

**TITLE: REVENUE AND CAPITAL OUTTURN FOR JOINT, ADUR AND WORTHING 2012/13**

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## **1.0 SUMMARY**

- 1.1 This report outlines the financial monitoring position for the end of the 2012/13 financial year for Joint Strategic Committee, Adur and Worthing Councils. This report is coming to members at an earlier point in time than in previous years and the Statement of Accounts is still being finalised. Any changes that emerge as work proceeds on the Statement of Accounts will be reported to members later in the year.
- 1.2 Information is also provided in respect of earmarked reserves and capital receipts for the 2 constituent authorities.
- 1.3 The Joint Strategic Committee is asked to agree and recommend to Adur and Worthing Councils:-
  - the proposals for dealing with the net underspend on the revenue accounts by making transfers to various reserves; and
  - the carrying forward of certain revenue and capital budgets to allow projects to be completed in 2013/14

## **2.0 BACKGROUND**

- 2.1 Local authorities have a statutory duty under the Local Government Act 2003, to monitor their income and expenditure against their budget, and be ready to take action if overspends in expenditure or shortfalls in income emerge. If monitoring establishes that the budgetary situation has deteriorated, authorities are required to take such action as they consider necessary. This might include, for instance, action to reduce spending in the rest of the year, or to increase income, or the authority might decide to take no action but to finance the shortfall from reserves.
- 2.2 The monitoring of the revenue budgets has been reported to the Joint Strategic Committee three times during the year.

Budget Managers have delegated responsibility to monitor their services on an ongoing basis throughout the year.

## 2.0 BACKGROUND

- 2.3 The Joint Strategic Committee (JSC) budgets are held separately and operate as holding accounts. They represent pooled budgets of Adur and Worthing Councils. All expenditure and income in the joint budgets are recharged back to the respective authorities. This means that the net expenditure is fully allocated out to the two councils and the overall position for the Joint Strategic Committee will be zero. An over or underspend reported in the Joint will be incorporated into the individual councils accounts via the allocation process.
- 2.4 Each joint service is allocated out to the councils on an individual basis using an appropriate allocation for that service. Overall, Worthing's share of the joint outturn is 60.3% and Adur's share is 39.7%.

## 3.0 REVENUE OUTTURN OVERVIEW

- 3.1 The final revenue outturns reported for Q4 are as follows:-

	CURRENT ESTIMATE 2012/2013	FINAL OUTTURN 2012/2013	VARIANCE (UNDER) / OVERSPEND 2012/2013	% (UNDER) / OVERSPEND on total budget requirement
	£'000	£'000	£'000	£'000
<b>JOINT</b>	20,315	19,164	(1,151)	5.7% (4.2% excluding vacancy saving, notional charges and redundancies)
<b>ADUR</b>	9,889	8,994	(895)	9.0%
<b>WORTHING</b>	14,440	13,927	(513)	3.6%

As highlighted earlier in this report, the Joint underspend is transferred to Adur and Worthing Councils in line with their allocated share. The reported underspends in Adur and Worthing in the table above include the total share transferred from the Joint Shared Services.

- 3.2 Last year there were 3 main sets of changes in accounting treatment (to assets, redundancy costs and unspent grants) reported to the Joint Strategic Committee (JSC) in line with International Financial Reporting Standards (IFRS). This year there are no new changes to report for the General Fund. However, for Adur HRA, there is one change of accounting treatment whereby the depreciation on non-dwelling assets is not reversed out of the Income and Expenditure Statement and is, therefore, a full charge on the HRA within the Statement of Accounts.
- 3.3 The Summary Outturn for each body is reported in **Appendices 1 - 3**. The joint budgets are presented by service block. It is not possible to show them by Council portfolios as the portfolios in Adur and Worthing are no longer harmonised.

### 3.0 REVENUE OUTTURN OVERVIEW

3.4 The headline budget variations across both the councils and joint shared services are:-

- Utilities expenditure underspent;
- Additional income from refuse and recycling and Worthing Leisure;
- Increased investment income net of reduced borrowing cost for Adur District Council;
- Significant housing benefits overspend in Adur; and
- Significant overspend in Worthing theatre activities.

3.5 The third quarter monitoring report was presented to Joint Strategic Committee on 28<sup>th</sup> February 2013.

<b>Comparison of 3<sup>rd</sup> budget monitoring report and final outturn</b>			
	<b>Joint £000s</b>	<b>Adur £000s</b>	<b>Worthing £000s</b>
<b>Underspends reported at Quarter 3</b>	*(992)	(661)	(504)
<b>Final underspend reported</b>	(1,151)	(895)	(513)
<b>Difference</b>	(159)	(234)	(9)
<b>Difference expressed as a percentage of the Cabinet Member requirements - target 1%</b>	0.7%	2.35%	0.05%
*Adjusted for a presentation error in the Q3 report			

3.6 The significant variations that impact on the final outturn from quarter 3 to quarter 4, were:-

<b>Significant variations from 3<sup>rd</sup> monitoring report to final outturn</b>	<b>Joint</b>	<b>Adur</b>	<b>Worthing</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Grounds Maintenance income shortfall as all income from 1/1/13 transferred to the new joint service net of reduced vehicle costs. This is offset by a reduction in salaries and other costs from 1/1/13	-	192	-

### 3.0 REVENUE OUTTURN OVERVIEW

Significant variations from 3 <sup>rd</sup> monitoring report to final outturn	Joint	Adur	Worthing
	£000s	£000s	£000s
Housing Benefit Subsidy grant settlement lower than budgeted in Worthing and more than anticipated in Adur	-	(98)	51
Homelessness. Occupation of leasehold properties was much higher than expected resulting in lower void periods	-	(51)	-
Net increased FIT4 income. Some of this is probably due to Olympics and may not be repeatable in future years.	-	-	(118)
Income from benefits overpayments not achieving budget. Part of this is included as a growth item for 2013/14.	-	121	-
Theatres net overspend due to shortfall in trading income, recovery of marketing costs and catering equipment	-	-	110
CENSUS ICT Project delays	(142)	(57)	(85)
Revenues and Benefits Non-CENSUS residual budgets not required. This will offset CENSUS overspend.	-	(89)	-
Over provision for backfunding of Pension costs.	-	(93)	-
Interest for Refuse, Recycling & Trade no longer charged to JSC.	(258)	(103)	(155)
Increased share of support allocations to Adur Homes in respect of Corporate & Democratic Core	-	(78)	-
Staff vacancies	121	22	224
Saving of cross cutting items of various supplies and services less than anticipated.	161	42	67

3.7 As the table above shows, there needs to be a continued focus on improving financial management. As part of this process, the current MTFP includes a number of key financial health indicators, which are:

### **3.0 REVENUE OUTTURN OVERVIEW**

- Continue to maintain a General Fund balance at a minimum balance of 6% and a maximum of 10% of the General Fund Net Revenue Budget. (This will measure overall financial health).
- Revenue outturn to be within 2% of the Total Budget Requirement. (This will measure accuracy of budget preparation).
- Revenue outturn for Total Cabinet Member and Joint Strategic Committee Requirements to be within 1% of the estimate of Total Cabinet Member Requirements contained in the quarter 3 monitoring report. (This will measure accuracy of budget monitoring).
- Capital outturn to be within 10% of the Original Budget for these schemes over which the Council has direct control. (This will measure accuracy of budget preparation).
- Capital outturn to be within 5% of the estimate contained in the quarter 3 monitoring report. (This will measure accuracy of budget monitoring).

Overall, there has been improvement in the Joint and Adur for budget monitoring from Quarter 3 to the final outturn. The revenue monitoring has largely met the target of 2% set and there needs to be a continued focus on budget monitoring.

For the past two years, the Councils have undertaken review of revenue base budgets and this exercise contributed to the savings required to meet the budget requirement for both 2012/13 and 2013/14. We intend to carry out a similar exercise for 2014/15.

Details of the capital outturn for both councils follow in sections 7 and 8 of this report. Whilst Worthing Council's capital outturn exceeded the original budget by 1.5% (well within the target 10%), Adur Council's outturn was nearly 54% below the original budget. This outcome for Adur masks the position that £3.9million of the original capital budget was reprofiled to 2013/14 and future years during the course of 2012/2013, as reported in the quarterly monitoring reports. If this adjustment is taken into account, then Adur Council's outturn was 1.6% below budget and also well within the 10% target.

In contrast the capital outturn, compared to the Quarter 3 monitoring estimates, varied by 6% and 20% respectively for Worthing and Adur Councils. Both are outside the 5% target. This reflected higher than anticipated slippage and underspends in the final quarter of 2012/13.

### **4.0 REVENUE 2012/13 OUTTURN**

- 4.1 The significant underspend in JSC includes the vacancy savings (£305,000) that do not have a budget in the JSC as the target figure is held corporately in the constituent authorities (see section 4.5). An underspend in the region of £730,000 is required from JSC to meet both authorities vacancy targets.

#### 4.0 REVENUE 2012/13 OUTTURN

4.2 As highlighted earlier in this report, the JSC underspend is transferred to Adur and Worthing Councils in line with their allocated share. The reported underspends in Adur and Worthing Councils in the table above includes the total share transferred from the JSC.

