22	22	-	20
Dartford Environmental Hub (SDC Costs)	-0	-	-0	-		-0	-	-0	-		-	-	-	-
Dartford Environmental Hub (SDC Costs)	0	9	-9	-		1	20	-20	-2,866		1	21	-20	22
EH Animal Control	22	23	-1	-4		218	213	5	2		262	262	-	239
EH Commercial	30	27	4	12		332	300	31	9		393	368	25	355
EH Environmental Protection	5	5	-0	-3		51	50	1	3		62	62	-	58
Emergency	-	-	-	-		-	-	-	-		-	-	-	-
Environmental Health Partnership	8	1	7	83		79	69	10	13		95	95	-	88
Estates Management - Grounds	-3	-2	-1	-33		-76	-93	17	22		-91	-109	18	-85
Land Charges	-0	-4	4	-		-0	-27	27	-		-	-	-	-
Licensing Partnership Hub (Trading)	-	-	-	-		-	-	-	-		-	-	-	-
Licensing Partnership Members	5	9	-4	-77		-13	0	-13	-100		-3	16	-19	10
Licensing Regime	-25	-23	-2	-9		-220	-163	-57	-26		-261	-193	-68	-156
Markets	-34	-40	6	17		-330	-330	0	0		-406	-406	-	-345
On-Street Parking	8	12	-4	-49		81	113	-33	-41		97	97	-	124
Parks and Recreation Grounds	7	8	-2	-23		66	43	24	36		80	80	-	65
Parks - Rural	3	5	-2	-77		35	45	-10	-29		41	53	-12	49
Public Conveniences	0	0	0	-		0	1	-1	-		0	0	-	1
Public Transport Support	207	219	-11	-6		1,971	1,968	3	0		2,281	2,281	-	2,248
Refuse Collection	103	101	1	56		1,013	1,010	3	0		1,213	1,213	-	1,163
Street Cleansing	1	0	1	100		4	4	7	64		13	8	5	3
Street Naming	4	9	-5	-110		43	30	14	31		52	46	6	39
Support - Direct Services	1	2	-0	-14		15	10	4	30		18	18	-	20
Support - Health and Safety	-1	-2	2	241		-12	-21	9	80		-16	-16	-	-12
Taxis	-	-	-	-		-	-	-	-		-	-	-	-
Total Environmental and Operational Services	206	250	-44	-21		2,208	2,235	-27	-1		2,502	2,655	-153	2,816

3 Services

Net Service Expenditure for each Chief Officer - analysed by Budget area

January 14 - Final

	Period		Period		Period		Y-T-D		Y-T-D		Y-T-D		Annual		Annual		2012/13		
	Budget	Actual	Variance	£'000	%	Budget	Actual	Variance	£'000	%	Budget	Actual	Variance	£'000	Forecast (including Accruals)	Variance	£'000	Actual	
Financial Services																			
Action and Development	1	1	-1	-94		5	1	4	76		7	7	-	7	7	-	7	6	6
Administrative Expenses - Chief Executive	1	1	0	29		11	6	5	48		13	11	2	11	11	-	13	7	7
Administrative Expenses - Community Director	1	0	1	76		12	3	9	76		14	4	11	4	4	-	14	7	7
Administrative Expenses - Corporate Director	1	-0	1	112		5	6	-0	-1		7	6	1	6	6	-	7	1	6
Administrative Expenses - Financial Services	3	1	2	63		35	16	18	53		42	32	10	32	32	-	42	29	29
Administrative Expenses - Transformation and Strategy	1	0	0	62		5	3	2	48		6	4	2	6	6	-	6	-	-
Benefits Admin	1	23	-22	-3,049		-123	-143	20	16		863	863	-	863	863	-	-659	1,008	1,008
Benefits Grants	-	-43	-0	-		-	-431	-0	-0		-	-	-	-	-659	-	-659	-	-659
Consultation and Surveys	-	-	-	-		-	3	-3	-		3	3	-	3	3	-	3	-	-
Corporate Management	54	56	-1	-2		587	581	6	1		744	678	66	744	678	66	842	842	842
Corporate Savings	21	-	21	100		-6	-	-6	-100		17	55	-38	17	55	-38	17	-	-
Dartford Partnership Hub (SDC costs)	142	202	-60	-42		1,520	1,751	-231	-15		-3	142	-145	-3	142	-145	-3	-541	-541
Dartford Partnership Implementation & Project Costs	14	4	10	70		-59	-158	99	169		-30	-175	145	-30	-175	145	-30	-	-
Equalities Legislation	-	-	-	-		17	14	3	20		17	14	3	17	14	3	17	13	13
External Communications	10	15	-5	-51		118	119	-1	-1		138	135	4	138	135	4	136	136	136
Housing Advances	-	-	-	-		5	2	2	49		5	2	2	5	2	2	5	3	3
Local Tax	-	-	-	-		-	-	-	-		-	-	-	-	-	-	-	-	-
Members	-36	-11	-26	-70		-463	-433	-30	-6		127	126	1	127	126	1	127	346	346
Misc. Finance	34	32	2	6		340	319	21	6		407	387	20	407	387	20	407	366	366
Performance Improvement	140	193	-53	-38		1,438	1,455	-17	-1		2,276	2,218	58	2,276	2,218	58	2,157	2,157	
Support - Audit Function	-	-	-	-		6	-9	14	251		6	-8	14	6	-8	14	6	5	5
Support - Exchequer and Procurement	-	-	-	-		-	-32	-27	-5		145	145	-	145	145	-	145	161	161
Support - Finance Function	11	10	0	4		114	110	5	4		135	135	-	135	135	-	127	127	
Support - General Admin	19	12	7	37		186	114	72	39		224	224	-	224	224	-	130	130	
Treasury Management	8	3	4	56		75	80	-5	-7		90	101	-11	90	101	-11	90	146	146
Total Financial Services	400	516	-116	-29		3,477	3,486	-9	-0		4,727	4,575	152	4,727	4,575	152	4,408	4,408	4,408

3 Services

. Net Service Expenditure for each Chief Officer - analysed by Budget area

January 14 - Final

	Period		Period		Period		Y-T-D		Y-T-D		Y-T-D		Annual Forecast (including Accruals)		2012/13	
	Budget	Actual	Variance	£'000	Budget	Actual	Variance	£'000	Budget	Actual	Variance	£'000	Budget	Forecast	Variance	Actual
	£'000	£'000	£'000	%	£'000	£'000	£'000	%	£'000	£'000	£'000	%	£'000	£'000	£'000	£'000
Housing																
Administrative Expenses - Housing	1	1	0	16	14	16	-1	-10	17	19	-2	12	17	19	-2	12
Energy Efficiency	1	2	-1	-91	20	25	-6	-28	22	30	-7	22	22	30	-7	22
Gypsy Sites	-2	1	-3	-147	-20	-18	-1	-6	-23	-21	-2	-24	-23	-21	-2	-24
Homeless	8	7	1	10	80	72	7	9	106	100	6	116	106	100	6	116
Homelessness Funding	3	2	1	26	29	22	7	25	-	-	-	-	-	-	-	-
Homelessness Prevention	-	3	-3	-	-	3	-3	-	-	-	-	-	-	-	-	-
Housing	26	29	-3	-10	375	378	-4	-1	438	446	-8	378	438	446	-8	378
Housing Initiatives	1	0	1	98	7	3	3	51	8	8	-	9	8	8	-	9
Housing Option - Trailblazer	-	-7	7	-	-	-2	2	-	-	-	-	-	-	-	-	-
Disabled Facilities Grant Administration	-	-	-	-	-	2	-2	-	-	2	-2	-	-	2	-2	-
KCC Loan Scheme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-1
Leader Programme	1	1	0	6	7	7	0	5	9	9	-	9	9	9	-	9
Needs and Stock Surveys	-	-4	4	-	-	-4	4	-	13	13	-	13	13	13	-	13
Private Sector Housing	15	13	2	13	152	126	27	18	182	158	24	174	182	158	24	174
Total Housing	54	48	6	11	564	630	34	5	772	764	8	728	772	764	8	728

