

Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Report for Cabinet
Report for Finance and Audit Committee

Date: 12 September 2022 / 26 September 2022

Reporting officer: Assistant Director (Corporate Services)

Subject: General Fund Budget Monitoring Report
2022/23 – Quarter One

Purpose and summary of report:

To provide Members with information on actual performance against the approved Revenue and Capital budgets for 2022/23, including projected variances agreed or identified through budgetary control activity.

To update Members on other key areas of financial performance that may impact on the Council's Medium Term Financial Strategy, Medium Term Financial Plan (MTFP), or Financial Statements.

Recommendation:

1. This report is for information only

Key Implications:	
Item	Implications
Legal	There are no specific legal matters arising from this report
Finance and Value for Money	The financial implications are contained within the body of the report
Corporate Plan	Strategic Objective #3 Progress; Sound Financial Management & Successfully Managing Key Business Risks
Climate Change	No direct implications

1. INTRODUCTION

- 1.1. The Constitution of the Council requires Members to receive reports in respect of the Council's finances and financial performance. This report therefore provides an assessment of performance against approved budgets for the 2022/23 financial year for the first quarter to 30 June 2022, as well as updating Members on other key areas of financial performance.
- 1.2. The Council continues to operate robust budgetary control actions to ensure good financial governance and respond to the pressures on the Council's finances. In addition to the reporting of financial performance through regular budget monitoring reports, these actions include:
 - Requiring all financial decisions and major acquisitions to be brought to Management Team for discussion and approval;
 - Appropriate controls in approving purchase orders;
 - Requiring recruitment activity which impacts on either budgetary provision or results in a permanent change to the staffing establishment to be considered and approved by Management Team
 - Monitoring the delivery of activity under the Medium Term Financial Strategy (MTFS).

2. EXECUTIVE SUMMARY

Revenue

- 2.1. Significant projected movements against budget during Quarter One are detailed in the report, otherwise many nil variances are being projected given the relatively early stage of the financial year. However, there are a number of emerging pressures which although not yet quantified, are highlighted within "Wider Unbudgeted Risks to the MTFPs" in section 3.9.
- 2.2. As reported in the 2021/22 Outturn Report, the Council ended the previous year in a favourable position, enabling budgets totalling £67,240 to be approved for carry forward into 2022/23.
- 2.3. The level of Working Balances at year-end is £10.93m, constituted of minimum working balances of £2.0m, the General Fund reserve of £3.25m and usable Working Balances of £5.68m.
- 2.4. Movements in the year are projected to result in a net decrease in earmarked reserves of £1.9m. Within this movement, £0.84m relates to a drawdown from the NNDR Collection Fund Equalisation Reserve and arises from Collection Fund accounting arrangements during 2021/22.

Capital

- 2.5. The General Fund Capital Programme working budget is £79.52m, including £45.5m relating to The Charter, £8.9m for the St George's Centre, £7.9m for a New Leisure Centre, and a combined £6.95m relating to Property/Land Acquisition schemes. Actual spend, as at the end of Quarter One was £3.61m. Forecasted spend for 2022/23 as at Quarter 1 is £54.07m.

3. REVENUE

3.1. Budget 2022/23

3.1.1. The approved Original Budget Requirement for 2022/23 was £12,461,820, largely funded by a combination of retained Non-Domestic Rates, New Homes Bonus, and Council Tax. Additionally, there was a requirement to use £1,453,370 of Usable Working Balances, in accordance with the Medium Term Financial Strategy, to produce an overall balanced budget.

3.1.2. The table below sets out the current assessment of performance against the Original Budget by Directorate, based on known and projected variances as at 30 June 2022.

