

Classification: Public

Key Decision: No

Gravesham Borough Council

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

Date: 11 September 2023 / 19 September 2023

Reporting officer: Assistant Director (Corporate Services)

Subject: General Fund Budget Monitoring Report
2023/24 – Quarter One

Purpose and summary of report:

To provide Members with information on actual performance against the approved Revenue and Capital budgets for 2023/24, 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 2023/24 financial year for the first quarter to 30 June 2023, 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 financial pressures such as spend on temporary accommodation and energy costs that continue to put pressure on the Council's budget and are outside of the Council's control. In response to this financial challenge the Council has put in place a 5-year Medium Term Financial Strategy with initiatives to help improve the financial position. This is explained in section 3.8 "Wider Risks to the MTFP".
- 2.2. As reported in the 2022/23 Provisional Outturn Report, the Council ended the previous year with a budget shortfall of £673k. As at Quarter One there is a forecast overspend on the General Fund £917k.
- 2.3. The level of Working Balances at year-end will be £7.57m, constituted of minimum working balances of £2.0m, the General Fund reserve of £3.25m and usable Working Balances of £2.32m.
- 2.4. Movements in the year are projected to result in a net decrease in earmarked reserves of £3.4m. Within this movement, £0.7m relates to a drawdown from the NNDR Collection Fund Equalisation Reserve, arising from Collection Fund accounting arrangements during 2022/23, £0.8m relates to a projected drawdown for asset enhancement works (primarily within the capital programme), and £0.8m to support the Waste Freighter Replacement programme.

Capital

- 2.5. The General Fund Capital Programme working budget is £83.8m, including £36m relating to The Charter, £3m for the St George's Centre, £27m for a New Leisure Centre, and a combined £3.5m relating to Property/Land Acquisition schemes. Actual

spend, as at the end of Quarter One was £7m. Forecasted spend for 2023/24 as at Quarter 1 is £56.2m.

3. REVENUE

3.1. Budget 2023/24

3.1.1. The approved Original Budget Requirement for 2023/24 was £14,127,930, largely funded by a combination of retained Non-Domestic Rates, New Homes Bonus, and Council Tax. Additionally, there was a requirement to use £2,262,090 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 2023.

Directorate / Budget Heading	Original Budget 2023/24 (£)	Forecast 2023/24 (£)	Variation 2023/24 (£)
Chief Executive	422,090	422,090	0
Communities	4,254,740	4,637,840	383,100
Corporate Services	3,821,720	3,598,290	(223,430)
Environment	6,386,630	6,386,630	0
Housing	2,395,360	3,145,360	750,000
Items carried forward from 2022/23	0	7,610	7,610
Non-Directorate Specific	528,730	528,730	0
Interest and Investment Income	(832,000)	(832,000)	0
Government Grant Funding	(1,184,260)	(1,184,260)	0
Transfers to/ (from) reserves	(2,701,810)	(2,701,810)	0
Transfers to/ (from) balances	500,560	500,560	0
Transactions below the line	536,170	536,170	0
BUDGET REQUIREMENT	14,127,930	15,045,210	917,280
Business Rates Income	(3,374,230)	(3,374,230)	0
Revenue Support Grant	(112,450)	(112,450)	0
Council Tax Income	(7,915,920)	(7,915,920)	0
Parish Precepts	(515,720)	(515,720)	0
New Homes Bonus	(500,560)	(500,560)	0
Lower Tier & Services Grants	(387,350)	(387,350)	0
Transfers to/(from) the Collection Fund	940,390	940,390	0
Use of Working Balances	(2,262,090)	(2,262,090)	0
BUDGET SHORTFALL/(UNDERSPEND)	0	917,280	917,280

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 – £383k ADVERSE VARIANCE

3.4. **Leisure Services: £500k adverse variance.** This relates to the ongoing support provided to Gravesham Community Leisure Limited (GCLL). In March 2023 Management Team agreed to waive the £250k Management Fee payable in response to the significant increases in energy costs and GCLL invoking a clause in their contract. As set out in the contract, GCLL are responsible for overall consumption costs associated with gas, electricity and water charges, whereas the Council are responsible for increases in the unit cost of utilities, this resulted in support of a further £250k equating to an overall adverse variance of £500k. This level of support will be monitored during the course of the year to ensure it is reflective of any downward movement in energy unit costs and any support the council is able to secure for GCLL from the revenue element of the Swimming Pool Fund.