4.3 Variances arising from within the Joint Strategic Committee and have been allocated to each individual Council. The variations from the current budget greater than £50,000 for the final outturn report are detailed below:

Service Area	Joint £000s (under)/ over- spend	Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations greater than £50,000 * Share of joint services allocated 40:60 to Councils
<b>Building Control</b>	-	80	80	<b>INCOME:</b> Downturn in economic climate continues to have an impact.
<b>Cemetery &amp; Cremation</b>	-	-	116	Income shortfall from memorial garden continuing partly due to Cremator replacement works.
<b>Development Management</b>	-	-	220	Under achievement of income due to delays with land sale at West Durrington and economic climate.
<b>Grounds Maintenance</b>	-	257	-	Income shortfall as all income from 1/1/13 transferred to the new joint Grounds Mntce service. This is offset by a reduction in salaries and other costs from 1/1/13
<b>Home Improvement Assistance</b>	-	-	58	Fee income from Disabled Facilities Grant work not achievable as full team not in place until part way through the year.
<b>Reprographics</b>	(53)	(21)	(32)	Residual budget for supplies and services has not been spent. This has been removed in 2013/14 budget.
<b>Housing Benefit administration grant</b>		(98)	51	Subsidy grant settlement lower than budgeted in Worthing and more than anticipated in Adur
<b>Homelessness</b>	-	129	-	Write off of statute time barred debts that we are unable to recover plus £111k of rent & deposit write offs which have accumulated on the balance sheet but should have been charged to revenue in previous years.

#### 4.0 REVENUE 2012/13 OUTTURN

Service Area	Joint £000s (under)/ over- spend	Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations greater than £50,000 * Share of joint services allocated 40:60 to Councils
<b>Homelessness</b>		(51)		<b>INCOME:</b> Occupation of leasehold properties was much higher than expected resulting in lower void periods
<b>Fit 4 Leisure Income</b>	-	-	(317)	Net increased income. Some of this is probably due to Olympics and may not be repeatable in future years.
<b>Property Rents</b>	-	-	121	Underachievement of income due to empty properties.
<b>Land Charges</b>	-	(31)	(84)	Increased volume of searches.
<b>Parking Services</b>	-	-	88	Relates to budgeted share of turnover income that is not reaching the threshold and an ongoing contractual dispute.
<b>Housing Benefit Overpayment Recovery</b>	-	171	-	Income from Benefit overpayments not achieving budget. Of this £75k relates to write-offs. £70k is included as a growth item for 2013/14.
<b>Theatres &amp; Public Entertainments</b>			86	Net overspend due to shortfall in private hire income & recovery of marketing costs. See section 4.8 for net variances.
<b>Total income</b>	(53)	436	387	
<b>Cemetery &amp; Cremation</b>	-	-	(72)	<b>COSTS</b> Leasing budget - new cremators are now funded by capital programme. This under spend will part fund the cost of revenue related borrowing.
<b>Council Tax Collection</b>	-	43	56	Worthing overspend in postage costs due to the large increase in postage prices in. Overspend in Census R&B contract mainly due to Agency staff costs for Adur.
<b>Corporate Management</b>	-	(50)	(50)	Contingency not required for 2012-13
<b>Development Management</b>	(51)	(20)	(92)	Various under spends - mainly unused new homes bonus funding and scanning budget.

#### 4.0 REVENUE 2012/13 OUTTURN

Service Area	Joint £000s (under)/ over- spend		Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations greater than £50,000 * Share of joint services allocated 40:60 to Councils
					<b>COSTS</b>
Financial Services Division	(142)		(57)	(85)	CENSUS ICT Project delays
Grounds Maintenance			(65)		Transport budgets underspent as all costs from 1/1/13 transferred to the new joint Grounds Mntce service. This is offset by a reduction in income from 1/1/13
Housing Benefit Administration			(89)		Non CENSUS residual budgets not required. This will offset CENSUS overspend.
Investment Properties	-		-	(85)	Budget for contribution to Commerce Way no longer required as this is now included in Joint Committee recharges.
Non Distributed Costs	-		(175)	-	Over provision for backfunding of Pension costs. There is a saving for this in 2013/14
Refuse Collection	(258)	*	(103)	(155)	Interest for Refuse, Recycling & Trade Waste vehicles no longer charged to Joint Committee
Street Sweeping Cleansing -Adur	(68)	*	(27)	(41)	Lease vehicles replacements now funded from capital
Theatres				41	Renewal of Catering Equipment
Trade Refuse Collection	(35)	*	(70)	(157)	Reduction in costs due to disposal contract, reduction in tonnages and reduced vehicle repair costs
Treasury Management			-	(63)	Lower returns on investment due to low interest rates & consumption of cash arising from capital spending offset by lower than anticipated borrowing costs (£27k overspend less borrowing costs of £90k for NWoW and Splashpoint funded from reserves)
Treasury Management			(372)		Improved investment income due to increased cash balances and lower than anticipated borrowings costs.



## 4.0 REVENUE 2012/13 OUTTURN

Service Area	Joint £000s (under)/ over- spend	Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations greater than £50,000 * Share of joint services allocated 40:60 to Councils
<b>Housing Revenue Account</b>		(78)		<b>COSTS</b> Increased share of support allocations to HRA in respect of Corporate & Democratic core
<b>Energy</b>	(81)	(32)	(195)	Gas & Electricity across all services
<b>Property Maintenance</b>	(31)	(132)	(100)	Planned and reactive maintenance for all services
<b>Vacancies</b>	(306)	(35)	277	See section 4.5
<b>Cross Cutting</b>	(59)	(26)	(33)	Various supplies and services budgets (equipment, postage, printing & consultancy)
<b>Total</b>	(1,084)	(852)	(367)	
<b>Other Variations Below £50K</b>	(67)	(43)	(146)	
<b>Total Variance</b>	<b>(1,151)</b>	<b>(895)</b>	<b>(513)</b>	

In addition to the variations highlighted above, there are a number of key issues which require a more detailed consideration. These are listed below:

### 4.4 Vacancy savings

4.4.1 There is an allowance for staff vacancy savings in both authorities' budget for 2012/13 (Adur £231,000 and Worthing £498,000). There is no savings target included in the Joint Strategic Committee budget.

4.4.2 Finalised Pay and Grading back pay determinations have been included within outturn salary and the vacancy savings target has not been met overall in 2012/13.

4.4.3 The salaries underspend in the JSC represents an expected contribution to Adur and Worthing's vacancy savings. The Joint Strategic Committee outturn underspend for salaries is £305,600. There will be a review of the vacancy savings target for 2014/15, as part of the 2014/15 budget process.

### 4.5 Adur Housing Benefit payments

4.5.1 Adur Housing Benefit over payments recovery has underachieved by £171,000. This significant variation is mainly due to a combination of the following factors:-

- The budget is over stated by £70,000, which has been corrected in 2013/14

#### 4.0 REVENUE 2012/13 OUTTURN

#### 4.5 Adur Housing Benefit payments

- The level of write offs was at a high level this year (£75,000) partially due to a housekeeping exercise to write off old unrecoverable debts.

#### 4.6 Income

4.6.1 There have been significant variances for demand led income in various services for both authorities:-

- Worthing underachieved - £387,000
- Adur underachieved - £436,000

For 2013/14 it is intended to continue to highlight the monitoring of high risk demand led service income streams.

#### 4.7 Worthing Theatres overspend

	(Under)/ Overspends £'000
Catering overspend comprising of salary and agency costs (£130k) & equipment (£41k) offset by increased turnover	130
Shortfall of private hire income (£50k) offset by improved entertainers income (£15k)	35
Marketing costs	51
Other variations	5
<b>TOTAL</b>	<b>222</b>

4.7.1 2012/13 has been a year of transition for Worthing Theatres, preparing for the delivery of the savings required under the business plan. There have been unexpected costs, as set out above, and additional staffing costs due to the implementation of job evaluation following a decision of the Joint Staff Committee on 19<sup>th</sup> April 2012. These did not become evident until the end of the last quarter, partly because of they were initially masked by under spends in other areas and partly because of an unanticipated seasonal downturn, particularly in catering.

Particular issues have been:

4.7.2 The need to incur greater expenditure than anticipated on catering equipment, due to the fact that the equipment that was transferred from Alfresco to the Council, at the time catering was brought in-house, was not fit for purpose and was, subsequently, condemned. The Denton Lounge has achieved the top (level 5) rating for food hygiene, which positions it well for the future planned developments;

## **4.0 REVENUE 2012/13 OUTTURN**

### **4.7 Worthing Theatres overspend**

4.7.3. Additional staffing costs have been incurred in catering due to:

- (a) Management difficulties that arose after the transfer of staff from Alfresco due to:
  - (i) Long term sick leave and subsequent unplanned departure of the Catering Manager;
  - (ii) The unplanned departure of two Head Chefs;
- (b) The need to employ agency staff to replace the chefs as such short notice;
- (c) The retaining of agency staff pending the opportunity to advertise posts at the end of their agency contracts, when those staff have been identified as potentially beneficial to the Council, but where their agency contracts would be expensive to buy-out and would have excluded them from the recruitment process.

4.7.4 Marketing is a cost that has to be incurred to generate income, however the expenditure will precede the income, therefore the over spend in this area should lead to increased income in the coming year.

The need to more tightly monitor financial performance and keep the Leader and the Cabinet Member for Customer Services informed is being addressed by the development of a clearer financial reporting document, which will be shared on a monthly basis with those Members.

This year has seen substantial changes which have positioned the service for growth in income from catering and entertainment as well as the delivery of a different programme which will attract a wider audience.

### **4.8 Worthing Car Park Income underachievement**

As previously reported, the income from Worthing car parks has been significantly reduced in recent years, due to the performance of the car parks. Members are also aware that NCP are challenging the level of income due to them under the contract. This has not been accrued for, as the Council does not believe that the income is due. There will be a note in the 2012/13 Statement of Accounts. The outcome of the current dispute will be managed through the use of reserves.