Directorate / Budget Heading	Original Budget 2022/23 (£)	Forecast 2022/23 (£)	Variation 2022/23 (£)
Chief Executive	188,270	188,270	0
Communities	3,677,440	3,677,440	0
Corporate Services	3,523,010	3,674,390	151,380
Environment	5,764,280	5,764,280	0
Housing	1,422,000	1,422,000	0
Items carried forward from 2021/22	0	67,240	67,240
Non-Directorate Specific	828,380	828,380	0
Interest and Investment Income	(814,240)	(814,240)	0
Government Grant Funding	(2,152,290)	(2,152,290)	0
Transfers to/ (from) reserves	(1,856,090)	(1,901,990)	(45,900)
Transfers to/ (from) balances	573,150	573,150	0
Transactions below the line	1,307,910	1,276,420	(31,490)
BUDGET REQUIREMENT	12,461,820	12,603,050	141,230
Business Rates Income	(2,701,820)	(2,701,820)	0
Council Tax Income	(7,592,170)	(7,592,170)	0
Parish Precepts	(471,860)	(471,860)	0
New Homes Bonus	(573,150)	(573,150)	0
Lower Tier & Services Grants	(337,380)	(337,380)	0
Transfers to/(from) the Collection Fund	667,930	667,930	0
Use of Working Balances	(1,453,370)	(1,453,370)	0
BUDGET SHORTFALL/(UNDERSPEND)	0	141,230	141,230

Table 1: General Fund Revenue Outturn by Directorate / Budget heading

3.2. CHIEF EXECUTIVE'S DIRECTORATE – NIL VARIANCE

3.2.1 There are no significant variances to report.

3.3. COMMUNITIES DIRECTORATE – NIL VARIANCE

3.3.1. Although given the relatively early stage of the financial year no variances are directly reported, a number of items included within the "Wider Unbudgeted Risks to the MTFP" in section 3.9 will manifest within the Communities Directorate. For example, the Administrative Buildings service which is experiencing significant pressures on energy budgets sits within the Communities Directorate, as does the St George's Centre, which

is subject to ongoing work regarding the accounting treatment interest costs and the loan relationship with Aviva, the investor in the Centre.

3.4 **CORPORATE SERVICES DIRECTORATE – £151k ADVERSE VARIANCE**

3.4.1 **Interest Payable: £151k adverse variance** – The Monetary Policy Committee (MPC) have increased the Bank of England Base rate from an all-time low of 0.10% in December 2021 to 0.25%. It was increased again to 0.50% by the MPC at its meeting in February and has been increased further at each subsequent meeting. It is currently 1.75%. This has pushed up borrowing rates to a level higher than was forecast at the time of setting the budget in February 2022. Therefore as a result, the forecast cost of borrowing to support the General Fund proposed capital programme is currently resulting in an adverse variance of £151k. If projects do not progress as initially anticipated, this will reduce the need to borrow and the associated borrowing costs.

3.4.2 **Document Management: Neutral variance** – The Council's "Information at Work" document management system is used across a number of Council departments, with key users being the Planning Policy and Revenues and Benefits teams. A sum of £21k has been released from revenue grants not yet applied to facilitate the latest upgrade to the system, which brings it up to date with the security patches and support for the latest Microsoft technologies. Additionally, as the system is browser based, it reduces the software footprint installed on devices, and therefore helps support the Council's hybrid working practices.

3.5 **ENVIRONMENT DIRECTORATE – NIL VARIANCE**

3.5.1 Although given the relatively early stage of the financial year with no adverse or favourable variances directly reported, a number of items included within the "Wider Unbudgeted Risks to the MTFP" in section 3.9 will manifest within the Environment Directorate. Most significant are the anticipated higher fuel costs which principally affect the Council's vehicle fleet within Waste, Horticulture and Street Cleansing services within the Environment Directorate.

3.5.2 **Cycling Infrastructure Plan: Neutral variance** – The Department for Transport has produced guidance on producing Local Cycling and Walking Implementation Plans, together with tools to help with the process and provide guidance on design standards. Local Authorities are expected to produce these plans setting out their priorities for routes for both walking and cycling, and priorities for their implementation. Funding for the work has been obtained from Kent County Council and National Highways Designated Funds, resulting in an overall neutral variance for the Council.