3.4.1. **Gateway License: £11k adverse** – Loss of income relating to The Department of Work and Pensions terminating their licence to occupy desks and a meeting room on the ground floor of the civic centre in July 2023.

3.4.2. **Events budget: £104k favourable** – This is a result of a budget rationalisation exercise as part of the balancing the budget activity and utilising funding from the enterprise zone for events as approved by Cabinet in June 2023.

3.4.3. **Fibre Optics £14k favourable** – There is no longer a requirement for fibre optic cables for CCTV purposes, decommissioning these has resulted in an annual saving of £14k.

3.4.4. **Civic Fountains: £10k Favourable** – relates to decommissioning of fountains in community square and subsequent savings in running costs.

3.4 **CORPORATE SERVICES DIRECTORATE – £223k FAVOURABLE VARIANCE**

3.4.1 **Housing Benefit Subsidy - £223k Favourable Variance** – Housing Benefit budgets have been reviewed as part of the budget rationalisation exercise. This has resulted in some changes in subsidy estimates in future years based on caseload reductions as a result of the implementation of Universal Credit.

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 is the impact of central government initiatives in the areas of waste and recycling.

3.6 **HOUSING DIRECTORATE – £750k ADVERSE VARIANCE**

3.6.1 As previously reported cost pressures of the Homelessness Service, in particular relating to Temporary Accommodation continue to be a serious budget pressure for the council.

3.6.2 The Local Government Association published an article in July stating that Councils in England face a funding gap of almost £3 billion over the next two years with the main financial pressure being spend on Homelessness. The Council’s budget for temporary accommodation was increased to £1.5m at budget setting. Despite the increase in budget, the predicted overspend on homelessness at year end is £750k.

3.6.3 The Housing Options Managers are progressing various initiatives to reduce the cost of temporary accommodation which includes the on-going work to create a social lettings agency which will enhance our work within the private sector and enable move on from temporary accommodation by working with registered social landlords and exploring

procurement/leasing with larger housing providers. Officer level case work is also being targeted to ensure the service is maximising income via housing benefits, making prompt legal housing decisions and maximising move on plans out of nightly paid accommodation.

3.7 CARRIED FORWARD FROM 2022/23 – £7,610

3.7.1 An amount of £7,610 was approved for carry forward to 2023/24 by the Section 151 Officer and the Council's Management Team, this is in relation to external funding received for 'Base Camp' an event focused on Armed Forces.

3.8 Wider Unbudgeted Risks to the MTFP

3.8.1 During the budget-setting process consideration was given to known financial challenges, the council continues to work within an uncertain financial environment which is compounded by the continuing cost-of-living crisis and high interest rates. This will inevitably have a significant negative impact on the Council's budget during the year. The latest MTFP shows an emerging budget gap in 2024-25 £1.086m and then of approximately £4m thereafter. There are other unknown budgetary pressures emerging that are likely to negatively impact the MTFP during 2023/24

3.8.2 Staffing Costs – During the budget-setting process for 2023/24, an allowance was made for a general pay award of 5%. This covered all pay scales, allowances with subsequent impacts on employer national insurance and pension contributions. The latest pay offer from the National Employers for Local Government Services for 2023/24 is still awaited. 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.

3.8.3 DEFRA has recently announced that a decision had been taken to delay payments with regard to extended producer responsibility (EPR) for packaging until October 2025 (previously October 2024). Currently, packaging producers and users pay a small amount towards the cost of dealing with household packaging waste (estimated at about 10%). The remainder is funded by local authorities and therefore paid-for by the taxpayer. New legislation will make packaging producers take on the whole cost of dealing with household packaging waste.

3.8.4 On 3rd August the Bank of England, raised interest rates to 5.25%, the highest rate since 2008. This will undoubtedly impact on the cost of borrowing for the council going forward and could affect projects that require a high level of borrowing.