## 5.0 ADUR HOUSING REVENUE ACCOUNT (HRA)

5.1 Adur Homes is held within a ring fenced Housing Revenue Account.

	<b>CURRENT ESTIMATE 2012/2013</b>	<b>FINAL OUTTURN 2012/2013</b>	<b>VARIANCE (UNDER)/ OVERSPEND 2012/2013</b>	<b>% (UNDER)/ OVERSPEND On gross expenditure</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Adur Homes	0	(438)	(438)	3.49%

5.2 The headline variation underspends for the HRA are:-

	<b>(Under)/ Overspends £'000</b>
Supervision and Management	(217)
Income including rent and service charges	5
Repairs underspend	(271)
Reduction in capital charges	(14)
Change in accounting treatment for depreciation	147
Reduction in provision for special services	(90)
Other Net Minor Variations	2
<b>TOTAL</b>	<b>(438)</b>

5.3 The anticipated underspend of £308k in the 3<sup>rd</sup> 2012/13 monitoring report has now increased to an underspend of £438k.

5.4 The underspend on supervision and management relates to several categories of expenditure. A base budget review will be undertaken as part of budget setting for 2014/15 to identify potential savings.

### 5.5 HRA Right To Buy

2012/13 was the first year of the significant increase in discount for tenants introduced by the government as part of re-invigorating 'Right To Buy' (RTB). 12 properties were sold in the year. The financial impact is detailed below:-

<b>BREAKDOWN OF RTB RECEIPTS ALLOCATION</b>	<b>£</b>
Capital receipts passed to DCLG as part of pooling arrangement	211,500
Adur Homes share of capital receipts from pooling*	116,600
Adur Homes allowable retention of capital receipts**	608,430
<b>TOTAL CAPITAL RECEIPTS</b>	<b>936,530</b>

## 5.0 ADUR HOUSING REVENUE ACCOUNT (HRA)

### 5.5 HRA Right To Buy

\* Adur Homes share of capital receipts from pooling under arrangements prior to 1<sup>st</sup> April, 2012 and which can be used for any capital expenditure

\*\* Adur Homes allowable retention of capital receipts under new RTB regulations from 1<sup>st</sup> April, 2012 and which is subject to 30% contribution to new build that has been committed to within a 3 year time frame. This represents £2,030,000 of new build by Adur Homes or Adur District Council in partnership with another social housing provider.

### 5.6 Proposed Carry Forward to HRA Reserves

It is proposed that the HRA underspend of £438k for 2012/2013 is utilised as follows.

	£'000
Proposed carry forward for the back scanning of Adur Homes tenancy/property files between March and May 2013	29
Contribution to New Development and Acquisition reserve	409
Contribution to Housing Revenue Account reserve	-
<b>TOTAL</b>	<b>438</b>

The proposed contribution to the new Development and Acquisition Reserve is in keeping with the HRA budget strategy of setting aside resources specifically to increase capacity for the supply of affordable housing in future. Although no transfer to the HRA Reserve is proposed, the balance on this reserve has increased from £1,850,108.54 at 31<sup>st</sup> March 2012 to £2,079,393.15 at 31<sup>st</sup> March 2013. This is due to the transfer of £229,284.61 from the Housing Revenue Account, as agreed at the meeting of 5<sup>th</sup> February 2013 Adur Cabinet. Hence the HRA Reserve is deemed to be sufficient at present.

## 6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES

### 6.1 Recommended Carry Forwards of Unspent Budget

Budgets in respect of the following items remain unspent at 31<sup>st</sup> March 2013 and are required to complete existing initiatives in 2013/14. The focus for carry forward proposals this year is on existing commitments or other essential replacement items rather than bids for new initiatives. This is to build capacity in the reserves to protect the Councils' interests for the next two years. It is recommended that these amounts are carried forward to 2013/14 and funded from the respective Capacity Issues Reserves. The Committee may wish to consider how these items contribute to the Councils' priorities when approving the carry forward of budgets.


**6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES**

**6.1 Recommended Carry Forwards of Unspent Budget**

The tables below identify the carry forwards related to each body:

**Joint Strategic Committee:**


The Joint Strategic Committee does not hold any reserves of its own and the requests from Joint services detailed below will be funded from Adur and Worthing Councils' reserves.

<b>Proposed Carry Forward of unspent Budgets within the Joint Strategic Committee</b>			
	<b>Adur share</b>	<b>Worthing share</b>	<b>TOTAL</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<p><b>Health and Safety</b></p> <p>The budget for the replacement of ageing H&amp;S software used for recording all accident stats was not spent in 2012/13. Time &amp; resources have prevented the team progressing this project.</p>	2,000	3,000	5,000
<p><b>Procurement</b></p> <p>Procurement of new management software /E-Tendering &amp; Procurement management information system. The software will enable the procurement team to have better information about contracts. Suppliers will also have greater visibility of the Councils tendering process through the portal.</p>	10,000	15,000	25,000
<p><b>Development Management</b></p> <p>Budget is required for the back scanning of several years of documents, which was delayed due to a dispute with the supplier over the quality of the scanned information.</p>	8,000	12,000	20,000
Balance carried forward to next page	20,000	30,000	50,000


**6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES**

**6.1 Recommended Carry Forwards of Unspent Budget**

**Joint Strategic Committee:**

Proposed Carry Forward of unspent Budgets within the Joint Strategic Committee			
	Adur share	Worthing share	TOTAL
	£	£	£
Balance brought forward from previous page	20,000	30,000	50,000
<b>Community Safety</b>			
Matched funding for alcohol and drug workers. The posts are expected to be externally funded through the Reaching Communities Fund. The total bid is for £100,000 per annum of which we have to find £15,000 per annum. The Safer Communities Partnership has already identified £45,000 of funding. The £15,000 will ensure that the project can run for 4 years.	6,000	9,000	15,000
<b>TOTAL FOR JOINT STRATEGIC C'TTEE SHARED BETWEEN ADUR &amp; WORTHING</b>	<b>26,000</b>	<b>39,000</b>	<b>65,000</b>


**Adur District Council:**

Proposed Carry Forward of Unspent Budgets		
<b>Economic Regeneration</b>		£
Concessions income should be ring-fenced to fund infrastructure improvements. Carry forward required to undertake projects in 2013/14.		1,550
<b>Wellbeing</b>		
Grants underspend to help mitigate some of the impact of Welfare Reforms and to help fund specific work that can support those affected to make the transition.		48,757
<b>Economic Regeneration</b>		
Funding committed to support the marketing and promotion of the Riverfest project		3,000
<b>TOTAL FOR ADUR DISTRICT COUNCIL</b>		<b>53,307</b>

**6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES**

**6.1 Recommended Carry Forwards of Unspent Budget**

**Worthing Borough Council:**

<b>Proposed Carry Forward of Unspent Budgets</b>		
	<b>£</b>	
<b>Leisure Services</b>		
Purchase 3 new exercise bikes for Splashpoint Swimming Pool. A recent cost appraisal identified that the cost of the purchase will be recovered through the additional income generated. A carry forward is requested to fund the purchase.	15,000	
Leisure Futures - Approval for condition surveys for Field Place and Worthing Leisure Centre agreed at end of financial year. However, the Pavilion toilets - unfortunately the work could not be completed ahead of the busy wedding season and has had to be delayed until October 2013	10,000	
	35,000	
<b>Economic Regeneration</b>		
Remaining budget for completion of Windsor Lawns Picnic Area project	6,210	
<b>Museum</b>		
Museum underspends to fund museum external security works. Vulnerabilities identified during external security review which identified that improvements were needed to physical security and CCTV, and alarm systems.	9,790	
<b>Planning Policy</b>		
Balance of WBC Local Development Framework budget is requested to fund studies & consultations needed for the introduction of the Community Infrastructure Levy and to support other planning policy and related work streams including a review of housing and employment sites.	18,000	
<b>Benefits and Benefit Adjudication</b>		
A carry forward of unspent salaries budget is requested to fund anticipated pressures in 2013/14 with the changeover to universal credit and the introduction of a local Council Tax Support Scheme	67,000	
<b>TOTAL FOR WORTHING BOROUGH COUNCIL</b>	<b>161,000</b>	




**6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES**


**6.2 Recommended Carry Forwards of 2012/13 Approvals to Use Reserves**

The following unspent items have been approved for 2012/13 and were planned to be funded from reserves. It is recommended that these approvals to utilise reserves are carried forward from 2012/13 to 2013/14. ***No transfer to reserves is required as the funds have been previously set aside.***

**Adur District Council:**

Proposed Carry Forwards (not yet spent and previously approved) - Existing Reserves	
<b>Energy Management</b>	£
Funding unspent from previous years for generic energy projects & sustainability issues across both councils	10,689
<b>TOTAL FOR ADUR DISTRICT COUNCIL</b>	<b>10,689</b>

**Worthing Borough Council:**

Proposed Carry Forwards (not yet spent and previously approved) - Existing Reserves	
<b>Energy Management</b>	£
Funding unspent from previous years for generic energy projects	11,967
<b>Housing Need</b>	
Review of the Register of Housing Need and Choice Based Lettings Policy, carry forward approved for 2012/13. Other priorities prevented review taking place in 2012/13.	16,500
<b>TOTAL FOR WORTHING BOROUGH COUNCIL</b>	<b>28,467</b>


**6.3 Movements and Use of Reserves**

As part of the 2012/13 final accounts process, officers have identified amounts that are recommended for transfer to reserves for specific purposes or planned as part of the budget process, as detailed below. A detailed breakdown of the reserve positions is included in **Appendix 2b** for Adur and **Appendix 3b** for Worthing.