3.6 **HOUSING DIRECTORATE – NIL VARIANCE**

3.6.1 Although given the relatively early stage of the financial year no variances are directly reported, a number of items included within the "Wider Unbudgeted Risks to the MTFP" in section 3.9 will manifest within the Housing Directorate. Most significant is the projected additional expenditure within the Homelessness Service, relating to temporary accommodation costs.

3.7 ITEMS CARRIED FORWARD FROM 2021/22 – £67,240

3.7.1 The following items from 2021/22 were approved for carry forward to 2022/23 by the Section 151 Officer and the Council's Management Team:

Summary of General Fund 2021/22 year-end carry-forward requests			
Directorate	Service	Amount	Reason for carry-forward request into 2022/23
Environment	Allotments	£5,850	Site clearance
Environment	Allotments	£3,500	Wooden fencing damaged during Storm Eunice was temporarily replaced, but now requires a permanent solution.
Communities	Safer Stronger Communities	£4,250	Grant funding from KPCC - approved carry forward to 2022/23 projects. If not spent on appropriate activities, grant funding would be required to be repaid.
Communities	Base Camp	£7,610	External funding to be used for appropriate event focus on Armed Forces. If not spent (or spent appropriately), repayment would be due.
Communities	Altogether Stronger	£37,910	External funding for food/music, community engagement events. If not spent (or spent appropriately), repayment would be due.
Communities	Art Project	£3,370	To cover production costs 2022/23.
Housing	Homelessness	£4,750	Grant funding relating to Syrian/Afghan refugees. If not spent in line with conditions, repayment would be likely.
Total carry-forward requests		£67,240	

Table 2: Items Carried Forward from 2021/22

3.8 FUNDING STREAMS – £77k FAVOURABLE VARIANCE

3.8.1 **Transfers to/(from) reserves & Transactions below the line: net neutral variance** – under accounting arrangements the corresponding entries relating to reserve-funded expenditure within services (the drawdown from the reserve and the transfer into the specific service) are shown here. The total of £46k relates to reserve funded items as described within the individual Corporate Service, and Environment Directorate sections above.

3.8.2 **Transactions Below the Line – Minimum Revenue Provision (MRP): £77k favourable variance** – the MRP charge for 2022/23 is based on the Council's cumulative capital spend that is financed from either internal or external borrowing up to the end of 2021/22. As the capital spend in 2021/22 on schemes financed from these sources was lower than anticipated at the time of setting the 2022/23 budget, there is a resulting projected favourable variance relating to MRP in 2022/23 of £77k.

3.9 Wider Unbudgeted Risks to the MTFP

3.9.1 The council continues to work within an uncertain financial environment compounded by the cost-of-living crisis, which has seen unprecedented prices rises in recent months. An announcement made by the Bank of England warned that the rate of inflation is expected to rise to 13% in the autumn with prospects of the UK economy heading towards a recession. This will inevitably have a significant negative impact on the Council's budget. The latest MTFP shows an emerging budget gap in 2025-26 £313k and then of approximately £3m thereafter.