3 Services

. Net Service Expenditure for each Chief Officer - analysed by Budget area

January 14 - Final

	Period		Period		Period		Y-T-D		Y-T-D		Y-T-D		Annual		2012/13	
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Forecast (including Accruals)	Annual Variance	Actual
	£'000	£'000	£'000	%	£'000	£'000	£'000	%	£'000	£'000	£'000	%	£'000	£'000	£'000	£'000
Legal and Governance	46	45	1	3	519	452	67	13	616	565	50		616	565	50	593
Administrative Expenses - Legal and Governance	3	3	-0	-0	62	47	15	24	73	58	15		73	58	15	87
Civic Expenses	0	0	0	-	14	14	1	4	15	15	-		15	15	-	13
Committee Admin	9	10	-1	-6	88	86	2	2	106	106	-		106	106	-	93
Elections	7	1	6	83	56	53	2	4	71	71	-		71	71	-	65
Register of Electors	8	12	-3	-42	119	88	31	26	135	121	14		135	121	14	117
Support - Legal Function	18	19	-1	-5	180	163	17	9	216	195	21		216	195	21	237
Total Legal and Governance	46	45	1	3	519	452	67	13	616	565	50		616	565	50	593

3 Services

. Net Service Expenditure for each Chief Officer - analysed by Budget area

January 14 - Final

	Period		Period		Period		Y-T-D		Y-T-D		Y-T-D		Annual Forecast (including Actuals)		2012/13	
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Forecast	Variance	Actual
	£'000	£'000	£'000	%	£'000	£'000	£'000	%	£'000	£'000	£'000	%	£'000	£'000	£'000	£'000
Planning Services																
Administrative Expenses - Planning Services	3	1	2	60	26	22	4	17	31	29	2	21				
Affordable Housing	-	-	-	-	-	3	-3	-	-	-	-	-				
Conservation	4	3	1	32	43	40	3	6	52	49	2	44				
LDF Expenditure	-	1	-1	-	-	1	-1	-	-	-	-	-				
Planning - Appeals	15	13	2	14	155	155	-1	-0	185	189	-4	166				
Planning - CIL Administration	-	-	-	-	-	-	-	-	-	6	-6	-				
Planning - Counter	-0	-0	0	-	-0	-1	0	-	-0	-0	-	-				
Planning - Development Management	34	12	22	64	349	214	135	39	409	262	147	429				
Planning - Enforcement	22	20	2	9	225	214	10	5	270	261	9	259				
Planning Policy	28	44	-16	-58	297	309	-12	-4	429	446	-17	342				
Total Planning Services	105	93	12	11	1,094	959	136	12	1,376	1,244	132	1,261				

0	1,016	1,172	-155	-15	11,300	11,015	285	3	14,075	13,929	146	13,579
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4 Salaries

4. Cumulative Salary Monitoring

January 14 - Final

- Communities and Business
- Corporate Support
- Environmental & Operational Services:
- Building Control
- Environmental Health
- Licensing
- Operational Services
- Parking & Amenity Services
- Financial Services
- Housing
- Legal & Governance
- Planning Services

Period	Period		Period		Y-T-D		Y-T-D		Y-T-D		Annual		Annual	
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	Budget	Forecast (including Accruals)	Variance
£'000	£'000	£'000	%	£'000	£'000	£'000	%	£'000	£'000	£'000	£'000	£'000	£'000	£'000
30	30	0	1	307	309	-2	-1	369	369	-	369	369	-	-
146	145	2	1	1,412	1,373	40	3	1,708	1,708	4	1,712	1,708	4	4
431	398	33	8	4,326	4,022	304	7	4,934	4,934	258	5,193	4,934	258	258
32	29	2	7	332	322	11	3	400	400	-	400	400	-	-
50	49	1	2	504	500	3	1	604	604	-	604	604	-	-
24	21	3	14	242	220	22	9	291	291	-	291	291	-	-
288	262	26	9	2,864	2,606	258	9	3,441	3,182	258	3,441	3,182	258	258
37	36	1	2	383	374	9	2	456	456	-	456	456	-	-
200	208	-8	-4	2,117	2,272	-154	-7	2,665	2,665	-145	2,520	2,665	-145	-145
47	48	-2	-4	496	500	-4	-1	589	589	-9	589	589	-9	-9
44	44	0	1	455	454	2	0	544	544	-	544	544	-	-
148	149	-1	-1	1,529	1,505	24	2	1,829	1,804	25	1,829	1,804	25	25
1,047	1,022	25	2	10,642	10,433	209	2	12,756	12,622	134	12,756	12,622	134	134
10	-	10	100	-6	-	-6	-100	-5	0	-5	-5	0	-5	-5
-	-	-	-	-	-	-	-	48	-	48	48	-	48	48
11	-	11	100	-	-	-	-	22	7	15	22	7	15	15
1,068	1,022	46	4	10,636	10,433	202	2	12,821	12,629	192	12,821	12,629	192	192
Externally Funded & Funded from other sources (gross figures). Overspendings here are matched by external funding and represent additional resources secured for the Council since the budget was set.														
9	10	-1	-7	93	117	-24	-25	112	137	-25	112	137	-25	-25
16	15	2	10	164	135	28	17	196	159	37	196	159	37	37
26	25	1	4	257	252	5	2	309	297	12	309	297	12	12
1,094	1,047	47	4	10,893	10,686	207	2	13,130	12,926	204	13,130	12,926	204	204
-243	-215	-28	-11	-2,428	-2,173	-254	-10	-2,913	-2,913	-	-2,913	-2,913	-	-
851	831	20	2	8,465	8,512	-47	-1	10,216	10,013	204	10,216	10,013	204	204