**6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES**

**6.3 Movements and Use of Reserves**


**Adur District Council:**

<b>COMMITTED TRANSFERS TO EARMARKED RESERVES AND PROVISIONS 2012/13</b>			
	£	£	
Committed contribution to reserves			
• Grants Carried Forward	23,480		
• Contributions To Capital	35,433	58,913	
Carry Forward requests from the Joint Strategic Committee to Capacity Issues Reserve (see para. 6.1)	26,000		
Carry Forward requests to Capacity Issues Reserve (see para. 6.1)	53,307		
Creation of a Special and Other Emergency Expenditure Reserve	250,000		
Balance to be placed in Capacity Issues Reserve	565,313		
New contributions to reserves recommended for approval	894,620	894,620	
<b>Total Recommended Contributions to Reserves</b>		<b>953,533</b>	

The contribution of £250,000 is requested to set up a Special and Other Emergency Expenditure Reserve which will be used to cover future risks. These can include legal costs, liabilities that arise should a contractor becomes bankrupt, or any costs which arise due to an emergency.


If all the proposals in the above table are adopted, Adur District Council will maintain its General Fund Working Balance at £858,000 which, at 8.7% of net expenditure of £9,888,920 is within the range of 6%-10% set by the Council. In addition the Council would retain earmarked revenue reserves of £3.074m (excluding revenue grants reserve), an increase of £0.513m over 31<sup>st</sup> March, 2012. The full listing of earmarked reserves is attached as Appendix 2b.

**Worthing Borough Council:**

<b>COMMITTED TRANSFERS TO EARMARKED RESERVES</b>			
	£	£	
Committed contributions to reserves			
• Grants Carried Forward	92,169		
• Contributions To Capital	9,508		
Balance Carried Forward	101,677		

## 6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES

### 6.3 Movements and Use of Reserves

<b>COMMITTED TRANSFERS TO EARMARKED RESERVES</b>			
	£	£	
Balance Bought Forward	101,677		
• Self-insurance charges and proposed contributions	26,250		
• Crematorium Improvement	52,756	180,683	
Recommended by Officers for the management of specific risks:			
Carry Forward requests from the Joint Strategic Committee to Capacity Issues Reserve (see paragraph 6.1)	39,000		
Carry Forward requests to Capacity Issues Reserve (see paragraph 6.1)	161,000		
Property Maintenance Reserve	50,000		
Contribution to Special and Other Emergency Expenditure Reserve	250,000		
Balance to be placed in Capacity Issues Reserve	13,242		
New contributions to reserves recommended for approval	513,242	513,242	
<b>Total Recommended Contributions to Reserves</b>		<b>693,925</b>	

This year the building maintenance programme has underspent by £53,100 due to slippage in the overall programme. Rather than carry forward budget which may not be spent, it is proposed to create a reserve to manage fluctuations in the programme from one year to the next.

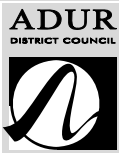
If all the proposals in the above table are adopted, Worthing Borough Council will maintain its General Fund Working Balance at £1,143,000 which, at 7.9% of net expenditure of £14,440,170 is within the range of 6%-8% set by the Council. In addition the Council would retain earmarked revenue reserves of £4.630m (excluding revenue grants reserve), a reduction of £0.702m over 31<sup>st</sup> March, 2012. The full listing of earmarked reserves is attached as Appendix 3b.

## 7.0 ADUR CAPITAL OUTTURN - ALL PORTFOLIOS

7.1 The capital investment programme for all Adur Portfolios was originally estimated at £7,459,970. Subsequent approvals and reprofiling of budgets to 2013/14 produced a total current budget of £4,617,270.


## 7.0 ADUR CAPITAL OUTTURN - ALL PORTFOLIOS

7.2 Actual expenditure in the year totalled £3,444,219 a reduction of £1,173,051 on the current estimate, comprising of net slippage of £650,530 and a net underspend of £522,521. Individual Portfolio expenditure was as follows:

 <b>PORTFOLIOS</b>	<b>Current Estimate</b> <b>£</b>	<b>Actual Outturn</b> <b>£</b>
<b>General Fund Other Services:</b>		
C.M. for Environment	635,330	558,501
C.M. for Health and Well-Being	70,870	24,069
C.M. for Customer Services		
- General Fund	324,010	155,019*
- Adur Homes Capital Investment Prog'me	2,367,340	1,792,755
C.M. for Regeneration		
- Affordable Housing (LASHG)	-	-
- Other Housing	488,500	311,817
- Other Schemes	21,010	9,166
C.M. for Resources	710,210	592,892
<b>TOTAL</b>	<b>4,617,270</b>	<b>3,444,219</b>

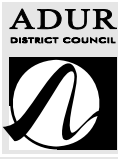
7.3 The Major scheme variations are listed in **Appendix 4** of this report.

7.4 Adur capital expenditure in 2012/13 was financed as follows:-

	<b>£</b>	<b>£</b>
<b>General Fund Schemes Financing:</b>		
Usable Capital Receipts		
- General	396,850	
- Ring-fenced	*314,500	711,350
Prudential Borrowing	395,246	
Government Grants	300,843	
Other Contributions	87,932	
S106 Contributions	22,000	
Revenue Contributions / Reserves	134,093	940,114
<b>TOTAL GENERAL FUND CAPITAL FINANCED</b>		<b>1,651,464</b>

\*Shoreham Renaissance monies temporarily released to fund the NWoW project. These will be replaced once the civic centre site is sold.

## 7.0 ADUR CAPITAL OUTTURN - ALL PORTFOLIOS

	£	£
<b>Adur Homes Capital Investment Programme Financing</b> Revenue Contributions / Reserves Capital Receipts Leaseholder Contributions Government Grants	1,612,719 116,601 32,342 31,093	
<b>TOTAL ADUR HOMES CAPITAL FINANCED</b>		<b>1,792,755</b>
<b>TOTAL OVERALL CAPITAL FINANCED</b>		<b>3,444,219</b>

7.5 The Joint Strategic Committee is asked to recommend that the Council approve the overall financing of the capital programme including the utilisation of £827,951 usable capital receipts in the funding of the 2012/13 capital programme.

7.6 The remaining usable capital receipts held at 31st March, 2013 totalled £1,460,061. To be utilised as follows:

• Ring-fenced Capital Financing	£29,000
• Shoreham Renaissance	£681,165
• Affordable Housing (LASHG)	£140,476
• HRA Ring-fenced for new build	£609,420

7.7 Proceeds from sale of assets in 2012/13 are analysed in **Appendix 6**.

7.8 Approval is requested to carry over to 2013/14 and bring forward from 2013/14 certain budgeted expenditure where spending patterns have changed since the 3<sup>rd</sup> Quarter Monitoring, as detailed in Appendix 4.

	Carried Forward To 2013/14 £
Cabinet Member Environment	94,520
Cabinet Member for Customer Services	
- General Fund	61,640
- Adur Homes Capital Investment Programme	286,340
Cabinet Member for Health & Wellbeing	80,210
Cabinet Member for Regeneration	18,660
Cabinet Member for Resources	131,080
<b>TOTAL CARRIED FORWARD TO 2013/14</b>	<b>672,450</b>

## 7.0 ADUR CAPITAL OUTTURN - ALL PORTFOLIOS

	Brought Forward to 2012/13 £
Cabinet Member for Health and Well-being	2,000
Cabinet Member for Resources	19,920
<b>TOTAL BROUGHT FORWARD TO 2012/13</b>	<b>21,920</b>
<b>NET CARRY OVER TO 2013/14</b>	<b>650,530</b>

In addition to the carry forward of existing budgets to finish approved projects in 2013/14, permission is also sought to carry forward funding from the 2012/13 underspend to increase the budget for schemes contained within the current programme

### 7.9 Fishersgate Community Centre:

The current Capital Investment Programme includes a provision of £171,000 for the renovation works to the Fishersgate Community Building, which involve demolition of the dome, renovation of the two remaining wings and construction of a link building. Costs are being compiled and, in view of the scale of the works, an addition to the current budget of £30,000 is requested to be carried forward to 2013/2014 from the 2012/2013 Capital Investment Programme overall underspend as a general contingency for this scheme.

### 7.10 Replacement of 2 refuse vehicles:

The 2013/2014 Capital Investment Programmes for Adur District Council and Worthing Borough Council include a budget provision of £280,000 for the replacement of 2 refuse vehicles. Recent quotations have advised that the cost to replace the vehicles is £300,000, which is £20,000 more than the original budget provision. As these replacements are essential for the joint refuse collection service it is recommended that £7,280 of the 2012/2013 Adur District Council underspends and £12,270 of the 2012/2013 Worthing Borough Council underspends are carried forward to 2013/2014 to fund the anticipated shortfall.

### 7.11 Provision of 3 new vehicles for Building Services:

Adur Building Services have recently successfully tendered for a contract to provide maintenance on Worthing council owned buildings. 3 new vehicles are required to fulfil this contract, in the interim the team are hiring the vehicles needed. The cost of these vehicles is £34,000 and it is requested that a provision for a new budget is carried forward from the 2012/2013 overall Capital Investment Programme underspends to fund the purchase of these vehicles, subject to a full report being submitted to the Joint Strategic Committee confirming the costs

## 7.0 ADUR CAPITAL OUTTURN - ALL PORTFOLIOS


### 7.12 Creation of an unallocated budget for future schemes:

Every year there are a number of occasions when high priority capital expenditure is identified which cannot wait for the approval of the Capital Investment Programme for the following year. As the Council has a large underspend in 2012/2013, it is recommended that a provision for a new budget of £50,000 is carried forward to 2013/2014 for the funding of urgent capital schemes. These projects would still be subject to the approval of the Joint Strategic Committee following submission of an approval report.

## 8.0 WORTHING CAPITAL OUTTURN - ALL PORTFOLIOS

8.1 The Worthing capital investment programme for all Portfolios was originally estimated at £18,434,490. Subsequent approvals and reprofiling of budgets to 2013/14 produced a total current budget of £20,413,950.