3.8.5 St George's Centre – The work to establish the correcting accounting treatment of the Council's relationship with Aviva, the investor within the St George's Centre transaction has now been determined. However, the council is now seeking to exit the arrangement with Aviva within the next few months. A separate report will be presented to Cabinet in September to consider the financial and other implications associated with this.

3.8.6 In response to the financial challenges the Council continues to face, in February 2023 Full Council approved a revised five-year Medium-Term Finance Strategy building on the 5 key initiatives set out in February 2022 to help improve the financial position. Officers continue to actively monitor progress against these 5 key areas.

3.8.7 The initiatives set out in the MTFP are:

Reviewing Fees and Charges

This has seen favourable variances in the areas of planning application fees and garden waste.

Budget Rationalisation

Reviewing consistent underspends, particularly in the area of reprographics

Trading and Commercial

Rent reviews & income from our Local Authority Trading Company

Asset Optimisation

Maintaining an optimum portfolio and obtaining best value from our assets

Continuous service reviews

Looking at ways to increase income, reduce costs and improve efficiency. Options for consideration as a result of these reviews will be brought to members in due course.

3.9 WORKING BALANCES AND RESERVES

3.9.1 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 2022/23	10,251,290
New Homes Bonus (Straight to working balances)	500,560
Budgeted use of Working Balances to support the General Fund	(2,262,090)
Variances per budget report (Incl.items Bfwd from 2021/22)	(917,280)
Working Balances C/Fwd (as at 31 March 2024) including Minimum GF Working Balance	7,572,480
Less: Minimum GF balance	(2,000,000)
Less: Additional General Fund Reserve	(3,250,000)
Usable Working Balances C/Fwd (as at 31 March 2024)	2,322,480

Table 3: Effect on General Fund Balances

3.9.2 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 01/04/2023 £'000	Forecast Use of Reserve (Expenditure) £'000	Forecast Contributions (Income) £'000	Forecast Balance 31/03/2024 £'000
Planning Policy Reserve	545	(232)	50	363
Asset Enhancement Reserve	988	(807)	100	281
Leisure Centres Reserve	28	(28)		--
Corporate Priorities Reserve	600	(210)		390
Elections Reserve	225	(163)		62
NNDR Collection Fund Equalisation Reserve	2,102	(721)		1,381
IT Infrastructure Reserve	457	(44)	25	438
DSO Vehicle Capital Reserve	344	(246)	132	230
Freighter Replacement Reserve	1,156	(800)	221	577
NNDR Growth Fund Reserve	408			408
Lower Thames Crossing Reserve	140			140
Woodville Repairs Reserve	122		57	179
Investment Interest Equalisation Reserve	500			500
Housing & Commercial Growth Fund	700			700
Commercial Income Protection Reserve	758		13	771
Playgrounds Reserve	109	(130)	69	48
Decriminalisation Reserve	141	(141)		--
Enterprise Reserve	1,177	(449)	422	1,150
Climate Change Reserve	498	(122)		376
Sub-total - Specific Earmarked Reserves	10,998	(4,093)	1,089	7,994
Revenue Grants not yet applied	1,468	(472)		996
Total - All Earmarked Reserves	12,466	(4,565)	1,089	8,990

Table 4: Analysis of Specific Reserves

3.9.3 New approved uses of reserves include:

- £121k released from the Corporate Priorities Reserve to facilitate the set-up of a Social Lettings Agency within the Homelessness service as mentioned in above in 3.6.3
- £63k released from the Enterprise Zone Reserve to contribute to the financing of the Council's Events programme.

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 2023/24, taking into consideration adjustments for carried forward items as approved by the Section 151 Officer and the Council's Management Team.