Communities and Business Ext. Funded

Housing Ext. Funded

TOTAL All Salary Costs

Less Allocs to Trading a/cs Inc Ext Funded TASK

Less Allocations to Capital and Asset maint. etc

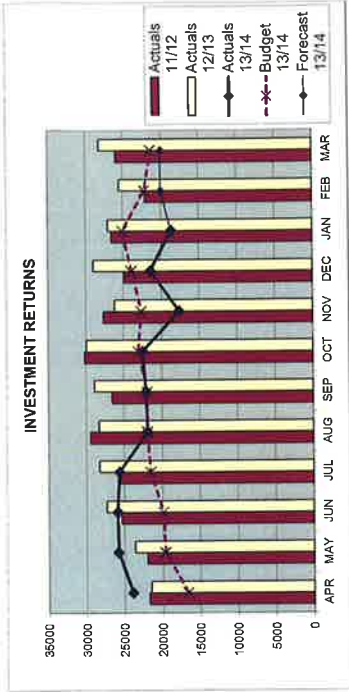
Check total to Pay Costs

5 Direct Services

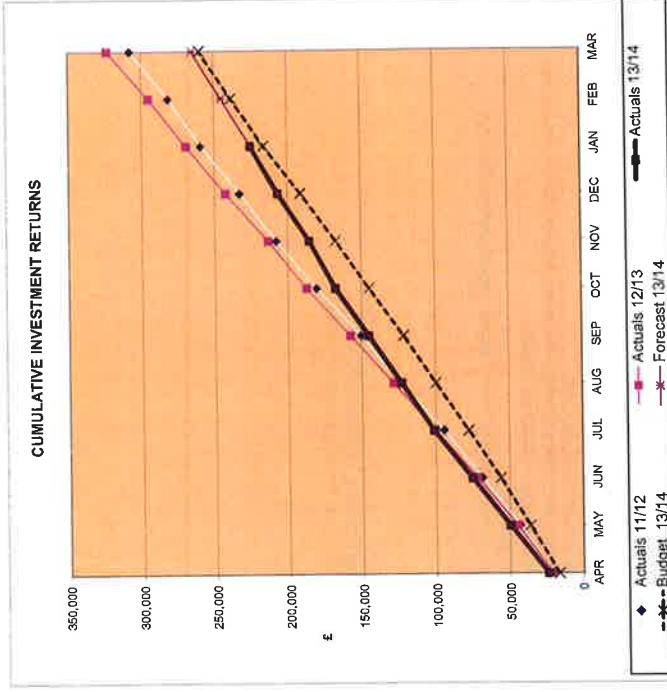
	PERIOD				Y-T-D				ANNUAL				Y-T-D NET VARIANCE			ANNUAL NET VARIANCE		
	Budget	Actual	Actual / Budget	Variance	Budget	Actual	Actual / Budget	Variance	Budget	Forecast	Variance	Net Budget by Service	Net Actual by Service	Variance by Service	Net Budget by Service	Net Actual by Service	Variance by Service	
	£'000	£'000	%	£'000	£'000	£'000	%	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Jan-14																		
Income																		
Refuse	-182	-201	10%	19	-1,830	-1,855	1%	25	-2,197	-2,200	3	45	-34	79	53	36	53	
Street Cleaning	-96	-102	5%	5	-964	-974	1%	10	-1,157	-1,160	3	36	28	7	43	36	7	
Trade	-26	-30	16%	4	-312	-318	2%	6	-364	-364		-38	-53	15	-35	-44	9	
Workshop	-44	-44	0%		-443	-498	13%	56	-531	-590	59	-8	-54	46	-10	-54	44	
Green Waste	-15	-17	11%	2	-353	-388	10%	34	-408	-435	27	-66	-102	36	-70	-97	27	
Premises Cleaning	-7	-7	0%		-94	-95	1%	1	-108	-108		-8	-16	8	-5	-8	3	
Cesspools	-21	-20	-2%		-208	-210	1%	2	-250	-250		-26	-16	-11	-31	-15	-16	
Pest Control	-3	-3	-25%	-1	-74	-54	-27%	-20	-80	-60	-20	-7	10	-17	15	15	-15	
Grounds	-10	-10	0%		-103	-104	1%	1	-126	-126		-6	1	-7	-11	4	-15	
Fleet	-66	-63	-5%	-3	-662	-636	-4%	-26	-795	-795		6	-6	6	6	6	19	
Depot	-30	-35	16%	5	-216	-223	3%	6	-274	-272	-2	11	-10	21	2	-17	4	
Emergency	-4	-4	0%		-40	-40	0%		-48	-48		1	-2	4	2	-2	4	
Total Income	-507	-537	6%	30	-5,300	-5,394	2%	94	-6,339	-6,408	69	-67	-254	186	-64	-182	119	
Expenditure																		
Refuse	187	188	0%		1,875	1,821	3%	54	2,250	2,200	50							
Street Cleaning	100	105	-5%	-5	1,000	1,003	0%	-3	1,200	1,196	4							
Trade	27	25	9%	2	274	265	4%	10	329	320	9							
Workshop	43	42	4%	2	434	444	-2%	-10	521	536	-15							
Green Waste	25	25	3%	1	287	285	1%	2	338	338								
Premises Cleaning	9	6	29%	3	86	79	8%	7	103	100	3							
Cesspools	18	20	-8%	-1	182	195	-7%	-13	219	235	-16							
Pest Control	7	7	-1%		67	64	5%	3	80	75	5							
Grounds	9	7	20%	2	97	105	-8%	-8	114	130	-16							
Fleet	66	65	1%	1	662	631	5%	32	795	795								
Depot	25	32	-28%	-7	227	212	6%	14	276	255	21							
Emergency	4	4	5%		41	38	9%	4	50	46	4							
Total Expenditure	521	525	-1%	-4	5,233	5,141	2%	92	6,275	6,226	49							
Net	15	-11	-177%	26	-67	-254	277%	186	-64	-182	119							

6 Investments

INVESTMENT RETURNS						
	Actuals 11/12	Actuals 12/13	Actuals 13/14	Budget 13/14	Variance	Forecast 13/14
APR	21,722	21,489	23,889	16,680	7,209	23,900
MAY	21,983	23,571	25,821	19,662	6,159	25,800
JUN	25,342	27,280	25,924	19,910	6,014	25,900
JUL	25,498	28,227	25,660	21,538	4,122	25,700
AUG	29,446	28,256	21,900	21,963	-63	21,900
SEP	26,586	28,853	22,069	21,931	138	22,100
OCT	30,200	29,941	22,500	23,118	-618	22,500
NOV	27,636	26,144	17,673	22,656	-4,983	17,700
DEC	24,871	28,954	21,411	23,914	-2,503	21,400
JAN	26,525	26,999	18,662	25,109	-6,447	18,700
FEB	22,078	25,505	22,172	21,347	825	20,000
MAR	25,935	28,159	21,347	21,347	0	20,000
	307,822	323,378	225,509	260,000	9,028	265,600



INVESTMENT RETURNS (CUMULATIVE)						
	Actuals 11/12	Actuals 12/13	Actuals 13/14	Budget 13/14	Variance	Forecast 13/14
APR	21,722	21,489	23,889	16,680	7,209	23,900
MAY	43,705	45,060	49,710	36,342	13,368	49,700
JUN	69,047	72,340	75,634	56,252	19,382	75,600
JUL	94,545	100,567	101,294	77,790	23,504	101,300
AUG	123,991	128,823	123,194	99,753	23,441	123,200
SEP	150,577	157,676	145,263	121,684	23,579	145,300
OCT	180,777	187,617	167,763	144,802	22,961	167,800
NOV	208,413	213,761	185,436	167,458	17,978	185,500
DEC	233,284	242,715	206,847	191,372	15,475	206,900
JAN	259,809	269,714	225,509	216,481	9,028	225,600
FEB	281,887	295,219	225,509	238,653	-13,144	245,600
MAR	307,822	323,378	225,509	260,000	9,028	265,600



BUDGET FOR 2013/14 260,000
 FORECAST OUTTURN 265,600

CODE:- YHAA 96900

- N.B.
 1) These are the gross interest receipts rather than the interest remaining in the General Fund
 2) Interest due on the Landsbanki investment has been removed from the calculations as from 25/6/2008

