

Agenda Item No: 6
Report To: Cabinet
Date of Meeting: 29 September 2022
Report Title: Quarter 1 - Financial Monitoring
Report Author & Job Title: Lee Foreman – Service Lead Finance
Portfolio Holder: Cllr. Neil Shorter
Portfolio Holder for: Finance & IT



Summary:

This report presents the first quarter budget monitoring position which was extended to the 31 July 2022 (reporting the first four months of the year). The current economic outlook and conditions have significantly changed since the budget was set and this is reflected within this report and the projections it contains.

The forecast position to 31 March 2023 indicates an overall pressure on the General Fund (GF) of £1.7m, with a pressure in services of £1.2m. The Housing Revenue Account (HRA) is reporting a saving of £351,000.

There are a number of significant movements within the general fund which are summarised below with further information provided in the body of the report:-

- The waste collection and recycling contract has seen an inflationary increase of 13% which has added an additional £385,000 to the core contract.
- Planning is forecasting a pressure of £245,000 for the necessity to engage consultants to support vacancies and appeal costs.
- Temporary Accommodation has seen an increase in demand and is forecasting a pressure of £183,000, this is an area of increased risk in the current economic climate.
- £500,000 pressure on investment income, as lending to Council subsidiary has not been made, as detailed in Para 49.
- £453,500 as savings (spread across various areas) included in the base budget are still to be realised, these are being reviewed to reduce this pressure over the remainder of the year.

The Housing Revenue Account (HRA) is forecasting a reduction in operational spend of £351,000, with capital expenditure plans reducing by £637,000 which will reduce the contribution from the HRA reserve.

This report also provides an update on the collection fund, treasury management, reserves and progress on savings identified within the 2022/23 budget.

There are also a number of items that have been included under other items for Cabinet to consider.

Key Decision: No

Significantly Affected Wards: None

Recommendations: **The Cabinet is asked to:-**

- I. Note the quarter 1 forecast position for the General Fund and the Housing Revenue Account.**
- II. Note the Collection Fund position**
- III. Note the Treasury Management position**
- IV. Note the provisional reserve allocations as highlighted at Table 5 of this report**
- V. Note the use of delegations under the 'Other Items' section of the report**

Policy Overview: The Budget is a key element supporting the delivery of the Council's wider policy objectives.

Financial Implications: The General Fund is reporting an overall pressure of £1.7m based on quarter one budget monitoring.
The HRA is forecasting an overall underspend of £351,000 in operational budgets, and is forecasting a reduction in capital spend of £637,000.

Legal Implications N/A

Equalities Impact Assessment As part of 2022/23 Final Budget Report a full assessment was undertaken.
N/A

Exempt from Publication:

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Report Title: Quarter One Financial Monitoring

Introduction and Background

1. This report presents the forecast outturn position for 2022/23 based on information available as at 31 July 2022.
2. The 2022/23 budget was largely set around October/November 2021 as the United Kingdom (UK) was recovering and starting to live with Covid. However, following a period of uncertainty the Russian Federation launched a “special military operation” in Ukraine which has driven up energy prices, which has driven rapidly rising inflation, which is now feeding into wider commodities thus fuelling higher inflation.
3. In response to rising inflation, the Bank of England (BOE) has increased the UK interest rate to 1.75% at the time of writing this report, with further increases of 0.50% highly expected (by the market) at the next two meetings of the BOE’s Monetary Policy Committee (MPC).
4. The impact of the above has meant that the inflationary and interest rate forecasts used in the formulation of the 2022/23 budget setting process were considerably light, with actual rates leading to significant pressure on Council budgets, notably the refuse collection contract (13% uplift) and short term borrowing costs which are anticipated to increase by around 1,000% in cash terms.
5. In addition to the pressures being felt by the Council, the Council’s residents and businesses are also feeling the impacts of rising inflation which is likely to lead to pressure on the Council’s sales fees and charges income, debt collection rates, and also add pressure to frontline services, especially the potential for increased homelessness representations which are already above budgeted levels.
6. Although the above makes for sobering reading, this is only the start of the crisis and Council resources will be under considerable pressure for the remainder of the year, which will continue into the 2023/24 budget setting process.
7. With the new Government still finding its feet, and having already committed circa £150bn on implementing an energy cap to help dampen increasing energy bills for people and business, there is unlikely to be any financial aid from Central Government as we received during the Covid pandemic however, we await to hear announcements over the next few weeks.
8. This report considers each of the following areas of the Council in more detail including the General Fund, Housing Revenue Account, Collection Fund (Council Tax and Business Rates), Treasury Management, reserves movements and savings to be identified.
9. Other items are also included where decisions have been made that require subsequent reporting to Cabinet.