- 3.9.2 During the budget-setting process consideration was given to known financial challenges. However, since that process was undertaken there have been further rises in inflation, increases in the cost of living, rises in fuel, materials and food prices, and the outbreak of the war in Ukraine. This continued uncertainty makes medium term financial planning far more challenging than previously. These additional pressures are listed below and as of writing have not been reflected in the MTFP.
- 3.9.3 Staffing Costs – During the budget-setting process for 2022/23, an allowance was made for a general pay award of 2%. This covered all pay scales, allowances with subsequent impacts on employer national insurance and pension contributions.
- 3.9.4 The latest pay offer from the National Employers for Local Government Services comprises of a basic salary increase on all scales of £1,925, plus an increase on other allowances of 4.04% for all grades up to Service Manager. If adopted, the impact of this on the Council's MTFP would be a further cost of around £750k in 2022/23 with subsequent inflationary impacts in future years. As of writing, pay negotiations are ongoing, and if/when revised offers are put forward, the financial impacts will be assessed and reported in due course.
- 3.9.5 Fuel Costs – Following rises in the price of fuel in 2022/23 compared to when the budget was set, it is anticipated that there will be an adverse pressure on these budget across the Council. At the current cost of fuel, and based on usage from 2021/22, this could result in an additional cost across the Council of up to £150k, which is principally felt in services such as Waste, Street Cleansing and Housing Repairs.
- 3.9.6 Energy Costs – Following ongoing rises and general uncertainty within the energy market, it is anticipated that there will be noticeable impact on energy budgets across the Council. As an example, unit costs for electricity have risen by over 65% between January 2022 and June 2022, with the unit price for gas almost trebling across the same period. As of writing, the exact impact for the Council is not quantifiable (particularly given the forthcoming energy cap changes in October), however a year-end adverse variance for energy budgets is nevertheless projected, particularly within Administrative Buildings and Housing Estates.
- 3.9.7 Homelessness – Temporary Accommodation – There has been a steady increase in homeless approaches with over 475 households presenting as homeless or at threat within the first quarter. This has put a greater demand on temporary accommodation where the local authority owes legal duties to secure accommodation. There are a number of factors that have impacted the Councils temporary accommodation figures including:
- Relationship breakdown between couples (nonviolent), families & friends causing exclusions
 - The Domestic Abuse Act 2021 – Since this Act was introduced on 5 July 2021 there has been more households presenting to the Council with the main reason of losing their last settled accommodation being domestic abuse or violence
 - Increase in private sector evictions (potential to increase with the Rent Reform Act as landlords struggle to meet obligations expected of them and therefore sell homes has seen a steady flow of customers presenting Section 8 and Section 21 Notices.
 - Households affected with loss of income through loss of employment/furlough that has affected their ability to meet their housing costs.

- The cost of living increases making lower income households challenged with meeting their housing costs when in receipt of benefits and unable to afford the Private Rental Market

- 3.9.8 The Service Manager is reporting monthly to Management Team and the service have increased the use of their own stock, however, there continues to be a reliance upon privately rented nightly paid accommodation.
- 3.9.9 The Council received £352,470 Homeless Prevention Grant from Central Government, which alongside the existing original budget of £50,000 is being used to finance the cost of temporary accommodation. Additionally, income is being received from housing benefit receipts, however there is a substantial expenditure pressure which will result in a net adverse variance in 2022/23.
- 3.9.10 St George's Centre – Work continues to establish the correcting accounting treatment of the Council's relationship with Aviva, the investor within the St George's Centre transaction. In particular, this includes interest costs derived from the implicit interest rate within the arrangement, which are currently not included within the latest version of the MTFP. Once the accounting treatment is confirmed, updated projections for income and expenditure will be reflected within the MTFP, and reported in due course.
- 3.9.11 Town Pier and Pontoon – As of writing, the impending sale of the Town Pier and Pontoon is still going through the final legal process and a completion date is awaited. At the point at which the Council no longer owns these assets, the day-to-day revenue costs will no longer fall upon the Council, resulting in ongoing revenue savings, as well as generating a capital receipt. The impact of these changes will be reflected within the MTFP once the transaction has completed.

3.10 WORKING BALANCES AND RESERVES

- 3.10.1 The variances and Carried Forward items outlined in this report have the following effect upon the General Fund working balances:

Working Balances	£
Balance Brought Forward from 2021/22	11,949,090
New Homes Bonus (Straight to working balances)	573,150
Budgeted use of Working Balances to support the General Fund	(1,453,370)
Variances per budget report (Incl.items Bfwd from 2021/22)	(141,230)
Forecast Working Balances C/Fwd (as at 30 June 2022) including Minimum GF Working Balance	10,927,640
Less: Minimum GF balance	(2,000,000)
Less: Additional General Fund Reserve	(3,250,000)
Forecast Usable Working Balances C/Fwd (as at 30 June 2022)	5,677,640

Table 3: Effect on General Fund Balances

3.10.2 The general working balance is supplemented by specific reserves, established to assist with future funding obligations or initiatives. The table below provides a summary of the projected movements on these specific reserves during the year.

