

**Agenda Item No:** 9  
**Report To:** Cabinet  
**Date of Meeting:** 23 February 2023  
**Report Title:** Quarter 3 - Financial Monitoring  
**Report Author:** Lee Foreman  
**Job Title:** Service Lead Finance  
**Portfolio Holder:** Cllr. Neil Shorter  
**Portfolio Holder for:** Finance and IT



**Summary:** This report presents the third quarter budget monitoring position, as at the 31 December 2022. The economic outlook has calmed. Interest rate predictions are becoming clearer and there are indications that we are getting to a stage where only 1 more increase may be necessary.

The outlook since quarter two has improved with a reduction in the deficit of £642,000 making the revised forecast outturn £1.4m.

The Key movements in the quarter include additional investment income of £570,000 with interest on cash balances increasing, and strategic investments returning stronger dividends. On the other side borrowing costs have increased by £280,000 giving a net saving of £290,000.

The Council has also received (net of fees) £270,000 for completing a funding agreement with Ashford International Development Company. On completing the agreement the Council has been able to recognise interest due of £600,000, it is recommended that this amount should be put in an earmarked reserves to support any risks relating to this project.

Other key movements in the quarter include £204,000 reduction in Planning recognising the use of the planning reserve for specific projects within planning, and the repayment of £106,000 of Housing grant from 2021/22 where recruitment difficulties prevented this from being realised.

The Housing Revenue Account (HRA) is reporting a total underspend in operational activity in year of £373,000 (£489,000 at quarter two). There is a further reduction of £1.5m within the HRA capital programme due to staff shortages.

This report also provides an update on the collection fund, treasury management, and the ANPR (Automatic Number Plate Recognition) programme.

<b>Key Decision:</b>	NO
<b>Significantly Affected Wards:</b>	None
<b>Recommendations:</b>	<p><b>The Cabinet is recommended to:-</b></p> <ol style="list-style-type: none"> <li><b>I. Note the quarter 3 forecast position for the General Fund and the Housing Revenue Account.</b></li> <li><b>II. Note the Collection Fund position</b></li> <li><b>III. Note the Treasury Management position</b></li> <li><b>IV. Note the provisional reserve allocations as highlighted at Table 6 of this report</b></li> <li><b>V. To note the update of the ANPR installation project at Appendix B.</b></li> <li><b>VI. To provide delegation to the Assistant Director and Portfolio Holder of Safety and Wellbeing to progress with ANPR installation into other suitable car parks, utilising the capital funding that was agreed in 2019.</b></li> </ol>
<b>Policy Overview:</b>	The Budget is a key element supporting the delivery of the Council's wider policy objectives.
<b>Financial Implications:</b>	<p>The General Fund is reporting an overall pressure of £1.432m based on quarter three budget monitoring.</p> <p>The HRA is forecasting an overall underspend of £373,000 in operational budgets, and is forecasting a reduction in capital spend, compared to the original budget, of £1.5m.</p>
<b>Legal Implications:</b>	N/a
<b>Equalities Impact Assessment:</b>	A full assessment was undertaken as part of 2022/23 Final Budget Report.
<b>Exempt from Publication:</b>	No
<b>Contact:</b>	Lee.foreman@ashford.gov.uk – Tel: (01233) 330509

## Agenda Item No. 9

# Report Title: Quarter Three Financial Monitoring

## Introduction and Background

1. This report presents the forecast outturn position to 31 March 2023 based on information available as at 31 December 2022.
2. In response to rising inflation, the Bank of England (BOE) has increased the UK interest rate to 4% (February 2023), with further increases anticipated at future meetings of the BOE's Monetary Policy Committee (MPC) with peak rates now anticipated to reach 4.25%.
3. Inflationary and interest rate forecasts used in the 2022/23 budget setting process were a lot lower than the reality, with actual rates leading to significant pressure on Council budgets, notably the refuse collection contract (13% uplift) and short term borrowing rates which have increased by around 3,900% over the year.
4. In addition to the pressures being felt by the Council, the Council's residents and businesses are also feeling the impacts of rising inflation and interest rates, which is likely to lead to pressure on the Council's sales, fees and charges income, collection rates, as well as add pressure to frontline services, such as homelessness representations which are already well above budgeted levels.
5. In light of these pressures, as well as any future turbulence in the economy, officers are continuing to review budgets in order to mitigate, as much as possible, the effects of the pressures the Council is facing. This review process extended into the 2023/24 budget, which is also on tonight's Cabinet Agenda.
6. 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), Reserves, Treasury Management, and an update on the ANPR programme.