Summary of General Fund Position

10. The current General Fund position is forecasting a deficit of £1.7m in year with £1.2m in service expenditure and £500,000 from reduced investment income. Having considered previous years, the actual pressure in services is not that uncommon with the perpetual pressures in planning resourcing and homelessness continuing. What is different this year is that Interest rate rises have inhibited the Council's ability to flex the borrowing strategy to fund these pressures (as in recent years), with a net pressure of £500,000 against investment and borrowing budgets being reported.
11. There is also the £453,500 of savings still to be identified that while agreed as deliverable in November 2021 when they were first proposed, the longevity of the pandemic and current economic conditions have changed corporate priorities and therefore some new savings will need to be identified, and these will need more time to be realised.
12. The savings to be identified was a risk highlighted by the Cabinet and the Overview and Scrutiny Budget Task Group and as requested progress is reported at **Appendix B**, in accordance with the recommendation made by Cabinet when the budget was set. Management Team are reviewing, and will consider new saving opportunities to replace these targets where necessary, and will strive to reduce some of this pressure as we move through the remainder of the year. Services are also being encouraged to think about general expenditure to help reduce the overall corporate pressure, and all vacant posts and regrading proposals are now having to be referred to Directors for consideration.
13. **Table 1** shows the movement between revised budget and forecast outturn at an Assistant Director level, the revised budget has been utilised to reflect the new structure that was implemented on the 1 April 2022. Further details of material movements in each Assistant Director area are covered in the narrative section below.

Table 1 - General Fund Quarter 1 Forecast as at 31 July 2022

General Fund Summary as Assistant Director Level	2022/23 Revised Budget	Quarter 1 Projected Outturn	2022/23 Quarter 1 Variance
	£'000	£'000	£'000
Finance and IT	2,179	2,163	(15)
HR, Customer Services, Comms and Digitalisation	603	633	30
Housing	1,227	1,460	233
Safety Wellbeing and Port	736	1,045	309
Environment, Property and Recreation	5,067	5,558	491
Planning and Development	2,298	2,634	336
Corporate Management Costs	1,561	1,389	(172)
Head of Economic Development	624	624	0
Head of Performance and Policy	1,422	1,383	(39)
Solicitor to The Council and Monitoring Officer	303	342	39
Total Service Expenditure	16,020	17,231	1,212
Capital Charges & Net Interest	(2,154)	(1,654)	500
Levies, Grants and Precepts	282	282	0
Contribution to Balances	1,947	1,947	0
Budget Requirement	16,094	17,806	1,712
Financing:			
Retained Business Rates	(4,685)	(4,685)	0
Government Grants	(398)	(398)	0
Rural Services Delivery Grant	(87)	(87)	0
New Homes Bonus	(1,886)	(1,886)	0
Council Tax	(8,638)	(8,638)	0
Council Tax 2020/21 Surplus	(400)	(400)	0
Total Movement	0	1,712	1,712

Summary of General Fund Movements at Assistant Director Level

Housing (General Fund)

14. General Fund housing is reporting a quarter one pressure of £233,000 with a net forecasted pressure of £183,000 in homelessness for temporary accommodation (TA). The TA budget was re-profiled and increased for 2022/23 following a service review, but this is already under pressure as the current economic conditions are leading to higher than anticipated level of representations, especially from single persons. The ability to move people from TA to permanent housing has also been hindered by the lack of affordable homes being built where they have been caught by the freeze in planning approvals and development while a solution to Stodmarsh is developed. This budget represents a forward risk to the forecast and will be monitored closely as the year progresses.
15. There is a delayed saving requirement of £99,450 within housing which is linked to the Henwood TA development that will, once operational comprise of 23 short stay accommodation units. This site now has planning

permission however, it is subject to Stodmarsh although the aim is to commence construction as soon as possible.

16. Offsetting some of this pressure is a saving of £87,000 in employee costs from vacant posts.

Safety Wellbeing and Port

17. The Safety Wellbeing and Port area is reporting an overall quarter one pressure of £309,000. Parking services is showing a pressure of £150,000, £75,000 as a result of reduced parking income following the Covid pandemic, and £75,000 of savings linked to cashless parking that cannot be achieved. Although savings have been and continue to be made as a consequence of the move to cashless parking, there is a consequential increase in payment transaction fees that offset the savings made. Ways to reduce these charges will be explored over the coming months.
18. Environment Health is showing a pressure of £41,000 on employee costs to cover long term sickness within the team and circa £35,000 of savings are still to be identified.
19. The Monitoring Centre is forecasting a pressure of £47,000 on employee costs following staff regrading's following a service review.