General Fund Earmarked Reserves	Opening Balance 01/04/2022 £'000	Forecast Use of Reserve (Expenditure) £'000	Forecast Contributions (Income) £'000	Forecast Balance 31/03/2023 £'000
Planning Policy Reserve	599	50	(46)	603
Asset Enhancement Reserve	977	100	(416)	661
Leisure Centres Reserve	47			47
Corporate Priorities Reserve	587			587
Town Pier Pontoon Reserve	136	12	(24)	124
Elections Reserve	137	35	(5)	167
NNDR Collection Fund Equalisation Reserve	2,188		(840)	1,348
IT Infrastructure Reserve	252	125	(100)	277
DSO Vehicle Capital Reserve	441	132	(314)	259
Freighter Replacement Reserve	1,032	222		1,254
NNDR Growth Fund Reserve	510	369	(376)	503
Lower Thames Crossing Reserve	140			140
Woodville Repairs Reserve	240	57		297
Investment Interest Equalisation Reserve	500			500
Housing & Commercial Growth Fund	700		(500)	200
Commercial Income Protection Reserve	661	97		758
Playgrounds Reserve	204	69	(160)	113
Decriminalisation Reserve	269			269
Enterprise Reserve	173	350	(359)	164
Climate Change Reserve	423		(16)	407
Sub-total - Specific Earmarked Reserves	10,216	1,618	(3,156)	8,678
Revenue Grants not yet applied	1,723		(397)	1,326
Total - All Earmarked Reserves	11,939	1,618	(3,553)	10,004

Table 4: Analysis of Specific Reserves

3.10.3 New approved uses of reserves are already referred to within individual directorates – see sections 3.4.2 and 3.5.2

4. GENERAL FUND CAPITAL PROGRAMME

4.1. The following table details the position of General Fund Capital Programme as at the end of Quarter One. This includes the revised original budget for 2022/23, taking into consideration adjustments for carried forward items as approved by the Section 151 Officer and the Council's Management Team.

Scheme	2022/23 Original Budget £	2022/23 Approved Carry Forwards £	2022/23 Working Budget £	2022/23 Actual Expenditure £	Forecast as as at Quarter 1 £	Variance as at Quarter 1 £
Essential Repairs to Buildings	435,000	430,430	865,430	39,705	865,430	(825,725)
Gravesend Cemetery Improvements	0	14,830	14,830	0	14,830	(14,830)
Purchase of Vehicles (DSO Fleet)	413,400	259,440	672,840	80,985	389,060	(308,075)
Gatekeeper Replacement	0	50,000	50,000	0	50,000	(50,000)
New Wheeled Bins for Flat Recycling	0	83,400	83,400	12,981	30,000	(17,019)
Waste & Horticulture back office system	0	59,860	59,860	12,250	30,000	(17,750)
Replacement Playground Programme	159,870	0	159,870	20,042	159,870	(139,828)
Property Acquisition Programme	0	4,000,000	4,000,000	3,500	3,465,000	(3,461,500)
Land Acquisiton Programme	2,945,790	0	2,945,790	0	441,000	(441,000)
Land Acquisition Dering Way	3,590,190	0	3,590,190	0	0	0
St George's Centre	9,019,640	(148,950)	8,870,690	0	0	0
Heritage Assets	331,570	52,880	384,450	2,884	84,450	(81,566)
Gym Equipment Leisure Centres	0	47,800	47,800	0	47,800	(47,800)
Parking Machines	0	287,120	287,120	0	287,120	(287,120)
LATCO development costs	0	18,600	18,600	0	18,600	(18,600)
LATCO working capital provision	170,260	0	170,260	66,623	170,260	(103,637)
Elizabeth Huggins Cottages – Loan	1,364,000	0	1,364,000	278,298	1,380,410	(1,102,112)
Parking Software	0	18,570	18,570	0	0	0
Purchase of Freighters	0	0	0	98,460	98,460	0
IT Infrastructure Assets	100,000	70,340	170,340	0	240,000	(240,000)
Rosherville Loan (The Charter)	45,439,010	59,880	45,498,890	2,742,965	42,347,000	(39,604,035)
Website Content Management System	0	37,170	37,170	22,350	27,450	(5,100)
New Leisure Centre	7,632,590	285,270	7,917,860	3,960	1,700,000	(1,696,040)
Electric Vehicle Charging Points	0	127,170	127,170	0	61,000	(61,000)
Disabled Facilities Grant	832,800	1,285,640	2,118,440	227,410	2,118,440	(1,891,030)
Alleyways	45,000	0	45,000	0	45,000	(45,000)
	72,479,120	7,039,450	79,518,570	3,612,414	54,071,180	(50,458,766)