8.2 Actual expenditure in the year totalled £18,719,594, a reduction of £1,694,356 on the revised estimate, comprising of a net slippage of £1,209,740 and a net underspend of £484,616. Individual Portfolio expenditure was as follows:

 <b>PORTFOLIOS</b>	<b>Revised Estimate £</b>	<b>Actual Outturn £</b>
<b>General Fund Other Services:</b>		
C.M. for Environment	16,560,170	15,414,768
C.M. for Health and Well-Being	590	-
C.M. for Customer Services		
- Affordable Housing	426,700	347,300
- Other Housing	1,025,000	693,928
- Other Schemes	241,450	192,061
C.M. for Regeneration	190,010	140,310
C.M. for Resources	1,970,030	1,931,227
<b>TOTAL AS PER CURRENT BUDGET</b>	<b>20,413,950</b>	<b>18,719,594</b>

8.3 Major scheme variations are listed in **Appendix 5**.

8.4 Worthing capital expenditure in 2012/13 was financed as follows:-

	<b>£</b>	<b>£</b>
Usable Capital Receipts		
- Affordable Housing	347,300	
- New Swimming Pool	3,745,959	
- Other General Fund	8,200	
<b>Carried forward onto next page</b>		<b>4,101,459</b>

## 8.0 WORTHING CAPITAL OUTTURN - ALL PORTFOLIOS

	£	£
<b>Usable Capital Receipts total brought forward</b>		4,101,459
Prudential Borrowing	13,062,723	
S106 Contributions	132,416	
Government Grants	576,037	
Other Contributions	163,200	
Revenue Contributions	683,759	14,618,135
<b>TOTAL CAPITAL FINANCED</b>		<b>18,719,594</b>

- 8.5 The Joint Strategic Committee is asked to recommend that the Council approve the overall financing of the capital programme and the utilisation of £4,101,459 usable capital receipts in the funding of the 2012/13 capital programme.
- 8.6 Approval is requested to carry over to 2013/14 and bring forward from 2013/14 certain budgeted expenditure where spending patterns have changed since the 3<sup>rd</sup> Quarter Monitoring, as detailed in Appendix 5.

	<b>Carried Forward To 2013/14 £</b>
Cabinet Member Environment	1,284,490
Cabinet Member for Customer Services	199,480
Cabinet Member for Regeneration	35,600
Cabinet Member for Resources	198,490
<b>TOTAL CARRIED FORWARD TO 2013/14</b>	<b>1,718,060</b>

	<b>Brought Forward to 2012/13 £</b>
Cabinet Member for Environment	134,440
Cabinet Member for Customer Services	27,000
Cabinet Member for Regeneration	2,000
Cabinet Member for Resources	344,880
<b>TOTAL BROUGHT FORWARD TO 2012/13</b>	<b>508,320</b>
<b>NET CARRY OVER TO 2013/14</b>	<b>1,209,740</b>

- 8.7 The reasons for the slippage in the capital investment programme have been analysed in Appendix 5



## **8.0 WORTHING CAPITAL OUTTURN - ALL PORTFOLIOS**

8.8 In addition to the carry forward of existing budgets to finish approved projects in 2013/14, permission is also sought to carry forward funding from the 2012/13 underspend to increase the budget for schemes contained within the 2013/14 programme

### **8.9 Field Place – Installation of new gas mains and kitchen improvements:**

The current Capital Investment Programme includes a provision of £191,000 for the installation of new gas mains to serve the Field Place Barn and Pavilion. The scheme includes replacement heating and kitchen equipment to improve the catering provision. Costs are being agreed with the contractor and it is estimated that a further £43,000 to the current budget is required for the gas supply and heating installation due to:

- (i) £4,000 for internal alterations required to heating scheme to comply with Planning Conservation Orders as the building is a Grade II Listed Building.
- (ii) £7,000 for replacement of the water main which could not have been foreseen during the tender process.
- (iii) £6,000 for increased gauge size of gas main pipe required to main building.
- (iv) £15,000 for a contingency for the flue and control panel.
- (v) £5,000 for an increase in material costs (copper pipework, boiler) from when the capital bid was first submitted in 2010.
- (vi) £6,000 for additional preliminaries and costs for the commercial kitchen project, incorporating client delayed programme to suit commercial operation of site.

It is recommended that the anticipated overspend is funded from the 2012/2013 Capital Investment Programme overall underspend.

### **8.10 Crematorium driveway:**

A capital bid was submitted in 2012/2013 for £275,200 for:

- (i) Resurfacing of the Crematorium main entrance road/drive which includes carriageway construction, replacement of damaged edging and a new driving service.
- (ii) Renewal of the Crematorium's existing gas main.
- (iii) Provision of new I.T. ducting to serve the crematorium to allow for better IT connections, including telephony. Unfortunately the 2013/2014 Capital Investment Programme did not have the resources to accommodate such a large budget provision and the scheme was placed on the Reserve List.

## **8.0 WORTHING CAPITAL OUTTURN - ALL PORTFOLIOS**

### **8.10 Crematorium driveway:**

Capital bids have been submitted for the resurfacing of the Crematorium driveway for the last 5 years. After our particularly severe winter weather, the surface has now deteriorated to the extent that the road/drive can no longer be repaired and works need to be undertaken in 2013/2014 to ensure that the road/drive remains safe and open for access to the Crematorium. The existing gas main is over 40 years old and provides a low gas pressure supply which has to be monitored to ensure service provision and which has the potential to fail. The current I.T. service to the Crematorium is poor and unreliable and cannot cope with the growing on-line service now being demanded. The most cost effective solution which would cause least disruption to the service would be to carry out all the work at the same time.

It is recommended that £275,200 from the 2012/2013 capital resources underspends is carried forward to 2013/2014 to fund the above scheme subject to an approval report being submitted to the Joint Strategic Committee detailing full details of the options, works and costs.

### **8.11 Meadow Road Depot – Health and Safety works:**

Health and Safety concerns have recently been highlighted at the Meadow Road Depot following incidents of pedestrians being put at risk by vehicles. In order to address the health and safety issues £30,000 is urgently required to install priority flow traffic signage, bollards, traffic islands and road markings. It is recommended that £30,000 is carried forward from the 2012/2013 capital resources underspends to 2013/2014 to fund this project, subject to an approval report being submitted to the Joint Strategic Committee detailing full details of the proposed works and costs.

### **8.12 Replacement of 2 refuse vehicles:**

The 2013/2014 Capital Investment Programmes for Adur District Council and Worthing Borough Council include a budget provision of £280,000 for the replacement of 2 refuse vehicles. Recent quotations have advised that the cost to replace the vehicles is £300,000, which is £20,000 more than the original budget provision. As these replacements are essential for the joint refuse collection service it is recommended that £7,280 of the 2012/2013 Adur District Council underspends and £12,270 of the 2012/2013 Worthing Borough Council underspends are carried forward to 2013/2014 to fund the anticipated shortfall.

### **8.13 Creation of an unallocated budget for future schemes:**

Every year there are a number of occasions when high priority capital expenditure is identified which cannot wait for the approval of the Capital Investment Programme for the following year. As the Council has a large underspend in 2012/2013, it is recommended that a provision for a new budget of £50,000 is carried forward to 2013/2014 for the funding of urgent capital schemes. These projects would still be subject to the approval of the Joint Strategic Committee following submission of an approval report.

## **8.0 WORTHING CAPITAL OUTTURN - ALL PORTFOLIOS**

8.14 The remaining usable capital receipts held at 31st March, 2013 totalled £4,090,786. To be utilised as follows:

- Ring-fenced for Coast Protection 88,800
- Ring-fenced for Affordable Housing (RTB Clawback Receipts) 4,001,986

8.15 The balance on the General Fund Capital Expenditure Reserve at 31st March, 2013 is £73,158.

8.16 Proceeds from sale of assets in 2012/13 are analysed in Appendix 6.

## **9.0 MINIMUM REVENUE PROVISION (MRP) REQUIREMENT 2012/13 AND DEBT POSITION**

### **MRP Requirement for 2012/13**

9.1 The Local Authorities (Capital Finance and Accounting)(England)(Amendment) Regulations 2008 require the councils to make a prudent provision within the accounts for repayment of debt. This provision is called the Minimum Revenue Provision (MRP) and is charged to revenue expenditure.

9.2 The allowable options for making the MRP determination for 2012/13 were considered by the Joint Strategic Committee at its meeting of 29 November 2011. The recommended approaches for each authority considered at that time were duly approved at the respective full Council meetings as follows:

- For Adur District Council - at the meeting of 17<sup>th</sup> February 2012.
- For Worthing Borough Council - at the meeting of 15<sup>th</sup> February 2012.

9.3 No change has been made to the General Fund methodology for charging MRP in 2012/13 from that applied in the previous year. However, with the introduction of the Self-Financing regime for Adur Council's Housing Revenue Account (HRA) in this year, the approved MRP policy included additional voluntary revenue provisions to be set aside for the repayment of housing debt. This was considered to be both prudent and necessary for future capital investment to be funded from borrowing, since the Self-Financing regime commenced with the HRA close to the maximum amount of allowable debt under central government's imposed HRA debt limit. Hence, the making of voluntary provisions to repay debt would create capacity for new borrowing to occur in future years.

9.4 The approved methodology applied to the accounts for Adur and Worthing Councils follows the arrangements set out in the Annual Treasury Management and Annual Investment Strategy Report for 2012/13 submitted to the Joint Strategic Committee in November 2011. This report fulfilled the requirement under regulations from the Department of Communities and Local Government (DCLG) to formally approve before the start of the financial year an Annual Statement of Minimum Revenue Provision (MRP).