Environment, Property and Recreation

20. The big pressure in this area comes from the waste collection and refuse contract which has had a contract indexation uplift of nearly 13% (based on a basket of indices) at the start of the year adding a budgetary pressure of £385,000.
21. There is also pressure on fuel costs for aspire vehicles of £50,000, although this could reduce with recent drops in vehicle fuel prices and a pressure of £27,000 on fleet hire costs following an increase in rates.

Planning and Development

22. Planning and Development is forecasting an overall pressure of £336,000 against budget at quarter one (including savings not delivered).
23. The key driver for this pressure is the need to engage consultants to support the operational needs of the service (to do the day job) as in previous years and is showing a net pressure of £145,000.
24. There is also a continued wider need for consultancy advice and counsel fees that are being incurred to support planning appeals.
25. The other pressure is from savings to be identified of £160,000. Additional income of £60,000, and £100,000 of savings from IT efficiencies following the implementation of the new planning system, although it was noted previously that this saving may have to be delivered in a different way.
26. Building Control have savings in employee costs of £125,000 which is reduced by a pressure on income of £50,000.

Corporate Management Costs

27. This area is showing a net income of £173,000 as a result from recovery of legal fees awarded to the council, directly from work that was undertaken by the Council's legal team.

Financing and Other General Fund Movements

28. The movement in this areas relates to treasury activity and will be covered in the appropriate section of this report.

Housing Revenue Account (HRA)

29. The Housing Revenue Account is showing a decrease in operational expenditure, compared to budget, of £351,000. This largely relates to a saving of £283,000, as a result of the indexation adjustment for the PFI contract, which is based on January 2022 RPIX. There is also a saving of £95,000, as a result of a Business Rates refund, which is due to the development currently underway at Mabledon Avenue.
30. Planned capital works have reduced by £637,000 compared to budget this is partly due to contractor delays and partly as a result of cancellations due to Covid, which has led to reduced property access. The reserve contribution to fund capital works has been updated accordingly.
31. A breakdown of this variance is shown in **Table 2** below:

Table 2 – 2022/23 Housing Revenue Account Forecast Outturn Position (Quarter 1)

Housing Revenue Account	2022/23 Revised Budget	Quarter 1 Projected Outturn	2022/23 Quarter 1 Variance
	£'000	£'000	£'000
Supervision and Management	6,732	6,726	(6)
Income	(28,775)	(28,775)	0
New Build	201	108	(93)
Other	15,960	15,677	(283)
Repairs and Maintenance	4,347	4,378	31
Net Revenue Expenditure	(1,535)	(1,886)	(351)
Capital Works - Decent Homes	6,142	5,505	637
Financed By:			
Contribution to/(from Major Repairs Reserve)	(6,142)	(5,505)	(637)
Net Capital Expenditure	0	0	0
Total Net Expenditure	(1,535)	(1,886)	(351)

Collection fund Monitoring

Business Rates

32. Collection rates for NNDR are continuing to be regularly monitored to gauge the potential impact of the current economic situation within the Borough. At the end of August 48.29% (£26.447m) of rates billed for the year had been collected, this compares to 38.99% in 2021/22 and 43.08% in 2020/21.
33. Collection rates have improved significantly compared to the same point last year, however looking at the pre-pandemic figures (49.30% in 2019/20) it is clear there is a continuing pressure on businesses, impacting their ability to pay, this pressure is likely to worsen with increasing inflation and rising energy prices.
34. The amount of Business Rates billed has reduced since the original assumptions were calculated, this is largely as a result of an increase in the reliefs payable which are fully funded by Government. This will create a deficit at year end in the collection fund, with Government compensation grants held in reserves as the accounts are closed to offset this in future years.
35. Including a prior year deficit of £3.5m, the overall deficit on the collection fund for business rates is forecast at £6.1m with Ashford's share of that deficit being around £2.4m, although as mentioned, this will be funded from s31 Grant.