Scheme	2023/24 Original Budget £	2023/24 Approved Carry Forwards £	2023/24 Working Budget £	2023/24 Actual Expenditure £	Forecast as as at Quarter 1 £	Variance as at Quarter 1 £
Essential Repairs to Buildings	595,000	65,230	660,230	82,303	660,230	(577,927)
Purchase of Vehicles (DSO Fleet)	346,500	0	346,500	30,778	346,500	(315,722)
Gatekeeper Replacement	50,000	0	50,000	0	50,000	(50,000)
New Wheeled Bins for Flat Recycling	58,400	8,410	66,810	0	66,810	(66,810)
Waste & Horticulture back office system	11,490	8,960	20,450	5,961	20,450	(14,489)
Replacement Playground Programme	130,000	0	130,000	0	130,000	(130,000)
Property Acquisition Programme	3,564,790	0	3,564,790	0	0	0
St George's Centre	2,982,530	0	2,982,530	0	0	0
Heritage Assets	0	157,580	157,580	0	157,580	(157,580)
Gym Equipment Leisure Centres	0	28,150	28,150	0	28,150	(28,150)
Parking Machines	0	173,070	173,070	0	173,070	(173,070)
LATCO development costs	0	18,600	18,600	0	0	0
LATCO working capital provision	0	103,640	103,640	41,871	0	41,871
Elizabeth Huggins Cottages – Loan	288,140	345,380	633,520	183,232	633,520	(450,288)
Purchase of Freighters	800,000	0	800,000	586,590	800,000	(213,410)
IT Infrastructure Assets	40,000	0	40,000	5,215	40,000	(34,785)
Rosherville Loan (The Charter)	35,584,850	7,635,110	43,219,960	5,738,025	22,243,180	(16,505,155)
New Leisure Centre	27,001,610	0	27,001,610	39,705	27,001,610	(26,961,905)
Disabled Facilities Grant	1,019,600	1,102,350	2,121,950	257,258	2,121,950	(1,864,692)
Springhead Sports Pitches	150,000	0	150,000	0	150,000	(150,000)
UK Prosperity Fund	25,470	15,000	40,470	0	40,470	(40,470)
Mobile Polling Station	0	13,300	13,300	6,587	13,300	(6,713)
Electric Vehicle Charging Point	69,650	0	69,650	0	69,650	(69,650)
Multi-Play Sports Equipment	192,570	0	192,570	0	192,570	(192,570)
St Andrews Garden Landscaping	285,260	0	285,260	9,500	285,260	(275,760)
Public Access to the River	1,000,000	0	1,000,000	0	1,000,000	(1,000,000)
	74,195,860	9,674,780	83,870,640	6,987,026	56,224,300	(49,237,274)

Table 5: General Fund Capital Programme 2023/24

- **Essential Repairs to Buildings** – Resurfacing work at Gravesend Cemetery has been completed and the refurbishment of the office toilets at Brookvale are underway, works at Gordon Lodge are due to start on site next month.
- **Purchase of Vehicles (DSO Fleet)** – A review of the current fleet is being undertaken to determine future requirements. Once this exercise has been completed, orders will be placed for relevant vehicles taking account of climate change commitments.
- **Gatekeeper Replacement** – Notice was given to Arriva that as from 1 April the gatekeeper service in King Street would cease. The gate is now closed in the morning and re-opened in the evening (as per the Traffic Regulation Order) by the Parking team, with market operatives and street team supporting cover on Sundays and Bank Holidays. There have been no further progress with KCC in relation to installation of ANPR cameras.
- **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** – The team are reviewing new digital systems for the allotment service.
- **Replacement Playground Programme** – The play site at Hever Court was refurbished during Quarter 1. Proposals are being worked on for the rest of the programme.
- **Property Acquisition Programme** – No property acquisitions were undertaken in the first quarter of the year.