Fund Average 0.7313%
 7 Day LIBID 0.3795%
 3 Month LIBID 0.4788%

7 Staff

	BDGT BOOK		STAFF		AGENCY CASUAL		TOTAL	COMMENTS / VARIATIONS	DECEMBER TOTALS
	FTE	REV	FTE	STAFF	FTE	FTE			
Communities and Business	8.54		8.69	0.00	0.11		8.80		9.31
Corporate Support	58.03		54.93	1.00	0.00		55.93	Now includes Contact Centre, Human Resources, Secretariat and Property	57.12
Environmental & Operational Services	159.18		141.57	15.51	0.89		157.97		156.59
Operational Services	115.77		101.16	15.51	0.89		117.56	Includes Grounds Maintenance, plus D Boorman	116.18
Env Health	12.57		12.57	0.00	0.00		12.57		12.57
Licensing	8.81		7.81	0.00	0.00		7.81		7.81
Parking	12.61		11.61	0.00	0.00		11.61	Still includes R Froud (Should be Op Services)	11.61
Surveying Services	9.42		8.42	0.00	0.00		8.42	Was Building Control, now includes Land Charges	8.42
Financial Services	63.46		60.93	5.00	0.61		66.54	Includes P Parnwel, plus Transformation & Strategy. No longer includes Human Resources, Contact Centre or Property. All now in Corporate Support	66.56
Housing	11.89		12.24	1.00	0.00		13.24	No longer includes Communications	13.24
Legal and Governance	11.92		12.31	0.00	0.00		12.31	No longer includes 'Policy' - now Fin Serv or 'Land Charges' - now Surveying Services	11.31
Planning Services	47.19		48.48	2.00	0.00		50.48		49.07
Posts Removed under SMT Review	3.00								
SUB TOTAL	363.21		339.15	24.51	1.61		365.27		363.20
EXTERNALLY FUNDED POSTS									
Communities and Business	2.54		3.54	0.00	0.00		3.54	Includes Graduate Trainee Economic Development Officer	3.54
Housing	6.00		4.49	0.00	0.00		4.49	1 post is part funded by SDC (see Housing permanent posts).	4.49
SUB TOTAL	8.54		8.03	0.00	0.00		8.03		8.03
TOTALS	371.75		347.18	24.51	1.61		373.30		371.23
									0.00
Number of staff paid in January 2014:									
379 permanent, 8 casuals									

8 Reserves

Reserves

	01/04/13	Movement in month	Cumulative to date	Balance as at end January 14	31/3/14 budget	31/3/14 forecast
	£000	£000	£000	£000	£000	£000
Provisions						
Edenbridge Relief Road Compensation	0	0	0	0	0	0
Accumulated Absences	152	152	152	152	152	152
Municipal Mutual Insurance (MMI)	305	305	305	305	211	255
Others	34	34	34	34	0	0
	491	0	0	491	363	407
Capital Receipts(Gross)	1,693	449	2,671	4,364	2,915	4,365
Note: this balance will reduce at year end as the receipts are used to finance capital expenditure						
Earmarked Reserves						
Financial Plan	5,224			5,224	4,635	4,644
Budget Stabilisation	4,051	1	1	4,052	4,703	5,223
New Homes Bonus	594			594	406	259
Housing Benefit subsidy	1,021			1,021	1,161	1,020
Asset Maintenance	1,000			1,000	1,000	1,000
First Time Sewerage	915			915	715	915
Vehicle Renewal	508			508	292	309
Reorganisation (previously Termination)	386	-21	-21	365	-21	486
LDF	520	-23	-23	497	456	597
Community Development	460	-6	-6	454	470	460
Carry Forward Items	144	-1	-1	58	222	53
Action and Development	395			395	295	395
Vehicle Insurance	277			277	287	277
Pension Valuation	810			810	1,018	1,200
Big Community Fund	110			110	0	0
Rent Deposit Guarantees	112			112	82	112
Local Strategic Partnership	76			76	82	76
Homelessness Prevention	197	-45	-45	152	134	163
IT Asset Maintenance	315			315	0	0
Others	516	1	1	523	432	625
	17,631	-3	-173	17,458	16,369	17,814
General Fund						
Required Minimum	1,500			1,500	1,500	1,500
Available Balance	2,213			2,213	2,213	2,213
	3,713			3,713	3,713	3,713
TOTAL	23,528			23,360	23,360	26,299

9 Capital

9. Capital

January 14 - Final

COMMDEV Big Community Fund - Capital
 COMMDEV Parish Projects
 ENVPOPS Vehicle Purchases
 FINSERV Horton Kirby Village Hall
 HOUSING Improvement Grants
 HOUSING WKHA Adapts for Disab Financing Costs Advances
 HOUSING SDC - HMO Grants
 HOUSING RHPG 10-11 SDC
 HOUSING RHPG - Discretionary Grants
 ICT Sevenoaks Town Centre
 ICT Police Co-Location
 DEVCONT Affordable Housing

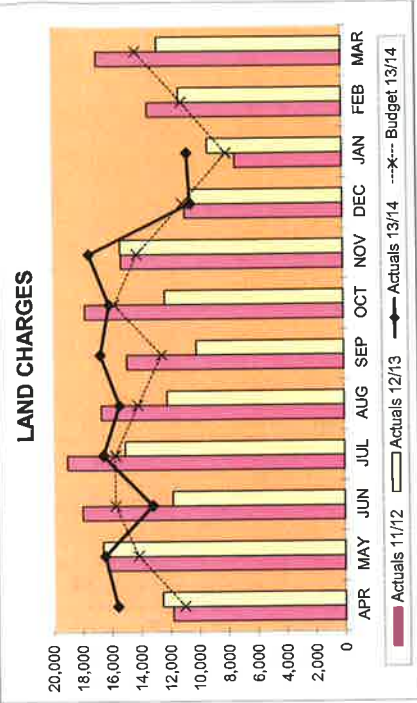
Budget	Period	Actual	Variance	Period	Variance	Period	Variance	Y-T-D	Budget	Actual	Variance	Y-T-D	Variance	Y-T-D	Variance	Annual	Budget	Forecast (including Accruals)	Annual	Variance	
																					£'000
-		3	-3	-		-		-		35	-35	-		-		-		-		-	
-		63	-63	-		46		46		213	366	63		61		61		650		61	
29		21	8	27		294		171		123	42	353		250		250		353		353	
21		8	13	62		208		132		76	37	250		250		250		250		250	
-		-	-	-		-		6		6	-6	-		-		-		-		-	
-		-	-	-		-		24		24	-24	-		-		-		-		-	
-		-	-	-		-		6		6	-6	-		-		-		-		-	
-		-	-	-		-		4		4	-4	-		-		-		-		-	
-		-	-	-		-		342		342	-342	-		-		-		-		-	
50		95	-45	-89		1,127		940		187	17	1,314		1,253		61		1,253		61	

*Improvement Grants budget shown net of Government grant.

10 Land Charges Graphs

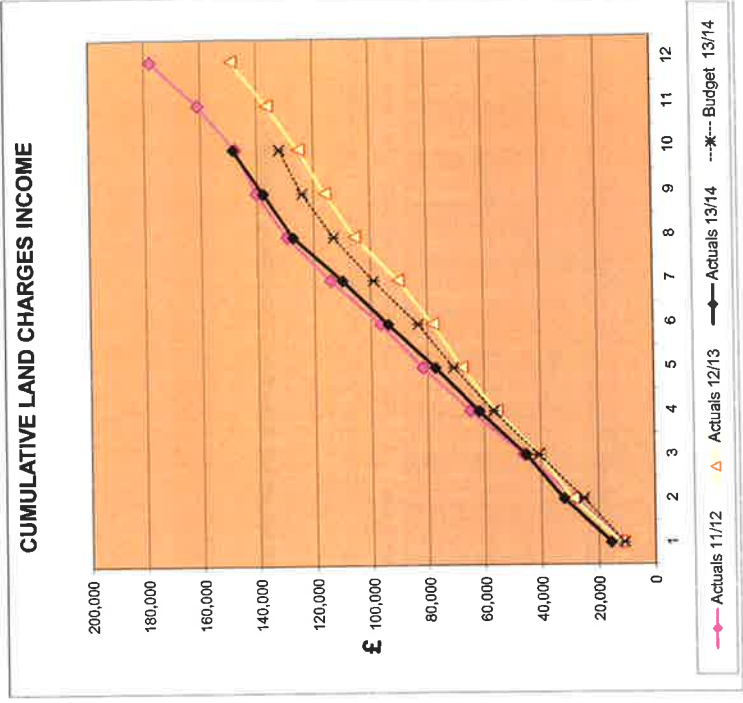
LAND CHARGES (LPLNDCH)