Table 3 – Business Rate Summary

Collection Fund - Business Rates	Original Budget	Outturn (net)	Variance - Adverse/ (Favourable)
	2022/23	2022/23	2022/23
	£'000	£'000	£'000
Opening (Surplus)/Deficit	(13,285)	(13,285)	0
(Deficit) contributed by/Surplus distributed to Major Preceptors	16,771	16,771	0
Remaining Deficit/(Surplus) to be Contributed/(Distributed)	3,486	3,486	0
2022/23			
Amount of Business Rates to be paid to Major Preceptors	49,326	49,326	0
Amount of Business Rates Billed	(52,038)	(49,640)	2,398
Transitional Relief (Recovered)/Payable	0	(4)	(4)
Other Items Charged to the Collection Fund:			
Appeals and Rateable Value Reductions	1,500	1,687	187
Bad and Doubtful Debts	900	900	0
Renewable Energy	106	311	205
Cost of Collection	205	16	(189)
In year (Surplus)/Deficit	(1)	2,596	2,597
Overall (Surplus)/Deficit on Collection Fund	3,485	6,082	2,597

Council Tax

36. The value of Council Tax receipts collected at the end of August was 48.01% (46.975m), this compares to previous comparator collection rates of 48.22% in 2021/22 and 48.35% in 2020/21. There is a very slight decrease in the amount collected this year, compared to last year, officers are continuing to monitor this in light of the current economic forecasts, which could further impact collection rates in 2022/23.
37. As a result of the potential reduction in collection rates for 2022/23 the contribution to the bad debt provision has been increased by £200,000, this will be monitored in line with historical debt throughout the year.
38. Overall the collection fund for Council Tax is reporting a year end deficit of £1.1m of which Ashford's share of the Council Tax surplus would be around £100,000, based on current forecasts. This will form part of the 2023/24 budget.

Table 4 Council Tax Summary

	Outturn (net) to 31/03/23
	£'000
Opening Deficit/(Surplus)	(3,505)
Deficit contributed by Major Preceptors	3,891
2022/23	
Amount of Council Tax to be paid to Major Preceptors	97,347
Amount of Council Tax billed	(96,837)
In Year Write Off's and Bad Debt Provision increase	196
In year (Surplus)/Deficit	706
Overall (Surplus)/Deficit	1,092

Reserves

39. Contributions to and from reserves that were not identified as part of the budget setting process are required to be reported as part of the budget monitoring. Due to the nature of the funding these pressure are not reflected in the general fund pressure previously covered within this report.
40. **Table 5** below identifies the reserve movements that are proposes for year-end subject to the final outturn position. Cabinet are asked to note these proposals.

Table 5 – Breakdown of Reserve Movements

Purpose	Suggested Reserve	Amount £
Continued contractual support for Tenterden Leisure Centre as a new Operator is tendered for. This support is necessary to prolong the management of the incumbent operator in light of challenging market conditions and avoid closure of the centre.	Economic Growth and Risk Fund	500,000
The current operational repairs and maintenance budget for the Council is overspent by £239,000 following a number of essential projects, this is to be funded from the wider repairs and renewals reserve.	Repairs and Renewals reserve	£239,000
Total		739,000

Recommendation – Cabinet is asked to note the reserve movement proposals in Table 5 above.

Treasury Management

41. The breakdown of the Capital Charges and Net Interest line is shown below at **Table 6**. This table shows the borrowing and investment budget, Minimum Revenue Provision (MRP) and depreciation. The MRP is a statutory payment the Council has to make to offset the costs of capital borrowing over the life of the associated asset.

Table 6 – Net Interest Summary

Treasury Management Table	2022/23 Revised Budget	Quarter 1 Projected Outturn	2022/23 Quarter 1 Variance
	£'000	£'000	£'000
Interest payable	1,146	1,146	0
Interest receivable	(3,022)	(2,522)	500
Minimum revenue provision	1,664	1,664	0
Depreciation	(1,942)	(1,942)	0
Total Net Interest	(2,154)	(1,654)	500