## Summary of General Fund Position

7. The current General Fund position is forecasting a deficit of £1.4m which is an improvement of £642,000 on the 2.074m deficit reported at quarter two.
8. Directors are continuing to review and challenge all new appointments to limit additional staffing costs to support the deficit. Wider expenditure is also being reviewed by Assistant Directors and Heads of Service to ensure that only service essential is being incurred.
9. **Table 1** shows the movement between revised budget and forecast outturn, and the variance between the quarter two and quarter three forecasts, at an Assistant Director level. Further details of material movements in each Assistant Director area are covered in the narrative section below.

**Table 1 - General Fund Quarter 3 Forecast as at 31 December 2023 projecting the year end position**

General Fund Summary at Assistant Director Level	2022/23 Current Budget	2022/23 Forecast Outturn at Q3	2022/23 Quarter 2 Forecast	2022/23 Q2 to Q3 Movement
	£'000	£'000	£'000	£'000
Finance and IT	2,259	1,801	2,186	(385)
HR, Customer Services, Comms and Digitalisation	522	600	611	(11)
Housing	1,227	1,737	1,658	79
Safety Wellbeing and Port	647	907	941	(34)
Environment, Property and Recreation	5,075	6,016	5,899	117
Planning and Development	2,298	2,478	2,682	(204)
Corporate Management Costs	1,650	1,402	1,389	13
Head of Economic Development	686	660	675	(15)
Head of Performance and Policy	1,352	1,319	1,316	3
Solicitor to The Council and Monitoring Officer	303	314	327	(13)
<b>Total Service Expenditure</b>	<b>16,019</b>	<b>17,234</b>	<b>17,684</b>	<b>(450)</b>
Capital Charges & Net Interest	(2,154)	(1,937)	(1,654)	(283)
Levies, Grants and Precepts	282	282	282	0
Contribution to Balances	1,947	1,947	1,856	91
<b>Budget Requirement</b>	<b>16,094</b>	<b>17,526</b>	<b>18,168</b>	<b>(642)</b>
<b>Financing:</b>				
Retained Business Rates	(4,685)	(4,685)	(4,685)	0
Government Grants	(398)	(398)	(398)	0
Rural Services Delivery Grant	(87)	(87)	(87)	0
New Homes Bonus	(1,886)	(1,886)	(1,886)	0
Council Tax	(9,038)	(9,038)	(9,038)	0
<b>Total Movement</b>	<b>0</b>	<b>1,432</b>	<b>2,074</b>	<b>(642)</b>

## Summary of General Fund Movements at Assistant Director Level

### Finance and IT

10. Finance and IT is reporting a quarterly movement of £385,000, this is largely due to the signing of the funding agreement with the Councils subsidiary

Ashford International Development Company (AIDC) which attracted an arrangement fee of £270,000 net of legal fees. This agreement will provide the mechanism for AIDC to draw down funds to develop the New Town Works Site.

11. Other movements include £30,000 of salary savings in ICT, as well as £20,000 increase in legal fees recovered within Council tax.

#### Housing (General Fund)

12. Housing is reporting a net pressure of £79,000 within the quarter, there has been continued pressure in Homelessness within the quarter (£181,000) although these additional costs have been met from additional grant funding.
13. The pressure reported in quarter is attributed to the repayment of £106,000 of grant funding received in 2021/22, the grant conditions for the support of TA costs were very restrictive and Ashford needed to appoint specific (new) Officers to utilise the grant. Unfortunately recruitment into these posts was not possible within the timeframe of the grant conditions and therefore had to be returned.