## **9.0 MINIMUM REVENUE PROVISION (MRP) REQUIREMENT 2012/13 AND DEBT POSITION**

- 9.5 The Annual Statement determines the basis for calculating the MRP to be set aside in the accounts of the constituent Council (not the Joint Accounts) for repayment of debt. For all borrowing in respect of capital expenditure before 1<sup>st</sup> April, 2007 Option 2 of the guidance has been adopted, whereby MRP is calculated as 4% of the Capital Financing Requirement (CFR). For all borrowing after this date the approved methodology allows for Option 3, Asset Life Method, to be applied for all capital expenditure funded by borrowing.
- 9.6 Under the Asset Life methodology, MRP is calculated as the annual amount required to repay borrowing in equal instalments over the life of the assets acquired. This option also allows additional voluntary revenue contributions to be made, or capital receipts to be used, to repay debt earlier if the Council so wishes.
- 9.7 As MRP is applied in the year after which capital expenditure is funded from borrowing, the MRP for 2012/13 relates to borrowing incurred up to and including 31<sup>st</sup> March, 2012.
- 9.8 By applying the approved methodologies, described in paragraph 9.4, the following MRP determinations have been provided for in the 2012/13 accounts:
- For Adur District Council: £2,452,992.35 (£736,085.26 for General Fund, £1,716,907.09 for HRA)
  - For Worthing Council : £417,732.87

### **Debt Position at 31 March 2013**

- 9.9 In recognition of the introduction of the HRA Self-Financing regime, the Councils' joint treasury management policy also includes a requirement to account separately for General Fund and HRA debt in accordance with the "two pool approach" recommended by CIPFA within the Treasury Management Code of Practice. This approach apportioned historic debt at 31 March 2012 between HRA and General Fund in accordance with the Code guidance, and requires new borrowing from 1 April 2012 onwards to be attributed to either General Fund or HRA according to the purpose for which it is obtained.
- 9.10 For Adur Council the separation of General Fund and HRA debt facilitates a comparison with the corresponding underlying need to borrow (the Capital Financing Requirement) i.e. capital expenditure not financed from internal resources. The purpose of the comparison is to enable General Fund and HRA treasury management decisions to be taken independently of each other, and in an equitable and transparent manner.
- 9.11 Accordingly, there follows a comparison of the respective debt outturn positions compared to the CFR for each Council, albeit that Worthing does not have an HRA (and therefore does not operate a two pool split).

## 9.0 MINIMUM REVENUE PROVISION (MRP) REQUIREMENT 2012/13 AND DEBT POSITION

CFR v Long Term Debt Position at 31 March 2013	Adur District Council			Worthing BC
	General Fund	HRA	Total	General Fund Total
	£	£	£	£
<b>Actual Long term Debt 01/04/12</b>	<b>13,430,327</b>	<b>68,676,284</b>	<b>82,106,611</b>	<b>2,754,827</b>
New Long term Debt Raised in year	1,285	0	1,285	12,035,495
Long Term Debt Repaid in Year	(226,292)	(1,989,242)	(2,215,534)	(69,530)
<b>Actual Long Term Debt 31/03/13</b>	<b>13,205,320</b>	<b>66,687,042</b>	<b>79,892,362</b>	<b>14,720,792</b>
Capital Financing Requirement (CFR)	10,819,250	66,959,376	77,778,626	20,550,551
(Over)/Under Borrowing	(2,386,070)	272,334	(2,113,736)	5,829,759
HRA Debt Limit	N/A	68,912,000	68,912,000	N/A
HRA Borrowing Headroom (Debt Limit – Actual Debt)	N/A	2,224,958	2,224,958	N/A

Note that Adur and Worthing also had temporary borrowing of £5.5m and £1m respectively outstanding at 31 March 2013 which is not applied in the above comparison.

9.12 For Adur Council the General Fund is over-borrowed by £2.39m while the HRA is under-borrowed by approximately £272k. This position largely reflects the opening position at 1 April 2012 arising from the application of the two pool split, where-in the CIPFA methodology assumed the HRA was fully borrowed at the level of its CFR. Therefore any under or over borrowing at that time was fully attributable to the General Fund. As Adur Council has taken on only negligible new General Fund debt in 2012/13 (for Salix energy efficiency schemes), the under borrowing of £272k on the HRA at 31 March 2013 has arisen in the year due to the HRA share of the repayment of one loan of £500,000 on 21 May 2012 which has not been re-financed.

9.13 Worthing was under-borrowed by £5.8m at 31 March 2013, despite borrowing some £12m in the year for capital investment. This reflects the use of internal cash surpluses in previous years as an alternative to borrowing as a means of financing capital expenditure.

## 10.0 CONCLUSION

10.1 The overall underspend is most welcome at this time to help the Councils manage the challenging financial climate which they are currently grappling with. Budget setting and monitoring will be critical in the next few years. The transfer of risk to local authorities for council tax benefits and business rates and the significant budget savings achieved by both Councils in recent years will inevitably increase the financial pressure.

## 11.0 RECOMMENDATIONS

11.1 The Joint Strategic Committee is asked to:

- (a) note the report and outturn position for the Joint, Adur and Worthing Budgets proposed use of reserves; and

11.2 The Joint Strategic Committee is asked to recommend that Adur District Council, at its Council meeting on 18<sup>th</sup> July, 2013 and Worthing Borough Council at its Council meeting on 16<sup>th</sup> July 2013:-

- (a) APPROVE the overall final outturn for Adur and Worthing for 2012/13;
- (b) AGREE the net carry over of revenue budget to 2013/14 where the original approval for 2012/13 was not utilised as set out in paragraph 5.6 (HRA), 6.1 and 6.2 (General Fund) totalling:-

Adur District Council - HRA	£29,000
Adur District Council	£83,996
Worthing Borough Council	£228,467

- (c) AGREE the net carry over of General Fund Capital underspends, as detailed in paragraph 7.8, 8.6, 8.7 and 8.8.
- (d) APPROVE the appropriation of the net under-spend in General Fund revenue expenditure in the year to the Capacity Issues Reserve:

Adur District Council	£565,313
Worthing Borough Council	£13,242

- (e) APPROVE the contribution to Adur Housing New Development and Acquisition Reserve of £409,000, paragraph 5.6
- (f) APPROVE the creation of a Special and Other Emergency Reserve for Adur and the contribution to other reserves and provisions set out in paragraph 6.3:

Adur District Council	£250,000
Worthing Borough Council	£300,000

- (g) APPROVE the financing of the Capital Investment Programme, including the use of capital receipts as set out in paragraph 7.4, 7.5, 8.4 and 8.5
- (h) Note the use of S106 receipts to fund the 2012/2013 Capital Investment Programme, as previously approved, set out in paragraph 7.4 and 8.4.
- (i) APPROVE the use of capital receipts as set out in paragraph 7.4, 7.5, 8.4 and 8.5.

**SARAH GOBEY**

**Executive Head Financial Services  
and Section 151 Officer**

**Local Government Act 1972**

**Background Papers:**

Reports to the Joint Overview and Scrutiny and Joint Strategic Committee

Revenue Budget 2012/13 Joint, Adur and Worthing

3rd Monitoring Revenue and Capital Reports Joint Strategic Committee, Adur District Councils and Worthing Borough Council

Accounts and Audit Regulations 2011

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## **SCHEDULE OF OTHER MATTERS**

### **1. COUNCIL PRIORITY**

This report deals with the whole of the Joint Committees revenue expenditure and as such contributes both Council's objectives

- To protect and enhance priority services.
- To promote a clean and green environment.

### **2. SPECIFIC ACTION PLANS**

2.1 The Medium Term Financial Plan

### **3. SUSTAINABILITY ISSUES**

3.1 Matter considered and no issues identified

### **4. EQUALITY ISSUES**

4.1 Matter considered and no issues identified

### **5.0 COMMUNITY SAFETY ISSUES (SECTION 17)**

5.1 Matter considered and no issues identified

### **6.0 HUMAN RIGHTS ISSUES**

6.1 Matter considered and no issues identified

### **7. REPUTATION**

7.1 Matter considered and no issues identified

### **8. CONSULTATIONS**

8.1 Matter considered and no issues identified

### **9. RISK ASSESSMENT**

9.1 Matter considered and no issues identified

### **10. HEALTH and SAFETY ISSUES**

10.1 Matter considered and no issues identified

### **11. PROCUREMENT STRATEGY**

11.1 Matter considered and no issues identified


### **12. PARTNERSHIP WORKING**

12.1 This report contains details of the outturn for the Adur and Worthing Partnership.

12.2 Contained within accounts of both Councils is the relevant share of the Adur and Worthing Partnership arrangements.



## 2012/13 FINAL REVENUE OUTTURN JOINT SUMMARY

	ORIGINAL ESTIMATE 2012/13	CURRENT ESTIMATE 2012/13	OUTTURN 2012/13	(UNDER)/ OVERSPEND 2012/13
	£	£	£	£
Financial Services	3,649,670	3,684,390	3,483,050	(201,340)
Technical Services	4,584,930	4,705,475	4,334,791	(370,684)
Planning Regen & Well	3,537,190	3,476,960	3,463,140	(13,820)
Recycling and Waste Management	4,806,470	4,793,770	4,398,597	(395,173)
Customer Services	1,528,820	1,582,730	1,501,754	(80,976)
Corporate & Cultural	2,325,100	2,326,340	2,225,810	(100,530)
Housing Health & Community Safety	3,087,290	3,136,970	2,983,975	(152,995)
Chief Executive & Corporate Strategy	1,110,910	1,109,750	1,091,542	(18,208)
Adur Homes	120,560	120,230	108,921	(11,309)
<b>TOTAL SERVICES</b>	<b>24,750,940</b>	<b>24,936,615</b>	<b>23,591,579</b>	<b>(1,345,036)</b>
<b>ALLOCATION OF COSTS</b> Recharged to other joint ser	(4,436,210)	(4,621,885)	(4,427,420)	194,465
	<b>20,314,730</b>	<b>20,314,730</b>	<b>19,164,159</b>	<b>(1,150,571)</b>
Adur District Council	(8,282,682)	(8,282,682)	(7,826,544)	456,138
Worthing Borough Council	(12,032,048)	(12,032,048)	(11,337,615)	694,433
<b>TOTAL SERVICE BLOCK ALLOCATIONS</b>	<b>(20,314,730)</b>	<b>(20,314,730)</b>	<b>(19,164,159)</b>	<b>1,150,571</b>