Interest payable / Interest receivable

42. The introduction of this report covered some of the unforeseen issues within the economy and how increased interest rates are having a significant impact on the Council's borrowing strategy.
43. For a number of years now the strategy has been kept short to maximise the benefits of the low interest rate environment and this strategy has been successful in enabling service pressures to be funded in year.
44. The treasury budget has always had an allowance for some long term debt to be taken to reduce interest rate risk, and the council took £32m of Public Works Loan Board debt in July 2023 for 15 years, £15m for the GF and £17m for the HRA accordingly.
45. However, following the unforeseen rapid rise in inflation and the equally as aggressive rises in interest rates to reduce it, the Council has been exposed to short term interest rate risk and is anticipating an increase in short term borrowing costs of circa 1,000%. This increase in rates is evident from the loans schedule at **Appendix A**.
46. To mitigate this pressure in year, the Council will maintain the short term strategy and divert the new long term borrowing budget to the short term fund, it is anticipated that this approach should mitigate a significant amount of the exposure in year and has been discussed with our external advisors Arlingclose.
47. It is anticipated that short term rates will continue upwards but will then start to reduce over the medium term as the Country is expected to fall into recession which could require the BOE to reduce rates to re-stimulate the economy.
48. As always the council will have regular meeting with its professional advisors and make the best decision at the time to ensure debt levels are affordable.
49. The budget is showing a £500,000 reduction in investment income which is as a result of borrowing not coming forward as anticipated from the Council's

subsidiary company, A Better Choice for Property Ltd., which like other developers is currently prohibited from building due to the issues regarding Stodmarsh. This reduction would usually have a matching element of saving from the debt budget although as already discussed the long term debt budget is required to furnish short term debt.

50. **Investment Capital Values** – the capital value of strategic investments has reduced since 31 March 2022 due to the financial climate by £713,000, although the Council still has positive capital growth overall. The council needs to be comfortable with the long term nature of these funds and hold them in accordance with strategy, as we did during the Covid pandemic where negative valuations were reported however, these recovered over the medium term.
51. In relation to strategic investments the Council, in conjunction with its external advisors are currently reviewing the strategic investment portfolio to confirm if the individual funds are still delivering as anticipated, and also that the portfolio is well balanced as a whole in terms of risk and volatility.
52. Provisional reports have been provided and once reviewed and considered recommendations will be reported accordingly.
53. Current investment balances, and borrowing portfolios are shown at **Appendix A**.

Other Items

54. This part of the report will be used to report to Cabinet decisions that have been made through various delegations that are then required to be reported to Cabinet through the budget monitoring report.

Savings to be identified

55. The 2022/23 draft budget had a saving requirement of £827,800 which was identified in 2021/22 as part of the £3m cumulative target to support the Council's medium term financial plan. £639,260 of these savings were still to be fully identified at the time of setting the budget.
56. These savings were identified by the Cabinet and Overview and Scrutiny Budget Task Group who endorsed Cabinet's recommendation, recommended that progress on delivery of these savings be reported as part of this report, and Cabinet agreed with this recommendation.
57. As acknowledged when setting the budget, the economic situation has changed since the agreement of the original proposals and therefore it was acknowledged that savings may have to be delivered differently to the original plan. However it is universally accepted that these savings are required to achieve a balanced position for the medium to long term finances of the Council.
58. The quarter one monitoring position is reporting that £453,500 of savings are still to be delivered and have been added to the forecast pressure. A full list of the savings originally agreed, identified as 'to be delivered' and those that are now recorded as a pressure are shown at **Appendix B**.
59. Budget Mangers will continue to explore new options for delivering these saving requirements and aim to reduce the pressure items over the remainder of the year.

Jasmin Vardimon dance studio bursary

60. The Jasmin Vardimon Dance Company (JVC) asked Ashford Borough Council if we could support a bursary at the JVC. The bursary scheme will support graduates from "socio economically challenged backgrounds to have equal opportunities based upon talent and not just ability to pay" and will be £2,500 per year for two years.
61. This scheme has been supported by the Chief Executive with the cost coming from reserves as permitted under financial regulations.

Update on Rough Sleepers Accommodation Programme (provided by Amanda Gill – Service Improvement Manager, Housing)

62. In November 2021 a paper was taken through Cabinet advising members of the Council's intention to apply for a second tranche of money from the rough sleeper accommodation programme. The paper set out that the capital spend for the second bid would be £1,776,000, which will be partially offset by £530,000 capital grant funding secured through the RSAP bid. The homes were to sit in the General Fund and considerations were given in that report for context.
63. However, given property market conditions, in particular the buoyancy of the property market, the Council has been less successful in obtaining properties in this way through the process that mirrors its street purchase acquisitions. This is because market prices are exceeding our independent

valuations and have been until recently been acquired so quickly that even our streamlined processes have not been sufficiently agile to enable us to compete.