#### Environment, Property and Recreation

14. Overall Environment, Property and Recreation is reporting a pressure of £117,000 within the quarter.
15. Facilities management has incurred additional costs of £41,000 at Courthouse and Pitchside to help reduce anti-social behaviour and ongoing damage to the facility. There has also been an increase in utility costs at the Civic Centre of £38,000.
16. Property services has also incurred additional expenditure of £45,000 relating to additional surveying work. There has been £14,000 additional pressure to protect the air source heat pump at the Stour Centre from vandalism or theft while a long term solution is procured.
17. Grounds Maintenance is reporting a saving of £146,000, £115,000 of this savings is through the recovery of works costs from the HRA and external sources, there is also a £32,000 saving in staff costs.
18. Estates have a saving of £52,000 as they are carrying a vacant post.
19. Recreation has forecast a pressure of £135,000 in quarter, this is made up from salary savings of £28,000, additional income from Kingsnorth Recreation Centre of £22,000 and £187,000 utility costs which will be billed to the Stour operator in the coming months.

#### Planning and Development

20. Planning and Development is forecasting a reduction in outturn of £204,000. This saving had been generated by £147,000 of costs are proposed to be funded from the Planning Reserve to fund one off additional pieces off work.

These projects include development of the PAA (Pre Application Advice) and PPA (Planning Performance Agreement) charging framework, and external support to help reduced the planning caseload.

21. There is additional income of £45,000 from Planning Enforcement legal fees.

### **Housing Revenue Account (HRA)**

22. The Housing Revenue Account is showing an increase in operational expenditure of £116,000 compared to quarter two. This additional cost is within repairs and maintenance budgets and reflect the mid-year contract increase with the contractor.
23. Planned capital works are currently under review, in light of contractor delays and long-term sickness in the team, which is creating slippage in the planned works and this has led to a reduction in planned spend of £1.5m.
24. A breakdown of this variance is shown in **Table 2** below:

**Table 2 – 2022/23 Housing Revenue Account Forecast Outturn Position (Quarter 3)**

Housing Revenue Account	2022/23 Current Budget	2022/23 Forecast Outturn at Q3	2022/23 Quarter 2 Forecast	2022/23 Q2 to Q3 Movement
	£'000	£'000	£'000	£'000
Supervision and Management	6,732	6,694	6,662	32
Income	(28,775)	(28,782)	(28,782)	0
New Build	201	22	29	(8)
Other	15,960	15,677	15,677	0
Repairs and Maintenance	4,347	4,481	4,390	92
<b>Net Revenue Expenditure</b>	<b>(1,535)</b>	<b>(1,908)</b>	<b>(2,024)</b>	<b>116</b>
Capital Works - Decent Homes	6,142	4,122	5,657	(1,535)
Financed By:				
Contribution to/(from Major Repairs Reserve)	(6,142)	(4,122)	(5,657)	1,535
<b>Net Capital Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Net Expenditure</b>	<b>(1,535)</b>	<b>(1,908)</b>	<b>(2,024)</b>	<b>116</b>

## Collection fund Monitoring

### Business Rates

25. Collection rates for NNDR continue to be regularly monitored to gauge the potential impact of the current economic situation within the Borough. At the end of December 2022, 82.11% (£45.274m) of rates billed for the year had been collected, this compares to 79.36% in 2021/22 and 76.92% in 2020/21.
26. Collection rates have improved compared to the same point last year, and pre-pandemic levels. However, it should be noted there is a continuing pressure on businesses that will not only impact on the ability of businesses to pay but may also result in a fall in the number of businesses.
27. The estimate of Business Rates billed in the third quarter has dropped by £1.3m, this is largely due to successful appeals by supermarkets (a national trend) against their rateable value which has been reflected in 2022. The business rates appeals reserve will be reviewed at year end and corresponding provision released to fund the deficit.
28. Including a prior year surplus of £3.5m, the overall surplus on the collection fund for business rates is forecast at £926,000 with Ashford's share (40%) of that deficit being around £370,000.