	Actuals 11/12	Actuals 12/13	Actuals 13/14	Increase / decrease from 12/13 to 13/14	Budget 13/14	Variance (Actuals-Budget)	Manager's Forecast
1 APR	11,836	12,520	15,600	3,080	11,000	4,600	
2 MAY	16,303	16,579	16,455	-124	14,150	2,305	
3 JUN	17,994	11,786	13,180	1,394	15,720	-2,540	
4 JUL	18,987	15,021	16,544	1,523	15,720	824	
5 AUG	16,658	12,139	15,419	3,281	14,150	1,269	
6 SEP	14,863	10,100	16,709	6,608	12,500	4,209	
7 OCT	17,740	12,235	16,083	3,849	15,720	363	
8 NOV	15,228	15,271	17,455	2,183	14,150	3,305	
9 DEC	10,819	10,536	10,427	-109	11,000	-573	
10 JAN	7,369	9,220	10,652	1,432	7,965	2,687	
11 FEB	13,340	11,165	10,652	-1,165	11,000	-11,000	
12 MAR	16,826	12,637	14,524	-12,637	14,150	-14,150	
	177,963	149,208	148,524	-684	157,225	-8,701	175,225



LAND CHARGES (CUMULATIVE)

	Actuals 11/12	Actuals 12/13	Actuals 13/14	Cumulative increase / decrease from 12/13 to 13/14	Budget 13/14	Variance (Column E-G)	Manager's Forecast
APR	11,836	12,520	15,600	3,080	11,000	4,600	
MAY	28,139	29,099	32,055	2,956	25,150	6,905	
JUNE	46,133	40,885	45,235	4,350	40,870	4,365	
JUL	65,120	56,906	61,779	5,873	56,590	5,189	
AUG	81,778	68,044	77,198	9,154	70,740	6,458	
SEP	96,641	78,145	93,907	15,762	83,240	10,667	
OCT	114,381	90,379	109,990	19,611	98,960	11,030	
NOV	129,609	105,651	127,445	21,794	113,110	14,335	
DEC	140,428	116,186	137,872	21,685	124,110	13,762	
JAN	147,797	125,407	148,524	23,117	132,075	16,449	
FEB	161,137	136,571	148,524	-136,571	0	0	175,225
MAR	177,963	149,208	148,524	-149,208	0	0	175,225



JANUARY 2014

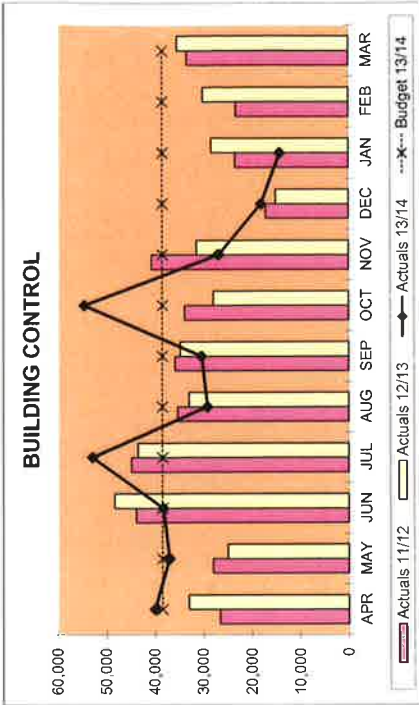
LPLNDCH

	Received (Month)	Percentage (Month)	Percentage (12/13)	(Cumulative)
Searches Received - Paper	£105	18.6%	20.8%	454
Searches Received - Electronic	£86	42.9%	43.0%	1,262
Searches Received - Personal	£0	38.4%	36.2%	821
	177	99.9%	100.0%	2,537

10 Building Control Graphs

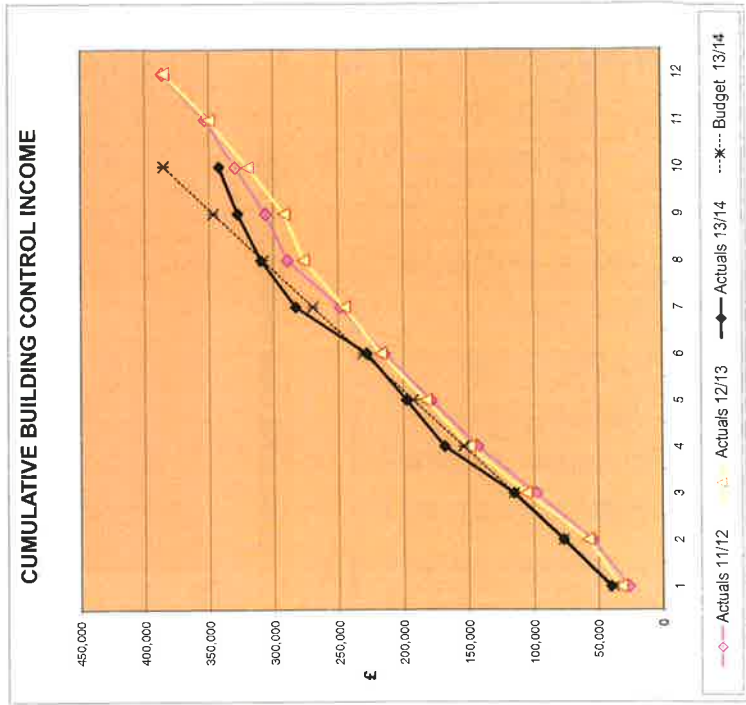
BUILDING CONTROL (DVBCFEE)

	Actuals 11/12	Actuals 12/13	Actuals 13/14	Increase / decrease from 12/13 to 13/14	Budget 13/14	Variance (Actuals-Budget)	Manager's Forecast
1 APR	26,583	32,975	40,068	7,094	38,505	1,563	
2 MAY	28,008	24,976	37,100	12,124	38,505	-1,405	
3 JUN	43,878	48,352	38,370	-9,982	38,505	-135	
4 JUL	44,902	43,510	52,998	9,488	38,505	14,493	
5 AUG	35,321	32,905	29,169	-3,736	38,505	-9,336	
6 SEP	35,890	34,735	30,402	-4,333	38,505	-8,103	
7 OCT	33,837	27,882	34,714	26,832	38,505	16,209	
8 NOV	40,725	31,440	26,918	-4,523	38,505	-11,587	
9 DEC	17,118	15,031	18,120	3,090	38,505	-20,385	
10 JAN	23,425	28,290	14,239	-14,051	38,505	-24,266	
11 FEB	23,315	30,097	14,239	-30,097	38,505	-38,505	
12 MAR	33,397	35,403	34,209	-35,403	38,514	-38,514	
	386,399	385,596	342,099	-43,497	462,069	-119,970	442,069



BUILDING CONTROL (CUMULATIVE)

	Actuals 11/12	Actuals 12/13	Actuals 13/14	Cumulative increase / decrease from 12/13 to 13/14	Budget 13/14	Variance (Column E-G)	Manager's Forecast
APR	26,583	32,975	40,068	7,094	38,505	1,563	
MAY	54,591	57,951	77,168	19,218	77,010	158	
JUNE	98,469	106,303	115,539	9,236	115,515	24	
JUL	143,371	149,813	168,537	18,724	154,020	14,517	
AUG	178,692	182,719	197,706	14,988	192,525	5,181	
SEP	214,582	217,453	228,108	10,655	231,030	-2,922	
OCT	248,419	245,335	282,823	37,487	269,535	13,288	
NOV	289,144	276,776	309,740	32,964	308,040	1,700	
DEC	306,262	291,807	327,861	36,054	346,545	-18,684	
JAN	329,687	320,096	342,099	22,003	385,050	-42,951	
FEB	353,002	350,193	342,099	-350,193	0	0	442,069
MAR	386,399	385,596	342,099	-385,596	0	0	442,069