Table 5: General Fund Capital Programme 2022/23

- **Essential Repairs to Buildings** – The asbestos removal at Fort Gardens toilet facilities is now complete, work has now started on the refurbishment of these toilets. Repairs and redecoration work is underway at Fort Gardens bandstand, these are due to complete in quarter 2. The final payments have now been made for the roof repairs at Cascades.
- **Gravesend Cemetery Improvements** – A number of improvements to the Cemeteries are currently underway and will be completed during 2022/23.
- **Purchase of Vehicles (DSO Fleet)** – A number of mowers have been procured for the Horticulture Team which have now been received and are operational. Orders have been placed for five electric panel vehicles with another three due to ordered when the new order books open. A new 10-year vehicle replacement plan is currently being finalised to ensure the fleet is consistent with the Council's Net Zero Carbon target.
- **Gatekeeper Replacement** – A trial for removal of buses from King Street will not now take place as initial exploratory discussions with Arriva identified significant barriers with re-routing buses within existing road layouts. As a consequence, KCC have been approached to include the King Street bus gate as part of their plans to undertake Automatic Number Plate Recognition (ANPR) once legislation changes enabling them to

do so have been enacted this Summer. Other opportunities for re-routing will continue to be explored with KCC.

- **New Wheeled Bins for Flat Recycling** – The installation of wheelie bins in flats for recycling is underway and the wheelie bins are being purchased on a block-by-block basis.
- **Waste & Horticulture Back Office System** – Officers are currently reviewing new digital systems for the allotment service and updating some of the hardware for the Waste back office Bartec System.
- **Replacement Playground Programme** – Following the successful delivery of a number of play sites in 2021/22, a review of the remaining play sites; looking at what needs to be upgraded due to the age, or the play value of the equipment, will be delivered during quarter two of 2022/23.
- **Property Acquisition Programme** – The Property Acquisitions Cross Party Working Group met in May 2022 to consider a potential acquisition in the borough. Following this meeting officers have been progressing the acquisition, which will hopefully be finalised in the second quarter of the financial year.
- **Land Acquisition Programme** – No land acquisition opportunities were brought forward in the first quarter of the financial year.
- **St George's Centre** – There are currently no further works planned, pending a decision on taking forward the St. Georges Square regeneration project at the rear of the shopping centre (formally St Georges Phase II).
- **Heritage Assets** – Expressions of Interest have been submitted to the National Lottery Heritage Fund, initially in respect of three assets, to inform next stages in respect of project applications. In response to these, the Heritage Fund have asked that the community engagement/audience development aspects be developed further prior to re-submission.
- **Gym Equipment Leisure Centres** – A decision on the outstanding replacement gym equipment will be reviewed in partnership with GCLL during 2022/23, as gym membership continues to improve, following the recovery from Covid-19.
- **Parking Machines** – The chosen supplier, Sagoss, has submitted up to date designs for the four car parks, Rathmore Road, Parrock Street and Ordnance Road/Milton Place. Officers are awaiting a project plan timeline from Sagoss, but it is anticipated that work will start on the installation in quarter three of 2022/23.
- **LATCO Development Costs** – No requests to utilise these funds were received in the first quarter of 2022/23.
- **LATCO Working Capital Provision** – In accordance with the decision taken by Cabinet in March 2022, working capital of £67k has been provided to Rosherville Repairs & Maintenance Limited to assist with initial company set-up costs.
- **Elizabeth Huggins Cottages – Loan** – Works continue at the site on Cross Lane West with funding being drawn down from the council on a monthly basis.
- **Parking Software** – The parking back-office system and virtual permit system has been in operation for a year now and has been paid in full. The Environmental Enforcement