**Table 3 – Business Rate Summary**

Collection Fund - Business Rates	Original Budget	3 Qtr Outturn	2 Qtr Outturn	Variance to Previous Quarter
	2022/23	2022/23	2022/23	2022/23
			£'000	
Opening (Surplus)/Deficit	13,285	13,285	13,285	0
(Deficit) contributed by/Surplus distributed to Major Preceptors	(16,771)	(16,771)	(16,771)	(0)
<b>Remaining Deficit/(Surplus) to be Contributed/(Distributed)</b>	<b>(3,486)</b>	<b>(3,486)</b>	<b>(3,486)</b>	<b>(0)</b>
<b>2022/23</b>				
Amount of Business Rates to be paid to Major Preceptors	49,326	49,380	49,326	54
Amount of Business Rates Billed	(52,038)	(49,075)	(50,382)	1,307
Transitional Relief (Recovered)/Payable	0	0	3	(3)
<b>Other Items Charged to the Collection Fund:</b>	0	0	0	0
Appeals and Rateable Value Reductions	1,500	1,670	1,706	(36)
Bad and Doubtful Debts	900	289	904	(615)
Renewable Energy	106	311	311	0
Cost of Collection	205	(16)	16	(32)
<b>In year (Surplus)/Deficit</b>	<b>(1)</b>	<b>2,560</b>	<b>1,884</b>	<b>2,561</b>
<b>Overall (Surplus)/Deficit on Collection Fund</b>	<b>(3,487)</b>	<b>(926)</b>	<b>(1,602)</b>	<b>2,561</b>

## Council Tax

29. The percentage of Council Tax receipts collected at the end of December 2022 was 85.57% (84.265m), this compares to previous collection rates of 85.37% in 2021/22 and 85.40% in 2020/21. The in-year collection rate is comparable to previous year but still short of pre-covid levels where collection rates were 86.11%. Officers are continuing to monitor collection rates.
30. The amount of council tax billed has increased, by around £296,000, compared to the second quarter, and is an increase above original estimates generating a surplus on the account.
31. Overall the collection fund for Council Tax is reporting a year end surplus of £274,000 of which Ashford's share would be around £27,000, based on current forecasts.

**Table 4 Council Tax Summary**

	<b>Original Forecast 2022/23 £'000</b>	<b>Quarter 2 2022/23 £'000</b>	<b>Quarter 3 2022/23 £'000</b>	<b>Variance £'000</b>
Opening Deficit/(Surplus)	(3,505)	(3,505)	(3,505)	0
Deficit contributed by Major Preceptors	3,891	3,891	3,891	0
<b>2022/23</b>				
Amount of Council Tax to be Paid to Major Preceptors	97,347	97,347	97,347	0
Amount of Council Tax Billed	(97,347)	(97,480)	(97,776)	296
In Year Write Offs and Bad Debt Provision Increase	(983)	166	(231)	397
<b>In Year (Surplus)/Deficit</b>	<b>(983)</b>	<b>33</b>	<b>(660)</b>	<b>693</b>
<b>Overall (Surplus)/Deficit</b>	<b>(597)</b>	<b>419</b>	<b>(274)</b>	<b>693</b>



## Capital Monitoring

32. **Table 5**, below, illustrates the capital expenditure forecast for each approved capital project. Sources of funding are detailed below so do not form part of the figures shown in the table.