- **St George's Centre** – No works are currently planned for the shopping centre during the year, pending the negotiations with Aviva Investors regarding the Income Strip arrangement associated with the shopping centre.
- **Heritage Assets** – Expressions of Interest were 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 development further prior to resubmission.
- **Gym Equipment Leisure Centres** – Leisure officers will continue to work with the Head of Operations (GCLL) on additional gym equipment and renewal items if required (e.g. Spin Bikes etc.), as well as other potential priority equipment options, especially as usage of the centres post Covid-19 continues to recover.
- **Parking Machines** – The new Sagoss parking system for Rathmore Road went live on 15th May, Parrock Street went live on 24th July, and Ordnance/Milton Place will go live by the end of September.
- **LATCO Development Costs** – No requests for development funding have been received in the first quarter of the year.
- **LATCO Working Capital Provision** – In March 2023, Cabinet considered the business plan for Rosherville Limited, the council's wholly-owned company, for the period 2023 to 2026. In accordance with the decision at Cabinet, working capital of £41,871 was provided in the first quarter of the year to provide financial support to Rosherville Limited and its subsidiaries.
- **Elizabeth Huggins Cottages – Loan** – Construction is due to conclude at the site on Cross Lane West in the second quarter of the year, with funds continuing to be drawn down from the council on a monthly basis. As per the decision notice issued by the Director (Corporate Services) in June 2023, the total loan value has been increased from £1.7m to £1.9m to reflect increased construction costs being incurred by Elizabeth Huggins Cottages Charity in completing the development.
- **Purchase of Freighters** – Three new refuse collection vehicles were delivered during Quarter 1. Once the outcome of the Government's response to the Consistency in Household Waste Consultation will provide some clarity on what vehicles are needed going forward.
- **IT Infrastructure Assets** – Payment for some items of new members IT equipment fell into Quarter 1, but other than this, there are no significant items of infrastructure expected during 2023/24.
- **Rosherville Loan (The Charter)** – Work on the Charter development temporarily paused in June after the main construction contractor, Henry Construction, went into administration. Rosherville Limited and the Reef Group (as developer) are currently working on viable options to complete work at the Charter.
- **New Leisure Centre** – The council continues to work with the project team on finalising the tender documentation for the construction build element of the project, as well as developing options for additional funding and the optimum market approach for completion for potential construction partners.

- **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.
- **Springhead Sports Pitches** – The recent open tendering process for pitch groundworks did not produce a preferred contractor, and so the opportunity will be re-advertised imminently, with a further extension of time built into the tender process, for as many specialist groundwork companies as possible to put forward a completed tender submission.
- **UK Prosperity Fund** – The capital programme reflects the expenditure profile set out in Gravesham's UK Shared Prosperity Investment Plan which was submitted to the DLUHC in 2022. The profile of capital expenditure may need to change as intentions for use of UKSPS funding are confirmed and hence the capital programme may need amending in 2023/24. The funding is available until March 2025 and 2024/25 capital schemes will be considered as part of the budget setting process.
- **Mobile Polling Station** – This station has been purchased and was used for the elections in May 2023. There are some updates being made to the station at the current time.
- **Electric Vehicle Charging Points** – Order has been placed for 18 electric vehicle charging points.
- **Multi-Play Sports Equipment** – Plans are in place for the work to be undertaken in Quarters 2-3 in order to not take these areas out of action during the school holidays.
- **St Andrews Garden Landscaping** – A public consultation day has been arranged for 4th August to discuss future plans.
- **Public Access to the River** – A feasibility study has been commissioned for this work.

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 01/04/2023 £	Forecast Income 2023/24 £	Projected Use of Funding 2023/24 £	Closing Balance 31/03/2024 £
Capital Receipts	(1,010,440)	(1,036,670)	1,463,310	(583,800)
S106 Capital Contributions	(658,160)	(184,000)	619,260	(222,900)
Capital Grants Unapplied	(96,390)	0	0	(96,390)
Total Capital Resources	(1,764,990)	(1,220,670)	2,082,570	(903,090)

Table 6: General Fund Capital Resources 2023/24

Capital Grants Unapplied	Opening Balance 01/04/2023 £	Actual Income 2023/24 £	Use of Funding 2023/24 £	Closing Balance 31/03/2024 £
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 2023/24