64. The Council then turned its focus to other alternatives, surveying empty larger buildings for example, though the self-contained nature of the homes needing to be provided ruled several of these out. Despite a number of options the Council in consultation with Homes England has agreed that it will regrettably not be able to acquire all 20 units it had aspirations to deliver. Whilst it is disappointing, the criteria for placement is more restricted than first indicated which means that the demand for these units has also reduced. It has agreed to release grant funding for 5 units and seek to deliver 15 units in total across the two tranches. It remains on track to do so. The current position is:
65. We have so far completed on the purchase of 5 x one bed flats. 4 of these have been let, 1 is still void. 240 Beaver Road is a three-bed that is being converted to 2 x one bed flats – this is in with planning. This would make 7 x one beds when Beaver Road works are completed. A further three-bed home is set to be acquired – our offer has been accepted but the seller needs to buy another property as their chain has just fallen through. A further three-bed has gone to the district valuer for a decision on value. If all came good this would take the tally to 11 homes of the 15 we seek to deliver. Obviously further work will be undertaken to secure the other homes needed to deliver the project.

Portfolio Holder's Views

66. These are extremely challenging times both for the residents of the borough and the Council as we grapple with rising inflation and interest rates as a result of global events.
67. For the Council this has led to a direct increase in our refuse collection costs by £385,000, additional pressure on homelessness and a significant increase in debt expenses.
68. Directors and the wider Management Team in conjunction with Portfolio Holders are already taking measures to tap the brakes on expenditure and will be reviewing all the savings still outstanding to see what can be brought forward swiftly to reduce this forecast.
69. As this report eludes to, this problem is not just short term and increased contract prices through this spike in inflation will need to be factored into future budgets which will inevitably put pressure on Council resources and will reflect on ability to deliver discretionary services to our residents.

Contact and Email

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Treasury Management Portfolio as at 29 July 2022

Counter Party	Deal Date	Rate %	Amount £	Fair Value £
Investment Accounts				
Goldman Sachs	Various	0.05%	54,117	54,117
ICD Portal - BNP	Various	1.59%	1,014,000	1,014,000
ICD Portal - Invesco	Various	1.78%	7,640,000	7,640,000
Payden Global MMF	Various	1.98%	3,000,000	2,956,428
Total Investment Accounts			11,708,117	11,664,545
Long Term Investments				
Property Investment				
A Better Choice of Property Ltd.***	Various	0.00%	789,060	1,096,036
CCLA Local Authority Property Fund	Various	3.68%	11,000,000	14,571,468
Equity Funds**				
CCLA Diversified Income Fund	Various	2.39%	3,000,000	3,005,843
Ninety One Diversified Income Fund	28/03/2019	3.57%	2,500,000	2,252,393
Aegon Diversified Income Fund	13/05/2019	5.00%	5,500,000	5,018,061
Schroder Income Maximiser	Various	5.63%	3,500,000	3,035,672
UBS Multi Asset Income Fund	Various	4.83%	3,000,000	2,481,504
UBS Global Income Equity Fund	29/07/2019	8.90%	1,500,000	1,286,639
Total Long Term Investments			30,789,060	32,747,616
Total Investment Portfolio			42,497,177	44,412,161

* Money Market Fund (MMF) are AAA rated deposit facilities which have variable rates of interest but have constant net asset values. Interest rates are shown at the time of producing this report.

** Equity funds and the Property fund have variable rates of interest and also have fluctuating capital values, the amount stated is the current fair value.

*** A Better Choice Of Property Ltd. is a solely owned subsidiary of ABC.

Debt Portfolio as at 30 August 2022

Counterparty	Deal Date	Rate	Amount	Maturity Date
		%	£	
Temporary Borrowing				
Ryedale District Council	25/11/2021	0.08%	2,000,000	24/11/2022
Oxfordshire County Council	17/12/2021	0.15%	5,000,000	17/10/2022
North East Derbyshire District Council	17/12/2021	0.15%	5,000,000	16/12/2022
Northern Ireland Housing Executive	24/01/2022	0.20%	7,000,000	23/01/2023
Barnsley MBC	28/01/2022	0.25%	5,000,000	27/01/2023
Cambridgeshire & Peterborough CA	31/01/2022	0.25%	5,000,000	30/01/2023
Cambridgeshire & Peterborough CA	24/02/2022	0.20%	5,000,000	23/02/2023
Barnsley MBC	11/07/2022	1.20%	5,000,000	11/01/2023
Blaenau Gwent County Borough Council	15/06/2022	1.05%	6,000,000	15/09/2022
Salford City Council	04/07/2022	1.20%	5,000,000	04/01/2023
Warwickshire County Council	05/07/2022	1.20%	10,000,000	05/01/2023
West Yorkshire Combined Authority	25/07/2022	1.25%	8,000,000	25/04/2023
West Yorkshire Combined Authority	24/08/2022	1.25%	4,000,000	24/05/2023
West Yorkshire Combined Authority	22/08/2022	1.25%	3,000,000	22/05/2023
London Borough of Newham	01/07/2022	1.30%	10,000,000	03/04/2023
Barnsley MBC	20/06/2022	1.10%	4,000,000	20/09/2022
Renfrewshire Council	22/07/2022	1.38%	5,000,000	24/10/2022
Total Temporary Borrowing			94,000,000	
Long Term Borrowing				
Public Works Loan Board - HRA	various	various	112,964,150	various
Public Works Loan Board - GF	13/07/2021	1.56%	13,500,000	13/07/2041
Total Long Term Borrowing			126,464,150	
Grand Total Borrowing			220,464,150	