**Table 5 – 2022/23 Capital Expenditure Forecast Quarter 3, Projecting the Year End Position**

Project Name	Total Approved Budget	Spend at 31/3/22	22/23 forecast spend	Future Forecast spend	Total Spend	Project Variance
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Place and Space</b>						
Planned Minor Capital Works for General Fund Assets	2,000	500	500	1,000	2,000	0
Ellingham Roof	500	0	0	500	500	0
Tenterden Leisure Centre Roof	1,178	816	362	0	1,178	0
Stour Centre Pool Tiles	750	0	0	750	750	0
Victoria Park Fountain & Carpark	570	0	0	570	570	0
International House Works	2,050	0	50	2,000	2,050	0
Solar PV (various sites)	10,800	45	3,100	7,655	10,800	0
Solar PV Carlton Road	401	0	514	0	514	113
Stodmarsh - Phase 1	10,000	5	200	9,795	10,000	0
Newtown Works - Phase 1	87,273	129	14,028	73,116	87,273	0
Vicarage Lane redevelopment - Phase 1	10,664	3,513	2,151	5,000	10,664	0
Project Green	47,000	33	0	69,967	70,000	23,000
Single Grants Gateway Fund	300		75	225	300	0
Victoria Park Rejuvenation Project	3,468	231	2,437	1,500	4,168	700
Conningbrook Lakes Country Park development	2,055	78	950	1,027	2,055	0
Tenterden Decarbonisation Works	2,010	327	936	1,213	2,476	466
Civic Centre Decarbonisation Works	0	0	0	0	0	0
Play Parks	1,100	0	2	1,098	1,100	0
<b>Health &amp; Wellbeing</b>						
Henwood Temporary Accommodation	4,700	90	300	4,310	4,700	0
Rough Sleepers Accommodation Programme	3,552	379	1,172	1,378	2,929	(623)
<b>Customer Tech &amp; IT</b>						
Digital Transformation	664	119	434	111	664	0
<b>HRA</b>						
Programmed Works Including Disabled Adaptations	29,695	2,581	5,330	21,784	29,695	0
Play Areas	300	178	61	61	300	0
Street Purchases	39,074	5,338	800	24,881	31,019	(8,055)
St Stephens Walk	3,165	567	0	2,598	3,165	0
Halstow Way	6,997	4,131	3,073	0	7,204	207
55 Mabledon (Piper Joinery)	7,246	2,053	0	5,193	7,246	0
Oakleigh House	15,946	257	5,125	8,630	14,012	(1,934)
Ford Way	9,042	0	0	9,042	9,042	0
Coneybeare	9,776	0	0	9,776	9,776	0
Tile Kiln	7,210	1,124	0	6,086	7,210	0
Infill Sites	6,274	0	0	6,274	6,274	0
Hamlet Chilmington	1,970	1,115	855	0	1,970	0
Digitalisation	90	0	20	70	90	0
Decarbonisation	85,165	0	800	84,365	85,165	0
Lifeline	220	0	0	220	220	0
CRM	35	0	0	35	35	0
Court Wurtin	455	180	166	109	455	0

## General Fund Capital

33. *Solar Panels PV Carlton Road* – £113,000 overspend due to increased costs since the procurement and tender stages.
34. *The Decarbonisation Programme* – Changes have occurred since last quarter as the Civic Centre is not a viable site following investigations. The budget has subsequently been agreed to be transferred to Tenterden Leisure Centre along with the Salix funding of £2m. Due to increased costs the £466,000 overspend will be funded from the Climate Change Reserve.

## Housing Revenue Account (HRA) Capital

35. The issues at Stodmarsh continue to delay the HRA building programme, in addition to this, the current economic climate is affecting the feasibility of some projects, which will need to be delayed. Officers are currently reviewing the HRA Business Plan (Cabinet December 2022) which will give more detail on the current timeline for projects.
36. *On Street Purchases* – At the time of writing three properties have been purchased in 2022/23, with a further two expected by the end of the year. At the time the budget was set the economy was in a very different place, however with the pressures on the HRA Business Plan, due in part to the cost of borrowing, as well as the increasing property prices, this is no longer a viable way to increase the council's housing stock. Going forward it has been decided that unless there are properties that fulfil a specific housing need then there will be no further street purchases after 2022/23.

## Reserves

37. 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 report. These pressures are not reflected in the general fund figures previously covered within this report.
38. Following signing of the funding agreement in November, between Ashford Borough Council and Ashford International Development Company the interest on funding to year end is forecasted to be circa £600,000. It is recommended that due to the size and complexity of the New Town Works development which encompasses multiple phases, that this funding presents an opportunity to create earmarked reserve within the Economic Growth and Risk Fund to specifically manage any risks that emerge from the development that need financial resource to manage.
39. Once the development is complete and risks managed, then the reserve would be added back to general reserves.
40. **Table 6**, below, identifies the reserve movements that are proposed for year-end, subject to the final outturn position. Cabinet are asked to note these proposals.

**Table 6 – Breakdown of Reserve Movements**

<b>Purpose</b>	<b>Suggested Reserve</b>	<b>Amount £</b>
Support for Tenterden Leisure Centre as a new Operator is tendered for. This support was put in place to retain the incumbent operator in light of challenging market conditions and avoid closure of the centre.	Economic Growth and Risk Fund	750,000
The current operational repairs and maintenance budget for the Council is overspent by £543,000 following a number of essential projects, this is to be funded from the wider repairs and renewals reserve.	Repairs and Renewals reserve	543,000
Creation of an earmarked reserve to explicitly manage risk arising from the New Town Works Development.	Economic Growth and Risk Fund (Newtown Town Works)	(600,000)
<b>Total (to)/from reserves</b>		<b>693,000</b>