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 2023/24 £	Purpose of S106
Infrastructure Maintenance Depot (IMD) Compensation fund	(2,590)	0.00	0.00	(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. The money can be spent on Singlewell Ward to deliver mitigation requested by Leisure Services.
Land South of Dalefield Way, Dering Way	(17,000)	0.00	0.00	(17,000)	Flood Risk Management - £12,000, Bus Shelter - £5,000.
Springhead Leisure Contribution	(150,000)	0.00	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)	0.00	0.00	(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)	0.00	0.00	(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.
Coldharbour Road	(45,000)	0.00	0.00	(45,000)	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.
Rosherville Property Development - NHS Contribution	0.00	0.00	(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)	0.00	0.00	(285,260)	Towards the improvement of landscaping at St Andrew's Gardens.
Heritage Funds	(29,030)	0.00	0.00	(29,030)	Purpose of implementing measures to enhance the interpretation of heritage assets.
King Street, Gravesend	(41,490)	0.00	(49,420)	(90,910)	GBC contribution towards improvements at one or both of the sites known as the Riverside Leisure Centre, Gordon Promenade Gravesend and Windmill Hill Gardens, Windmill Hill, Gravesend. Third Party contribution towards NHS; Library; Schools; Youth and community learning.
Total S106 Contributions	(658,160)	0.00	(204,650)	(862,810)	

Table 8: S106 Contributions 2023/24

6. TREASURY MANAGEMENT INDICATORS

6.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that members be updated on treasury management activities at least quarterly. The table below shows current forecasts of the various treasury management and prudential indicators against the budgeted figures, as detailed in the 2023/24 Treasury Management Strategy Statement (TMSS) alongside the outturn figures for 2022/23.

	31 March 2023 £m	2023/24 Budget £m		30 June 2023 £m	
Authorised limit for external debt	358.670	405.770		405.770	
Operational boundary for external debt	358.670	390.770		390.770	
Gross External debt	153.321			157.110	
Investments	40.282			45.321	
Net Borrowing	113.039			111.789	
Maturity structure of fixed rate borrowing upper and lower limits	£m	Lower	Upper	£m	%
Under 12 months	36.486	0%	50%	74.870	47.7
12 months to 2 years	40.410	0%	50%	9.010	5.7
2 years to 5 years	38.174	0%	75%	38.174	24.3
5 years to 10 years	11.164	0%	75%	11.164	7.1
More than 10 years	27.087	0%	100%	23.892	15.2

6.2 The maturity structure of fixed rate borrowing upper and lower limits show that the Council is currently very close to the upper limit for under 12 months. This is due to the fact that the Council has taken on a number of short-dated loans in relation to The Charter development. This indicator will require close monitoring as and when further loans are arranged for this and other schemes.

Prudential Indicators

6.3 The Prudential Indicators in the following table show that both the Capital Expenditure and Capital Financing Requirement (CFR) forecast are lower than anticipated at the time of setting the budget for 2023/24 and preparing the TMSS 23/24. The forecasts above, reflect

the reprofiling of the expenditure in relation to The Charter development following the delays on site.

	31 March 2023	2023/24 Budget	30 June 2023
	£m	£m	£m
Capital Expenditure			
GF	29.759	74.196	62.894
HRA	13.842	20.594	22.797
Authority Total	43.601	94.790	85.691
Capital Financing Requirement (CFR)			
GF	75.031	145.049	123.613
HRA	84.169	83.926	85.546
Authority Total	159.200	228.975	209.159
Annual Change in CFR	33.329	69.790	49.959
In year borrowing requirement	39.386	70.455	50.625
Ratio of financing costs to net revenue stream			
GF	12.70%	26.22%	25.81%
HRA	27.24%	7.51%	8.12%
Authority Totals	22.85%	13.08%	13.39%

Risk Assessment	The purpose of this report is to demonstrate financial performance as at 30 June against the original budget set for the 2022/24 financial year, and assess full year projections to 31 March 2024. It also illustrates how the projected position affects the Working Balances and Earmarked Reserves held by the Council.
Data Protection Impact Assessment	<p><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></p> <p>a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data?</p> <p>A definition of each type of data can be found on the Information Commissioner’s Office website via the above links.</p> <p>N/A</p> <p>b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice?</p> <p>N/A</p> <p>c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk.</p> <p>N/A</p>
Equality Impact Assessment	<p>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.</p> <p>No decision – paper is for information only.</p> <p>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer.</p> <p>No decision – paper is for information only.</p> <p><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></p>
Crime and Disorder	No direct implications
Digital and website implications	No direct implications
Safeguarding children and vulnerable adults	No direct implications