JANUARY 2014

DVBCFEE

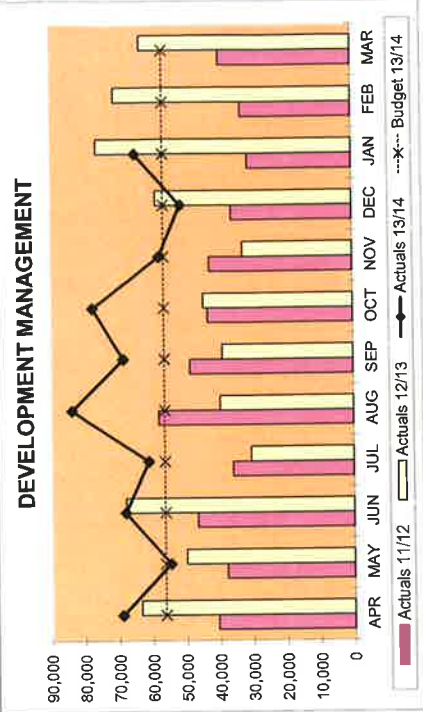
	Actual (Cumulative)	Budget
Plan Fee	3066	210,230
Inspection Fee	3067	121,206
Other	9999	10,664
	342,099	385,050

	(Monthly)
Plan Fee	16,514
Inspection Fee	(143)
Other	(2,133)
	14,239

10 Development Management Graph

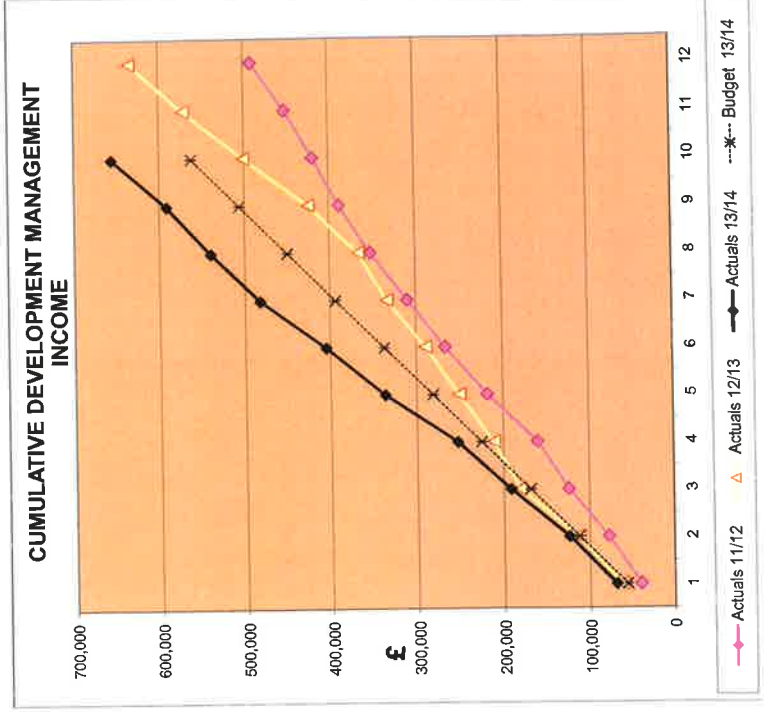
DEVELOPMENT MANAGEMENT (DVDEVCT)

	Actuals 11/12	Actuals 12/13	Actuals 13/14	Increase / decrease from 12/13 to 13/14	Budget 13/14	Variance (Actuals-Budget)	Manager's Forecast
1 APR	40,515	63,378	69,061	5,682	56,245	12,816	
2 MAY	37,722	49,955	54,683	4,728	56,245	-1,562	
3 JUN	46,543	67,875	68,069	194	56,245	11,824	
4 JUL	35,903	30,448	61,049	30,601	56,245	4,804	
5 AUG	57,980	39,527	83,804	44,277	56,245	27,559	
6 SEP	48,611	38,837	68,457	29,621	56,245	12,212	
7 OCT	43,214	44,434	77,511	33,077	56,245	21,266	
8 NOV	42,649	32,532	57,665	25,133	56,245	1,420	
9 DEC	35,907	58,588	51,148	-7,440	56,245	-5,097	
10 JAN	30,824	76,016	64,624	-11,393	56,245	8,379	
11 FEB	32,829	70,715		-70,715	56,245	-56,245	
12 MAR	39,201	62,921		-62,921	56,277	-56,277	
	491,898	635,226	656,070	20,844	674,972	-18,902	789,472



DEVELOPMENT MANAGEMENT (CUMULATIVE)

	Actuals 11/12	Actuals 12/13	Actuals 13/14	Cumulative increase / decrease from 12/13 to 13/14	Budget 13/14	Variance (Column E-G)	Manager's Forecast
APR	40,515	63,378	69,061	5,682	56,245	12,816	
MAY	78,237	113,333	123,743	10,410	112,490	11,253	
JUNE	124,780	181,209	191,813	10,604	168,735	23,078	
JUL	160,683	211,657	252,862	41,205	224,980	27,882	
AUG	218,663	251,184	336,666	85,482	281,225	55,441	
SEP	267,274	290,020	405,123	115,103	337,470	67,653	
OCT	310,488	334,454	482,634	148,180	393,715	88,919	
NOV	353,137	366,986	540,299	173,313	449,980	90,339	
DEC	389,044	425,574	591,447	165,873	506,205	85,242	
JAN	419,868	501,590	656,070	154,480	562,450	93,620	
FEB	452,697	572,305		-572,305		0	789,472
MAR	491,898	635,226		-635,226		0	



JANUARY 2014

DVDEVCT

	Actual	(Cumulative)	Budget	(Monthly)
Planning Application Fees	3009	585,047	497,300	50,499
Other	9999	5,200	-	7,800
Pre-application Fees	94301	49,173	41,570	6,325
Monitoring Fees	94302	16,650	23,580	-
	656,070	656,070	562,450	64,624

FINANCIAL PERFORMANCE INDICATORS 2013/14 – TO THE END OF JANUARY 2014

Finance and Resources Advisory Committee – 26 March 2014

Report of Chief Finance Officer

Status: For consideration

Key Decision: No

This report supports the Key Aim of Effective Management of Council Resources

Portfolio Holder Cllr. Ramsey

Contact Officer(s) Helen Martin Ext. 7483

Recommendation to Finance and Resources Advisory Committee: That the report be noted.

Introduction and Background

1. This report presents figures on seven internally set performance indicators covering activities that support information provided in the regular financial monitoring statements.
2. Information is provided on targets for the financial year, and figures for the previous year are given for comparison.
3. Use of these indicators assists management in highlighting areas where performance has an impact on financial outturn for the authority.

Key Implications

Financial

There are no financial implications arising from this report.

Legal Implications and Risk Assessment Statement.

Under section 151 of the Local Government Act 1972, the Section 151 officer has statutory duties in relation to the financial administration and stewardship of the authority.