**Recommendation – Cabinet is asked to note the reserve movement proposals in Table 6 above.**

## Treasury Management

41. The breakdown of the Capital Charges and Net Interest line is shown below at **Table 7**. 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 7 – Net Interest Summary**

	2021/22 Current Budget	2022/23 Forecast Outturn at Q3	2022/23 Forecast Outturn at Q2	2022/23 Quarter 3 Variance	2022/23 Forecast Variance
	£'000	£'000	£'000	£'000	£'000
Interest payable	1,146	1,423	1,146	277	277
Interest receivable	(3,022)	(3,082)	(2,522)	(560)	(60)
Minimum revenue provision	1,664	1,664	1,664	0	0
Depreciation	(1,942)	(1,942)	(1,942)	0	0
<b>Total Net Interest</b>	<b>(2,154)</b>	<b>(1,937)</b>	<b>(1,654)</b>	<b>(283)</b>	<b>217</b>

### Interest payable / Interest receivable

42. There has been continued pressure on borrowing costs in the third quarter with interest payable increasing by £277,000. Rates have continued to rise in 2023 with rates increased to 4% in February, and are expected to increase to 4.25% at the next meeting of the Bank of England Monetary Policy committee.
43. The current loan portfolio is shown at **Appendix A**, where the impact of increasing interest rates on short term borrowing costs become evident.
44. In the last quarter the Council has had slightly larger balances than anticipated as we move to a lower liquidity position to minimise borrowing need. Although liquid (easily accessible) cash is only placed in Money Market Funds the overnight interest rates have starting to pick up increasing the forecast on cash balances to £180,000.
45. The rest of the strategic investments are also outperforming expectation, budgets were increased conservatively last year but the changing economic conditions have provided greater than anticipate returns. The strategic pooled funds are forecasting increased dividend payments of circa £300,000 and the CCLA Property funds is forecasting a £80,000 increase. It should be noted however that these forecast are largely based on the first two quarters payments and they can fluctuate quite significantly introducing risk to the forecast.
46. **Investment Capital Values** – the capital value of strategic investments is now valued at £29.2m compared to an original investment value of £30.8m, therefore representing a capital decline of £1.6m with a significant fall of 1.4m in the CCLA Property Fund although the Council still has capital growth in this fund as we have held it since 2013. As we learnt from the pandemic, when the funds were reduced by circa £4m, the Council needs to be comfortable with the long term nature of these funds and hold them in accordance with strategy.

47. Current investment balances, and borrowing portfolios are shown at **Appendix A**.

## **Automatic Numberplate Recognition installation**

48. **Appendix B** provides an update on the progress of the Automatic numberplate recognition installation project and dovetails into the reports that were presented to Cabinet in December 2019 (minute CA191219/253) and January 2022 (minute CA270122/249). The update also recommends that the project extends into alternative car parks with the suitable delegation being given to Assistant Director and Portfolio Holder for Safety and Wellbeing to utilising the capital funding that was agreed in 2019.

### **Recommendations**

49. **To note the update of the ANPR installation project at Appendix B.**
50. **To provide delegation to the Assistant Director and Portfolio Holder of Safety and Wellbeing to progress with ANPR installation into other suitable car parks, utilising the capital funding that was agreed in 2019.**

### **Portfolio Holder's Views**

51. Quarter three has afforded me the opportunity to deliver some positive news in what has been an incredibly challenging year to date. As interest rates have risen and impacted borrowing costs, investment balances have proven more resilient than anticipated and have made a net contribution of £290,000 towards reducing the in-year deficit.
52. There has however been continued pressure on Council utility and operationally on Homelessness although I note that this has been funded from additional grant allocations.
53. Directors and the wider Management Team are continuing to review measures in place to control expenditure and ensure that all recruitment is reviewed before approval is given.
54. To conclude on a positive note, the income generated from both the loan interest and the facility arrangement fee in relation to the New Town Works Development, demonstrate that despite the challenging economic environment Ashford is still very much open for business and the 'right' opportunities to increase the economic prosperity of the Borough.