module has not yet been implemented as the role of the Environmental Enforcement team has changed since the start of the project.

- **Purchase of Freighters** – The current replacement programme has been suspended until the results of the Consistency in Household Waste Consultation has been released so any potential effect to service delivery can be assessed. A replacement freighter ordered at the end of 2021/22 has been received in this financial year – the reserve draw down will be reviewed as part of the budget setting process.
- **IT Infrastructure Assets** – During the last quarter, the Council finished the implementation of its new telephone system (Ring Central) and continued to improve access for hybrid working by replacing laptop devices with more up to date hardware using a common specification to ease future support. Work has also just started on replacing the main firewall on the network.
- **Rosherville Loan (The Charter)** – Construction work continues on site with monthly drawdowns being made by Rosherville Property Development Limited in line with the expected cash flow projections. The site is expected to be complete in 2023.
- **Website Content Management System** – The new website went live on Tuesday 10 May 2022. The migration to the new content management system and go live of the new website was a success, with no downtime occurring during the switchover. The Digital Team are now in the process of carrying out a full post implementation review to identify any accessibility or content issues that may have arisen.
- **New Leisure Centre** – Design meetings/workshops with the architects and lead consultants, Faithful & Gould, are currently underway and will provide desirable and essential facility mixes for the internal Passivhaus building complex, linked to affordability based on capital costs and ongoing revenue projections. This will be part on the RIBA stage 1 report which will be provided in the next few months. Soft market testing has been undertaken recently with regards to early contractor involvement, with a 'meet the market' and 'project overview' session to be organised shortly with perspective contractors, as well as expressions of interest/invitation to tender documents being developed in due course.
- **Electric Vehicle Charging Points** – As part of the Kent600 project there are eight sites owned by the Council which are earmarked for the delivery of 30 fast chargers by Connected Kerb. Installation has begun and is due to be completed during Q2 or Q3. In addition to this work a new project is starting to install a rapid charge point for use by taxis.
- **Alleyways (GF)** – The new alleyway programme has started with work commencing on the stage 1 programme. Alleys will be assessed during the year to determine whether they will require gating.
- **Disabled Facilities Grants** – There are 131 grants on file for this year, 26 of those have been completed or near completion and 8 Hospital Discharge referrals have been completed, the team have also completed 11 DFG Heating grants and the Enablement service is seeing good use. There are currently several large DFG projects in progress including 4 through floor lifts and 2 extensions, however, these are not yet at the fully approved stage. As a short-term solution, offices are currently offering a DFG heating grant for elderly and vulnerable clients without heating and hot water, who would qualify for a DFG.

5. CAPITAL RESOURCES

5.1 The table below shows the General Fund resources available to fund capital projects in the future:

General Fund Capital Resources	Opening Balance 01/04/2022 £	Actual Income 2022/23 £	Anticipated Use of Funding 2022/23 £	Projected Balance 31/03/2023 £
Capital Receipts	(355,080)	(6,670)	111,750	(250,000)
S106 Capital Contributions	(832,170)	0	0	(832,170)
Capital Grants unapplied	(96,390)	0	0	(96,390)
Total Capital Resources	(1,283,640)	(6,670)	111,750	(1,178,560)

Table 6: General Fund Capital Resources 2022/23

Capital Grants Unapplied	Opening Balance 01/04/2022 £	Actual Income 2022/23 £	Anticipated use of Funding 2022/23 £	Projected Balance 31/03/2023 £
Localised Council Tax Support	(41,390)	0	0	(41,390)
Land at South of Hever Court Road	(55,000)	0	0	(55,000)
Total Capital Grants Unapplied	(96,390)	0	0	(96,390)

Table 7: Capital Grants Unapplied 2022/23

5.2 The table below lists the S106 developer contributions currently held by the council. These contributions are treated as specific grants as they have conditions attached to their use.