Agenda Item 9

Equality Impacts

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
a. Does the decision being made or recommended through this paper have potential to disadvantage or discriminate against different groups in the community?	No	The recommendation is concerned with sound control of the Councils finances and does not directly impact on services provided to the community
b. Does the decision being made or recommended through this paper have the potential to promote equality of opportunity?	No	
c. What steps can be taken to mitigate, reduce, avoid or minimise the impacts identified above?		No mitigating steps are required

Appendices

Appendix A – Performance Indicators – January 2014

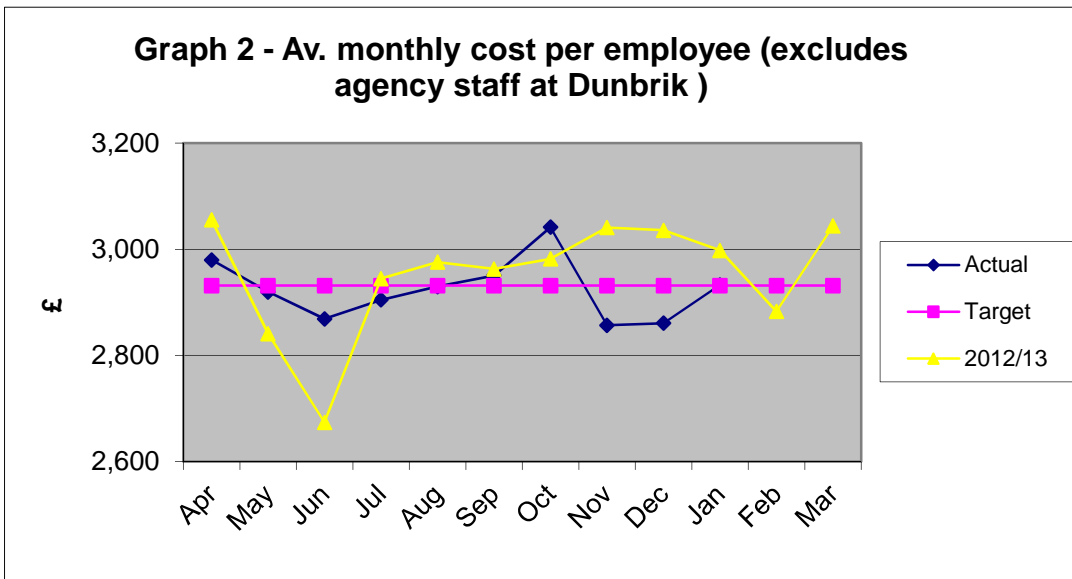
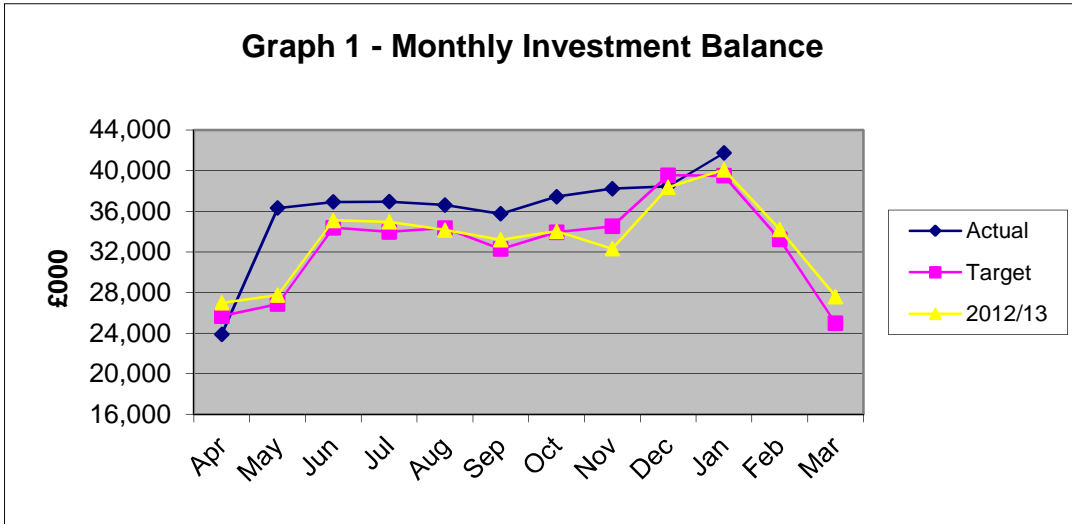
Adrian Rowbotham

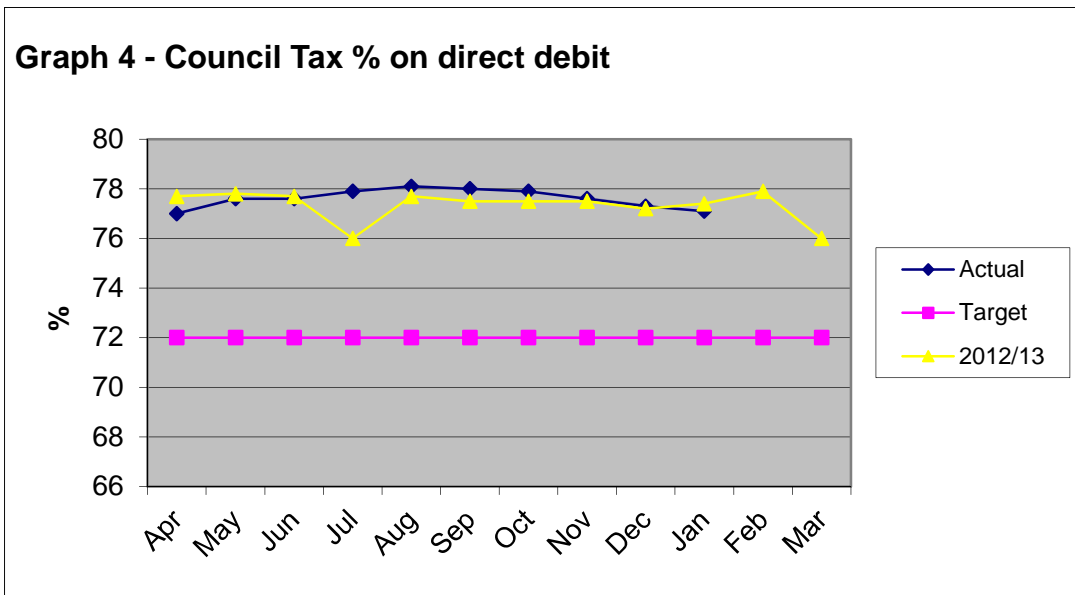
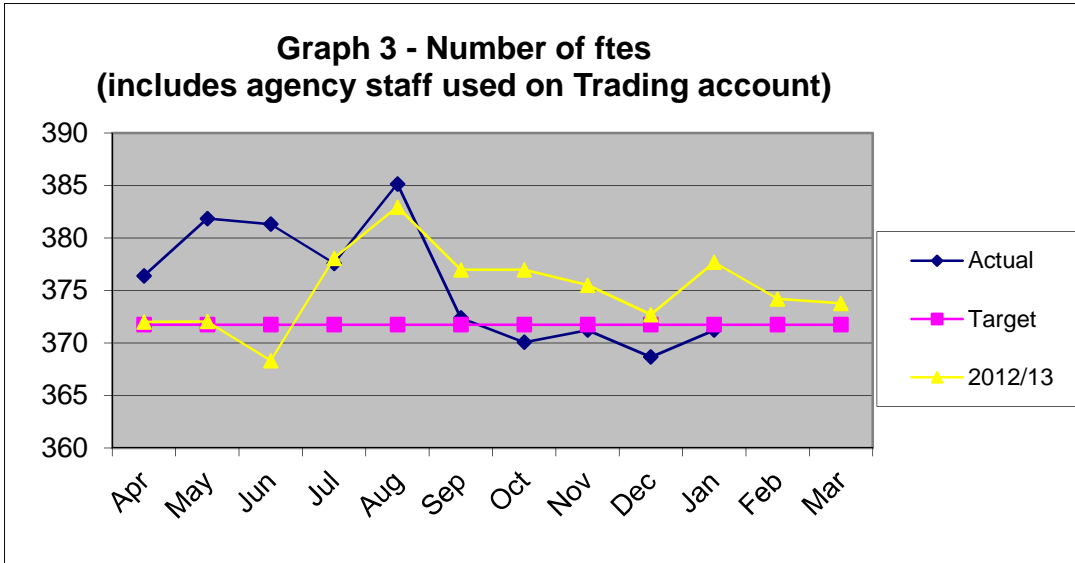
Chief Finance Officer