### **Contact and Email**

55. Lee Foreman - Lee.Foreman@ashford.gov.uk

<b>Counter Party</b>	<b>Deal Date</b>	<b>Rate %</b>	<b>Amount £</b>	<b>Fair Value £</b>
<b>Investment Accounts</b>				
Goldman Sachs	Various	0.05%	54,117	54,117
ICD Portal - BNP	Various	2.75%	6,860,000	6,860,000
Payden Global MMF	Various	3.00%	3,000,000	2,918,950
<b>Total Investment Accounts</b>			<b>9,914,117</b>	<b>9,833,067</b>
<b>Long Term Investments</b>				
<b>Property Investment</b>				
A Better Choice of Property Ltd.***	Various	0.00%	789,060	1,096,036
CCLA Local Authority Property Fund	Various	3.69%	11,000,000	11,792,644
<b>Equity Funds**</b>				
CCLA Diversified Income Fund	Various	2.54%	3,000,000	2,791,269
Ninety One Diversified Income Fund	28/03/2019	3.73%	2,500,000	2,208,493
Aegon Diversified Income Fund	13/05/2019	5.05%	5,500,000	4,799,363
Schroder Income Maximiser	Various	7.32%	3,500,000	2,981,421
UBS Multi Asset Income Fund	Various	5.29%	3,000,000	2,260,050
UBS Global Income Equity Fund	29/07/2019	9.21%	1,500,000	1,235,924
<b>Total Long Term Investments</b>			<b>30,789,060</b>	<b>29,165,200</b>
<b>Total Investment Portfolio</b>			<b>40,703,177</b>	<b>38,998,267</b>
* 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 31 December 2022

Counterparty	Deal Date	Rate %	Amount £	Maturity Date
<b>Temporary Borrowing</b>				
Northern Ireland Housing Executive	19/10/2021	0.20%	7,000,000	23/01/2023
Barnsley MBC	23/11/2021	0.25%	5,000,000	27/01/2023
Cambridgeshire & Peterboro Combined Authoirty	23/11/2021	0.25%	5,000,000	30/01/2023
Cambridgeshire & Peterboro Combined Authoirty	08/12/2021	0.20%	5,000,000	23/02/2023
Barnsley MBC	27/05/2022	1.20%	5,000,000	11/01/2023
Salford City Council	26/05/2022	1.20%	5,000,000	04/01/2023
Warwickshire County Council	27/05/2022	1.20%	10,000,000	05/01/2023
West Yorkshire Combined Authority	06/06/2022	1.25%	8,000,000	25/04/2023
West Yorkshire Combined Authority	08/06/2022	1.25%	4,000,000	24/05/2023
West Yorkshire Combined Authority	08/06/2022	1.25%	3,000,000	22/05/2023
London Borough of Newham	08/06/2022	1.30%	10,000,000	03/04/2023
Wokingham Borough Council	10/10/2022	2.85%	10,000,000	24/01/2023
Bedford Borough Council	19/12/2022	3.20%	3,000,000	19/06/2023
Blaenau Gwent County Borough Council	30/12/2022	3.05%	5,000,000	30/03/2023
North East Derbyshire District Council	16/12/2022	3.75%	5,000,000	15/12/2023
South Cambridgeshire District Council	22/02/2022	3.50%	1,000,000	05/01/2023
<b>Total Temporary Borrowing</b>			<b>91,000,000</b>	
<b>Long Term Borrowing</b>				
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
<b>Total Long Term Borrowing</b>			<b>126,464,150</b>	
<b>Grand Total Borrowing</b>			<b>217,464,150</b>	

### Detail of PWLB Loans Outstanding at 31 December 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%
<b>Total HRA Borrowing</b>			<b>112,964,150</b>	
13/07/2021	374159	13/07/2041	13,500,000	1.56%
<b>Total GF Borrowing</b>			<b>13,500,000</b>	