Detail of PWLB Loans Outstanding at 31 August 2022

Date of Advance	Loan Ref Number	Date of Repayment	Amount Outstanding £	Rate %
28/03/2012	499514	28/03/2023	2,000,000	2.56%
28/03/2012	499507	28/03/2024	3,000,000	2.70%
28/03/2012	499503	28/03/2025	3,000,000	2.82%
28/03/2012	499505	28/03/2026	1,000,000	2.92%
28/03/2012	499496	28/03/2027	1,000,000	3.01%
28/03/2012	499509	28/03/2028	2,000,000	3.08%
28/03/2012	499497	28/03/2029	2,000,000	3.15%
28/03/2012	499510	28/03/2030	2,000,000	3.21%
28/03/2012	499498	28/03/2031	8,000,000	3.26%
28/03/2012	499511	28/03/2032	9,000,000	3.30%
28/03/2012	499499	28/03/2033	10,000,000	3.34%
28/03/2012	499512	28/03/2034	11,000,000	3.37%
28/03/2012	499506	28/03/2035	12,000,000	3.40%
28/03/2012	499513	28/03/2036	9,000,000	3.42%
28/03/2012	499515	28/02/2037	16,713,000	3.44%
29/03/2011	498502	29/03/2061	5,951,150	5.26%
13/07/2021	374161	13/07/2041	15,300,000	1.56%
Total HRA Borrowing			112,964,150	
13/07/2021	374159	13/07/2041	13,500,000	1.56%
Total GF Borrowing			13,500,000	

A Better Choice for Property Ltd. Loans as at 31 March 2022

Loans	Deal Date	Rate %	Amount £	Principal Repaid £	Balance Outstanding £
Loan 3	12/02/2015	2.83%	400,000	(86,200)	313,800
Loan 9	22/07/2017	3.04%	1,445,000	(60,560)	1,384,440
Loan 12	25/03/2018	3.06%	240,000	(11,445)	228,555
Loan 13	04/05/2018	3.13%	2,490,000	(78,004)	2,411,996
Loan 14	05/06/2018	3.06%	1,196,311	(38,141)	1,158,170
Loan 15	05/07/2018	3.10%	113,000	(3,565)	109,435
Loan 16	25/09/2018	3.19%	823,000	(22,675)	800,325
Loan 17*	17/10/2018	3.45%	659,000	(18,691)	640,309
Loan 18	02/11/2018	3.31%	820,000	(20,745)	799,255
Loan 19	09/11/2018	3.29%	6,517,425	(165,593)	6,351,832
Loan 20*	01/02/2019	3.10%	93,890	(2,521)	91,369
Loan 21*	04/02/2019	3.10%	7,103,180	(190,721)	6,912,459
Loan 22	22/02/2019	3.03%	809,240	(22,476)	786,764
Loan 23*	04/03/2019	3.10%	941,360	(24,237)	917,123
Loan 24	17/06/2019	2.80%	160,000	(3,870)	156,130
Loan 25	01/07/2019	2.81%	91,776	(2,213)	89,563
Loan 26	06/09/2019	2.24%	568,400	(17,285)	551,115
Loan 27	08/09/2019	2.24%	3,821,595	(189,239)	3,632,356
Loan 28*	16/04/2020	3.57%	1,208,000	(11,925)	1,196,075
Loan 29*	16/10/2020	3.84%	1,029,820	(6,326)	1,023,494
Loan 30	20/11/2020	3.61%	2,175,000	(20,152)	2,154,848
Loan 31*	08/11/2021	3.22%	427,050	0	427,050
Total loans to ABCFPL			33,133,047	(996,584)	32,136,463
* These loans have been subsequently loaned to the companies subsidiary A Better Choice for Property Development Ltd.					