## CIVIC BUDGET 2012/2013

### Summary of Final Revenue Outturn

CABINET MEMBER PORTFOLIOS	ORIGINAL BUDGET 2012/2013	CURRENT ESTIMATE 2012/13	OUTTURN 2012/13	Notional Capital Charges Variance	Support Service Recharge Variances	Under / Over Spend Excluding Support and Capital Charges
	£	£	£			
<i>CM for Environment</i>	3,307,590	3,333,516	3,204,199	(8,039)	(121,871)	
<i>CM for Health &amp; Wellbeing</i>	1,006,790	1,146,992	1,047,314	2,203	(25,209)	(76,672)
<i>CM for Customer Services Leader</i>	1,146,560	1,146,520	1,192,528	18,634	62,142	(34,769)
<i>CM for Regeneration</i>	519,270	537,750	469,739	5,233	9,259	(82,503)
<i>CM for Resources</i>	1,713,570	1,753,340	1,891,845	(189)	(116,282)	254,976
<i>Support Service Holding Accounts</i>	2,056,750	2,110,415	2,136,756	26,381	(700)	660
<i>Transfers from HRA to non portfolio Adur Homes (nonHRA)</i>	216,760	206,803	(1,007)	62,105	192,661	(462,576)
		1,386				(1,386)
<b>Total Cabinet Members</b>	<b>9,967,290</b>	<b>10,236,722</b>	<b>9,941,374</b>	<b>106,328</b>	<b>0</b>	<b>(401,676)</b>
<i>Credit Back Depreciation</i>	(1,220,690)	(1,220,690)	(1,327,018)	(106,328)	0	0
<i>Minimum Revenue Provision</i>	847,280	847,280	736,085	0	0	(111,195)
<i>Additional Non Ring Fenced Grants</i>	0	0	(15,141)	0	0	(15,141)
<i>Financial Instrument Adjustment</i>	0	0	1,781	0	0	1,781
	<b>9,593,880</b>	<b>9,863,312</b>	<b>9,337,080</b>	<b>(0)</b>	<b>0</b>	<b>(526,232)</b>
<b>Transfer to/from reserves:</b>						
<i>Contribution to/from reserves</i>	88,340	88,340	23,480	0	0	(64,860)
<i>Revenue Contributions To Capital Expenditure</i>	0	0	35,433	0	0	35,433
<i>Transfer from reserves to fund specific expenditure (Incl. carry forwards)</i>	0	(269,432)	(608,394)	0	0	(338,961)
<i>Capacity Issue Reserve</i>	206,700	206,700	206,700	0	0	0
<b>Net Underspend Recommended For Transfer To Reserves</b>			<b>894,620</b>	<b>0</b>	<b>0</b>	<b>894,620</b>
<b>Total Budget requirement before External Support from Government</b>	<b>9,888,920</b>	<b>9,888,920</b>	<b>9,888,920</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>


Recommended Additional Carry Forwards	53,307	0
Recommended Additional Carry Forwards from Joint Service Share	26,000	
Contribution to Special and Other Emergency Expenditure Reserve	250,000	
Balance of Net Underspend available to transfer to Capacity Issues Reserve	565,313	
	<b>894,620</b>	

<b>EARMARKED REVENUE RESERVE ACCOUNTS</b>	<b>Opening Balance 2012/13</b>	<b>Decrease 2012/13</b>	<b>Increase 2012/13</b>	<b>Closing Balance 2012/13</b>
Capacity Issues Reserve - Ropetackle trust for professional manager (JSC 21/12/12) - Revenue contribution for purchase of Building Services vans  - Revenue contribution to Streetscene improvements - New Ways of Working project (28/02/12) - Redundancy costs for Grounds Maintenance restructure - Pot of Gold smaller revenue bids (JSC 26/07/12) - Agreed contribution from 2012/13 underspend - Budgeted contribution to reserves	1,315,221	(20,000) (66,094)  (29,695) (148,222) (20,179) (16,503)	565,313 206,700	1,786,540
Insurance Fund	190,331	(63,214)		127,117
New Technology Fund	37,300			37,300
Partnership Development Fund - redundancies - Procurement Practitioner Backfilling - Partnership working support for salaries	121,473	(9,988) (10,946) (33,978)		66,561
Special & Other Emergency Expenditure Reserve - Agreed contribution from from 2012/13 underspend	-		250,000	250,000
Community Alarm	8,020			8,020
Health & Safety	32,545			32,545
Investment Property Maintenance Fund	68,387			68,387
Local Plan Reserve including PDG	273,622	(82,073)		191,548
Building Maintenance Fund	150,810			150,810
Performance Reward Grant Fund	26,398			26,398
Election Reserve	10,380			10,380
Grants & Contributions held in reserves	688,165	(250,092)	23,480	461,553
Vehicle Repair and Renewal Reserve	29,203			29,203
General Fund - Carry Forward Reserve (to be consolidated with Expenditure funded from approved carry forwards from 2011/12  Agreed 2012/13 carry forwards from the Joint Committee Agreed 2012/13 carry forwards from Adur	278,665	(87,640)	26,000 53,307	270,332
Others (all under £10,000)	18,416			18,416
Earmarked Reserves	3,248,936	(838,625)	1,124,800	3,535,110
General Fund Reserve	858,770			858,770
<b>TOTALS</b>	<b>4,107,706</b>	<b>(838,625)</b>	<b>1,124,800</b>	<b>4,393,880</b>

**CIVIC BUDGET 2012/2013**  
**Summary of Final Revenue Outturn**

CABINET MEMBER PORTFOLIOS	ORIGINAL BUDGET 2012/2013	CURRENT ESTIMATE 20012/13	OUTTURN 2012/13	Notional Capital Charges Variance	Support Service Recharge Variances	Under / Over Spend Excluding Support and Capital Charges
	£	£	£			
<i>Leader</i>	837,460	842,345	848,623	(1,870)	10,005	(1,857)
<i>CM for the Environment</i>	4,927,940	4,993,115	4,726,822	93,798	(99,747)	(260,345)
<i>CM for Health &amp; Wellbeing</i>	1,353,190	1,337,820	1,438,584	(660)	27,243	74,181
<i>CM for Customer Services</i>	3,516,580	3,519,971	3,904,012	141,550	138,102	104,390
<i>CM for Regeneration</i>	2,449,950	2,534,890	2,523,044	3,676	(38,547)	23,025
<i>CM for Resources</i>	2,718,080	2,585,790	3,390,400	12,640	32,128	759,842
<i>Holding Accounts</i>	551,650	819,053	(43,394)	(38,807)	(69,184)	(754,455)
<b>Total Cabinet Member</b>	<b>16,354,850</b>	<b>16,632,984</b>	<b>16,788,091</b>	<b>210,327</b>	<b>0</b>	<b>(55,219)</b>
<i>Credit Back Depreciation</i>	(2,532,210)	(2,532,210)	(2,742,537)	(210,327)		0
<i>Minimum Revenue Provision</i>	505,690	505,690	417,733			(87,957)
<i>Additional Non Ring Fenced Grants</i>	0	0	(17,375)			(17,375)
	<b>14,328,330</b>	<b>14,606,464</b>	<b>14,445,913</b>	<b>0</b>		<b>(160,551)</b>
<b>Transfer to/from reserves:</b>						
<i>Revenue Contributions To Capital Expenditure</i>	0	0	9,508			9,508
<i>Contribution to reserves</i>	(2,300)	(2,300)	68,767			71,067
<i>Transfer from reserves to fund specific expenditure</i>	0	(278,134)	(711,400)			(433,266)
<i>Capacity Issue Reserve</i>	114,140	114,140	114,140			0
<b>Transfer to/ (from) working balances</b>			513,242			513,242
<b>Total Budget requirement before External Support from Government</b>	<b>14,440,170</b>	<b>14,440,170</b>	<b>14,440,170</b>	<b>0</b>		<b>0</b>

Recommended Additional Carry Forwards	161,000
Recommended Additional Carry Forwards from Joint Account	39,000
Recommended transfer to Special & Other Emergency Reserve	250,000
Property Maintenance Reserve	50,000
Balance of Net Underspend available to transfer to Capacity Issues Reserve	13,242
	<b>513,242</b>