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

<b>Loans</b>	<b>Deal Date</b>	<b>Rate</b>	<b>Amount</b>
		<b>%</b>	<b>£</b>
Loan 3	12/02/2015	2.83%	400,000
Loan 9	22/07/2017	3.04%	1,445,000
Loan 12	25/03/2018	3.06%	240,000
Loan 13	04/05/2018	3.13%	2,490,000
Loan 14	05/06/2018	3.06%	1,196,311
Loan 15	05/07/2018	3.10%	113,000
Loan 16	25/09/2018	3.19%	823,000
Loan 17*	17/10/2018	3.45%	659,000
Loan 18	02/11/2018	3.31%	820,000
Loan 19	09/11/2018	3.29%	6,517,425
Loan 20*	01/02/2019	3.10%	93,890
Loan 21*	04/02/2019	3.10%	7,103,180
Loan 22	22/02/2019	3.03%	809,240
Loan 23*	04/03/2019	3.10%	941,360
Loan 24	17/06/2019	2.80%	160,000
Loan 25	01/07/2019	2.81%	91,776
Loan 26	06/09/2019	2.24%	568,400
Loan 27	08/09/2019	2.24%	3,821,595
Loan 28*	16/04/2020	3.57%	1,208,000
Loan 29*	16/10/2020	3.84%	1,029,820
Loan 30	20/11/2020	3.61%	2,175,000
Loan 31*	08/11/2021	3.22%	427,050
Loan 32*	21/04/2022	4.05%	650,000
Loan 33*	06/10/2022	5.50%	50,000
Loan 34*	12/12/2022	5.25%	1,300,000
<b>Total loans to ABCFPL</b>			<b>35,133,047</b>
* These loans have been subsequently loaned to the companies subsidiary A Better Choice for Property Development Ltd.			

## Update paper – February 2023

### Automatic Numberplate Recognition installation

#### Background

The council is keen to see a significant improvement in how customers can access and use its car parks. In 2019, it was agreed by cabinet that Automatic Numberplate Recognition (ANPR) would be installed in Elwick Place and Victoria Road car parks. The introduction of ANPR at Elwick Place Car Park has been highly successful and allows customers to leave their vehicles for as long as they wish, paying for time consumed used on exit. It has also allowed customers to move to more accessible online payment methods. The customers with online accounts do not need to use a payment machine. This system also provides more extensive back-office management tools.

The installation did not happen at Victoria Road due to it being utilised as a covid testing site. This is no longer the case, however, its location means that it is more suited to marketing as a car park for residential permits and season tickets holders rather than more mixed parking. Consequentially it is more efficiently serviced by our RingGo and e-permit systems rather than an ANPR system.

In January 2022 it was agreed by Cabinet that the next ANPR car parks would be the newly acquired Park Mall car park and Edinburgh Road car park. Due to the decision not to currently open the top floor of the Park Mall car park and the potential redevelopment of the Park Mall site, which encompasses the Edinburgh Road car park. Alternative car parks have now been identified as more suited for the ANPR investment, for example Recreational Ground Road in Tenterden

When these decisions were made by cabinet, delegated authority was given to the Head of Community Safety and Wellbeing and Portfolio Holder to effect and complete all necessary steps for the implementation of ANPR at the car parks detailed above. There is no delegated authority to agree alternative car parks.

The ANPR equipment that was earmarked for the Park Mall installation is currently in storage and would be relocated to the next most suitable car park.

#### Purpose of the paper

To provide an update to Cabinet on the ANPR installation project and seek further delegation to the Assistant Director of Safety and Wellbeing and the Portfolio holder to progress with the installation in suitable car parks, utilising the capital funding that was agreed in 2019.

#### Financial / resource implications & key risks

The ANPR project had an initial capital budget of £320,000. To date, £153,530 has been spent therefore a capital budget of £166,470 remains. We have obtained quotes for two additional car parks and these works could be completed within this allocated budget.

### **Timescale**

The contractor has confirmed that they can commence works on the next car park, namely Lower Level of Recreational Ground Road in April 2023.

### **Consultation**

Parking services are in communication with John Lewis (Waitrose), who has already indicated their support for ANPR at Recreational Ground Road which services their Tenterden Waitrose store.

On 28th February, officers and Councillors will meet as part of the Tenterden Parking Liaison Group. We want to advise them of the decision to install ANPR in one of their town's car parks.

Cllr Bartlett as the Portfolio holder is aware of our desire to relocate the equipment from Park Mall and our recommendation to move it to the lower level of Recreational Ground Road.

### **Recommendations**

- To note the update of the ANPR installation project
- To provide delegation to the Assistant Director and Portfolio Holder of Safety and Wellbeing to progress with ANPR installation into other suitable car parks, utilising the capital funding that was agreed in 2019.

Alison Oates  
3 February 2023