Savings to be identified tables

Director Of Customer Tech & Finance	2022/23 Original Saving	2022/23 Saving to be identified	2022/23 Q1 Forecast	Pressure	Q1 Budget Monitoring Comments
Communications & Marketing	(12,500)	(12,500)	0	(12,500)	
Policy And Performance	(12,000)	(12,000)	(12,000)	0	Love Ashford Website now managed in house
Accountancy	(50,000)	(15,000)	(15,000)	0	Delivered through increased income from Fraud and Investigations
ICT	(20,000)	(10,000)	(10,000)	0	Reduction on usage and costs
Visitor & Call Centre	(10,500)	0	0	0	Saving made within 22/23 budget setting process
Visitor & Call Centre	(6,500)	0	0	0	Saving made within 22/23 budget setting process
Total	(111,500)	(49,500)	(37,000)	(12,500)	
Director Of Health And Wellbeing	2022/23 Original Saving	2022/23 Saving to be identified	2022/23 Q1 Forecast	Pressure	Q1 Budget Monitoring Comments
Deputy Head of Property & Projects	(17,500)	0	0	0	Saving made within 22/23 budget setting process
Project Delivery Team	(56,000)	(56,000)	(56,000)	0	This saving will be delivered by charging Officer time as a Capital costs to the projects they are involved in.
Parking & Engineering	(75,000)	(75,000)	0	(75,000)	This saving was intended to be delivered from moving to a more cashless parking environment. However, despite good progress being made on removing some machines, increased costs from an enforced change in the cash collection contract provider and increased cashless transaction fees have added pressures elsewhere negating this saving.
Environmental Health	(34,830)	(34,830)	0	(34,830)	Data analysis being undertaken to obtain greater understanding of service demand increases. To determine whether the saving remains achievable in the current climate. Other options are also being considered moving forward.
Housing Options	(57,070)	(11,280)	(11,280)	0	Saving delivered as site now fully let.
Housing Options					This saving will be recognised once the Henwood development is operational and being used to limit the council's exposure to expensive temporary accommodation solutions such as Bed and Breakfast.
Housing Options	(32,000)	0		0	Saving made within 22/23 budget setting process
Total	(371,850)	(276,560)	(67,280)	(209,280)	

Savings to be identified tables

Director Of Place And Space	2022/23 Original Saving	2022/23 Saving to be identified	2022/23 Q1 Forecast	Pressure	Q1 Budget Monitoring Comments
Strategic Planning	(50,000)	(50,000)	0	(50,000)	Processes for charging are still being developed to charge for Pre Planning Agreement Advice.
Development Control	(10,000)	(10,000)		(10,000)	Processes for charging are still being developed to charge for Planning Performance Agreements.
Strategic Planning	(100,000)	(100,000)		(100,000)	System still not fully embedded and delivering efficiencies
Facilities Management	(50,000)	(50,000)	(50,000)	0	Recharge to be made to the HRA for building space used by repairs and maintenance contractor.
Street Scene					The closure of new rent public toilets was recommended on the back of the introduction of the Community Toilet Scheme, however there has been strong public and political pressure not to close these facilities and therefore remain open, and the saving therefore not deliverable.
Street Scene	(20,720)	(20,720)		(20,720)	
Street Scene	(31,480)	(31,480)	(31,480)		Closure of Toilets for park redevelopment.
Tenterden Gateway	(11,000)	(11,000)	0	(11,000)	Lease does not terminate until 2023 when saving will be realised.
Total	(273,200)	(273,200)	(81,480)	(191,720)	

Savings to be identified tables

Executive Functions	2022/23 Original Saving	2022/23 Saving to be identified	2022/23 Q1 Forecast	Pressure	Q1 Budget Monitoring Comments
Economic Development	(10,000)	(10,000)	0	(10,000)	This saving is not possible as the ED team has been required to support Covid business grants work and now needs the resource to manage the levelling up funding and other grant work that will bring in significant amounts of investment into the Council.
Strategic Corporate Costs	(18,750)	0	0	0	Saving made within 22/23 budget setting process
Legal	(30,000)	(30,000)	0	(30,000)	This saving was originally identified as a opportunity to bring in external income through the award of a contract. However, due to resourcing constraints the bid was not submitted and therefore saving/income was not delivered.
Electoral Services	(12,500)	0	0	0	Saving made within 22/23 budget setting process
Total	(71,250)	(40,000)	0	(40,000)	
Total	(827,800)	(639,260)	(185,760)	(453,500)	