S106 Developer Contributions	General Fund £	HRA £	Third Party Contributions £	Total S106 Income 2022/23 £	Purpose of S106
Infrastructure Maintenance Depot (IMD) Compensation fund	(2,590)	0	0	(2,590)	This grant fund was established by money secured from Union Rail the developers of the Channel Tunnel Rail Link. The original contribution was £242,000. Its aim is to support the delivery of landscape access, wildlife and recreation schemes in the Wards and Parishes affected by the development.
Land at the South of Hever Court Road	0	0	(80,000)	(80,000)	Highways contribution.
Whitehill Open Space	(52,000)	0	0	(52,000)	Towards qualitative improvements to the wider Whitehill amenity space. These funds might be put towards a number of potential opportunities including, for example, new seating, footpath improvements, new planting and/or the levelling of the retained amenity space to the north of the proposed development.
Land South of Dalefield Way, Dering Way	(17,000)	0	0	(17,000)	Flood Risk Management - £12,000, Bus Shelter - £5,000.
Whitehill Road	0	0	(2,670)	(2,670)	Highways contribution
Springhead Leisure Contribution	(150,000)	0	0.00	(150,000)	To provide additional and/or improved play facilities at the Recreational ground and if not expended in 7 years after payment any unspent sum should be repaid
Bluewater - Gravesend Town Centre Improvements	(37,790)	0	0	(37,790)	A scheme to improve or enhance the environmental setting, visitor and shopper experience, and / or attractiveness of Gravesend Town Centre.
Dover Road - Open space	(50,000)	0	0	(50,000)	For use by Gravesend Council leisure for Springhead Recreation Ground pitch improvements at Dover Road Development, Includes levelling works to make 'pitch' 2 more usable to accommodate junior markings and potential 5V5 pitch.
Cold Harbour Road	(184,000)	0	0	(184,000)	To be used to fund projects to improve and enhance the Fleet Leisure Centre or such other leisure facilities situated within 5 miles of the Site.
Meopham Police Station	(24,500)	0	0	(24,500)	Awaiting a copy of the S106 agreement to the Development of the Meopham Police Station.
Rosherville Property Development - NHS Contribution	0.00	0	(155,230)	(155,230)	Refurbishment, configuration and/or extension of either Gravesend medical centre or the Springhead Health Centre
Rosherville Property Development - St Andrews Gardens	(285,260)	0	0	(285,260)	Towards the improvement of landscaping at St Andrew's Gardens.
Heritage Funds	(29,030)	0	0	(29,030)	Purpose of implementing measures to enhance the interpretation of heritage assets.
Total S106 Contributions	(832,170)	0.00	(237,900)	(1,070,070)	

Table 8: S106 Contributions 2022/23

Secondary Implications	
Risk Assessment	The purpose of this report is to demonstrate financial performance as at 30 June against the original budget set for the 2022/23 financial year, and assess full year projections to 31 March 2023. It also illustrates how the projected position affects the Working Balances and Earmarked Reserves held by the Council.
Data Protection Impact Assessment	<i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i>
	a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data ? A definition of each type of data can be found on the Information Commissioner's Office website via the above links. N/A
	b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice? N/A
	c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdp@medway.gov.uk . N/A
Equality Impact Assessment	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer. No decision – paper is for information only.
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer. No decision – paper is for information only.
	<i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>
Crime and Disorder	No direct implications
Digital and website implications	No direct implications
Safeguarding children and vulnerable adults	No direct implications