**Finance & Resources Advisory Committee Finance Indicators 2013/14
as at end January 2014**

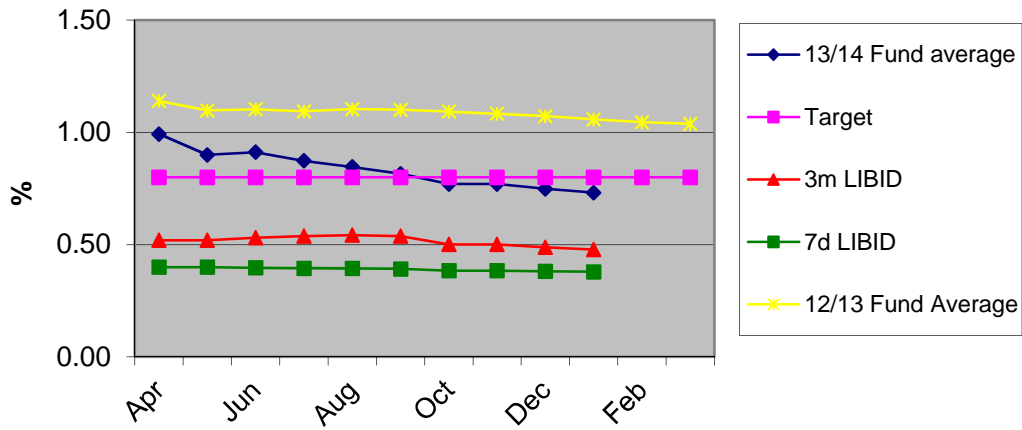
Description	target	actual	Variance		notes	graph
				%		
Monthly investment balance £000	39,511	41,755	2,244	5.7%	Total investments at month end. From April 2013, precepts are paid in 12 instalments of roughly £5m. (Previous years we paid in 10 instalments - not June or December). The target figures have been updated to reflect the Balance Sheet position as at 31/03/13.	1
Average monthly cost per employee (non cumulative) £	2,986	2,900	-86	-2.9%	Target is annual pay budget divided by budget ftes, figures include agency and casual staff. Actuals excludes costs and fte of Agency staff at Dunbrik.	2
Average monthly salary cost SDC £000	1,110	1,043	-67	-6.0%	Excludes numbers and costs of Dunbrik temps	
Number of ftes	373.2	371.2	-2.0	-0.5%	Target is budgeted ftes.	3
Council Tax % collected for 2013/14	90.0	95.4	5.4	6.0%	LPIFS 19. Monthly cumulative figures	-
NNDR % collected for 2013/14	90.0	96.9	6.9	7.7%	LPIFS 20. Monthly cumulative figures.	-
Council Tax payers % on direct debit	72.0	77.1	5.1	7.1%	LPIFS8 - % on direct debit	4
Investment return %	0.80	0.73	-0.07	-8.6%	Cumulative return on investments. Target is budget assumption	5
3 month LIBID		0.48	0.48			
7 day LIBID		0.38	0.38			
Sundry debtors: debts over 21 days £000	35	25.742	-9	-26.5%	21 days is taken as the base as the first reminder is issued after 3 wks.	6
Sundry debtors: debts over 61 days £000	20	20.46	0	2.3%	61 days is when the third reminder is issued (debts exclude items on 'indefinite hold', e.g. debtors in administration)	7

**Finance & Resources Advisory Committee Finance Indicators 2013/14
as at end January 2014**

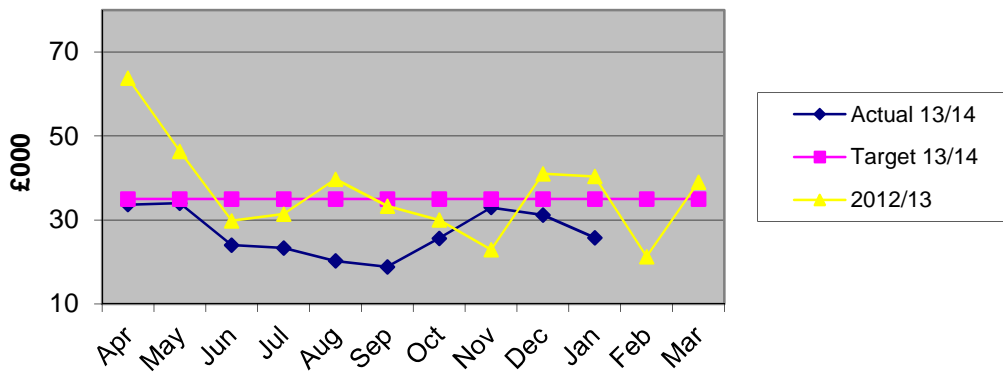




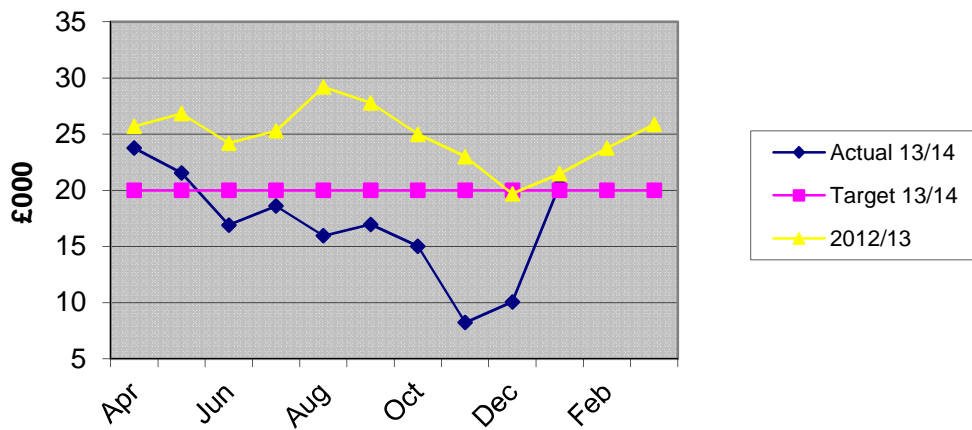
Graph 5 - Investment Return %



Graph 6 - Sundry debts over 21 days



Graph 7 - Sundry debts over 61 days



Finance & Resources Advisory Committee Work Plan 2013/14

26 March 2014	June 2014	September 2014	November 2014
<p>White Oak Leisure Centre Asset Management Strategy</p>	<p>Provisional Outturn 2013/14 and Carry Forward Requests</p> <p>Financial Performance Indicators 2013/14 - to the end of March 2014</p> <p>Provisional Outturn 2013/14 and Carry Forward Requests</p>	<p>Annual Treasury Management Report 2013/14</p> <p>Financial Performance Indicators 2014/15 - to the end of July 2014</p> <p>Financial Results 2014/15 - to the end of July 2014</p> <p>Financial Prospects and Budget Strategy 2015/16 and Beyond</p>	<p>Treasury Management Statutory Report</p> <p>Review of Service Plans/SCIAs</p> <p>Shared Services</p> <p>Financial Performance Indicators 2014/15 - to the end of September 2014</p> <p>Financial Results 2014/15 - to the end of September 2014</p>

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Agenda Item 11

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Agenda Item 12

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Agenda Item 12

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