 <b>Earmarked Revenue Reserve Accounts</b>	<b>Opening Balance 2012/13</b>	<b>Decrease 2012/13</b>	<b>Increase 2012/13</b>	<b>Closing Balance 2012/13</b>
	£	£	£	£
<b>Capacity Issue Reserve</b>	2,932,292			
BID Levy		(7,000)		
Citizens Advice Bureau Funding		(18,500)		
Reg Annual Events 2010/11 - 2012/13		(15,000)		
Theatres Invest to Save schemes (JSC 26/07/12) *C		(128,120)		
Procurement backfill		(16,419)		
Business Transformation (JSC 2/12/2010)		(50,966)		
New Ways of Working Project (28/02/12)		(180,075)		
Funding of Swimming Pool		(74,398)		
<b>Expenditure funded from approved carry forwards from 2011/12</b>		(67,294)		
- Budgeted contribution			114,140	
Agreed contribution from 2012/13 underspend			13,242	
Agreed 2012/13 carry forwards from Joint			39,000	
Agreed 2012/13 carry forwards from Worthing			161,000	
				2,701,902
<b>Crematoria Abatement</b> *C	301,998	(241,998)		60,000
<b>Crematorium Improvement</b> *C	0	(52,756)	52,756	0
<b>Insurance Reserve</b>	499,258			
Net use of insurance reserve		(33,649)	26,250	491,858
<b>Joint Health Promotion Reserve</b>	44,247	(14,666)		29,582
<b>Leisure Lottery &amp; Other Partnerships</b>				
*C	77,766			77,766
<b>Leisure Options</b> *C	292,154	(292,154)		0
<b>Museum reserve</b>	110,308			110,308
<b>Planning Delivery Grant</b>				
Use of planning delivery grant	155,362	(21,000)		134,362
<b>Property Maintenance Reserve</b>	0			
Agreed contribution from 2012/13 underspend			50,000	50,000
<b>Special &amp; Other Emergency Reserve</b>	536,362			
Redundancy Costs		(194,282)		
Agreed contribution from 2012/13 underspend			250,000	592,080
<b>VAT exemption liability - Palatine Pavilion</b>	211,859			211,859
<b>Vehicle Repairs &amp; Renewal</b>	97,000			97,000
<b>Grants &amp; Contributions held in Reserves</b>	606,207	(79,781)	92,169	618,595
<b>Capital Expenditure Reserve</b> *C	73,158			73,158
<b>Earmarked Reserves</b>	5,937,973	(1,488,059)	798,557	5,248,471
<b>General Fund Working Balance</b>	1,142,885			1,142,885
	7,080,858	(1,488,059)	798,557	6,391,357

Appendix 3c

Service Area	Joint £000s (under)/ over- spend	Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations greater than £20,000 * Share of joint services allocated 40:60 to Councils
<b>Building Control</b>	-	80	80	<b>INCOME:</b> Downturn in economic climate continues to have an impact.
<b>Cemetery &amp; Cremation</b>	-	-	116	Income shortfall from memorial garden continuing partly due to Cremator replacement works.
<b>Development Management</b>	-	-	220	Under achievement of income due to delays with land sale at West Durrington and economic climate.
<b>Grounds Maintenance</b>	-	257	-	Income shortfall as all income from 1/1/13 transferred to the new joint Grounds Mntce service. This is offset by a reduction in salaries and other costs from 1/1/13
<b>Home Improvement Assistance</b>	-	-	58	Fee income from Disabled Facilities Grant work not achievable as full team not in place until part way through the year.
<b>Reprographics</b>	(53)	(21)	(32)	Residual budget for supplies and services has not been spent. This has been removed in 2013/14 budget.
<b>Housing Benefit administration grant</b>		(98)	51	Subsidy grant settlement lower than budgeted in Worthing and more than anticipated in Adur
<b>Homelessness</b>	-	129	-	Write off of statute time barred debts that we are unable to recover plus £111k of rent & deposit write offs which have accumulated on the balance sheet but should have been charged to revenue in previous years.
<b>Homelessness</b>		(51)		Occupation of leasehold properties was much higher than expected resulting in lower void periods
<b>Fit 4 Leisure Income</b>	-	-	(317)	Net increased income. Some of this is probably due to Olympics and may not be repeatable in future years.
<b>Property Rents</b>	-	-	121	Underachievement of income due to empty properties.
<b>Land Charges</b>	-	(31)	(84)	Increased volume of searches.
<b>Parking Services</b>	-	-	88	Relates to budgeted share of turnover income that is not reaching the threshold and an ongoing contractual dispute.

Appendix 3c

Service Area	Joint £000s (under)/ over- spend		Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations greater than £20,000 * Share of joint services allocated 40:60 to Councils
<b>Housing Benefit Overpayment Recovery</b>	-		171	-	Income from Benefit overpayments not achieving budget. Of this £75k relates to write-offs. £70k is included as a growth item for 2013/14.
<b>Internal Audit</b>			28	(28)	Additional Internal Audit recharge to Adur for changes to audit plan. Corrected in 2013/14
<b>Cemeteries &amp; Churchyards</b>	-		26	-	Number of burials and anticipated income less than expected
<b>Admin. Buildings Town Hall</b>	29	*	12	17	Staff Parking income not achieved due to parking charges being deferred and re-assessed as part of the NWoW Project
<b>Pest Control</b>	25	*	10	15	Reduced income due to a drop in certain pest species (e.g. wasps) in the summer, plus the income from charging regime less than anticipated
<b>Legal Services</b>	-		41	-	Overspend of outsourcing budget but will be offset by salary under spend in the joint service and possible settlement of litigation case.
<b>Parking Services</b>	-		42	-	Shortfall of on-street parking income.
<b>Recycling</b>	(29)	*	(12)	(17)	Increase in demand for Green garden bins
<b>Street Sweeping</b>	(34)		(14)	(20)	Additional income for service for litter picking offset by increased employee & vehicle costs
<b>Trade Refuse Collection</b>	-		-	(43)	Increase in trade waste income achieved
<b>Theatres &amp; Public Entertainments</b>				86	Net overspend due to shortfall in private hire income & recovery of marketing costs. See section 4.8 for net variances.
<b>Total income</b>	(62)		569	311	

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Service Area	Joint £000s (under)/ over- spend		Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations greater than £20,000 * Share of joint services allocated 40:60 to Councils
<b>Allotments</b>	-		28	-	<b>COSTS</b> Budgets for Grounds Maintenance recharge reinstated as removed in error last year.
<b>Cemetery &amp; Cremation</b>	-		-	23	Contractual charges for grounds maintenance and tree cutting for periods 1 to 9 underestimated
<b>Community Alarm</b>	-		34		Replacement needed of equipment at end of its 10 year life span
<b>Concessionary Fares</b>			(39)		Remainder of unused provision for settlement to Bus company transferred back to Revenue
<b>Corporate Management</b>	-		(23)	-	Appointment of new external Auditors and new agreed Audit fee has resulted in savings for 2012-13
<b>Planning Policy</b>	-			(20)	Underspend of Communications & Computing budget.
<b>Public Conveniences</b>				49	Over spend on water services and contract cleaning
<b>Financial Services Division</b>			(30)	(28)	Renewed insurance policies have resulted in saving
<b>Civic Centre</b>	(24)	*	(10)	(14)	Under spend on telephony
<b>Commerce Way</b>	(23)	*	(9)	(14)	Over achievement of rents budget
<b>Town Hall</b>	(26)	*	(10)	(16)	Building Cleansing saving.
<b>Legal Services</b>	-		-	23	Outsourcing budget over spent offset by under spend on salaries.
<b>Town Hall</b>	34	*	14	20	Maintenance issues re Water Tank & Items being picked up by NWow
<b>Tourism</b>	-		-	(25)	Transitional year for restructure of marketing approach in line with Tourism Vision
<b>Cemetery &amp; Cremation</b>	-		-	(72)	Leasing budget - new cremators are now funded by capital programme. This under spend will part fund the cost of revenue related borrowing.
<b>Council Tax Collection</b>	-		43	56	Worthing overspend in postage costs due to the large increase in postage prices in. Overspend in Census R&B contract mainly due to Agency staff costs for Adur.
<b>Corporate Management</b>	-		(50)	(50)	Contingency not required for 2012-13



Appendix 3c

Service Area	Joint £000s (under)/ over- spend		Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations greater than £20,000 * Share of joint services allocated 40:60 to Councils
Development Management	(51)		(20)	(92)	Various under spends - mainly unused new homes bonus funding and scanning budget.
Financial Services Division	(142)		(57)	(85)	CENSUS ICT Project delays
Grounds Maintenance			(65)		Transport budgets underspent as all costs from 1/1/13 transferred to the new joint Grounds Mntce service. This is offset by a reduction in income from 1/1/13
Housing Benefit Administration			(89)		Non CENSUS residual budgets not required. This will offset CENSUS overspend.
Investment Properties	-		-	(85)	Budget for contribution to Commerce Way no longer required as this is now included in Joint Committee recharges.
Non Distributed Costs	-		(175)	-	Over provision for backfunding of Pension costs. There is a saving for this in 2013/14
Refuse Collection	(258)	*	(103)	(155)	Interest for Refuse, Recycling & Trade Waste vehicles no longer charged to Joint Committee
Street Sweeping Cleansing -Adur	(68)	*	(27)	(41)	Lease vehicles replacements now funded from capital
Theatres				41	Renewal of Catering Equipment
Trade Refuse Collection	(35)	*	(70)	(157)	Reduction in costs due to disposal contract, reduction in tonnages and reduced vehicle repair costs
Treasury Management			-	(63)	Lower returns on investment due to low interest rates & consumption of cash arising from capital spending offset by lower than anticipated borrowing costs (£27k overspend less borrowing costs of £90k for NWoW and Splashpoint funded from reserves)
Treasury Management			(372)		Improved investment income due to increased cash balances and lower than anticipated borrowings costs.
Housing Revenue Account			(78)		Increased share of support allocations to HRA in respect of Corporate & Democratic core

## Appendix 3c

<b>Service Area</b>	<b>Joint £000s (under)/ over- spend</b>	<b>Adur £000s (under)/ over- spend</b>	<b>Worthing £000s (under)/ over- spend</b>	<b>Variations greater than £20,000 * Share of joint services allocated 40:60 to Councils</b>
<b>Energy</b>	(81)	(32)	(195)	Gas & Electricity across all services
<b>Property Maintenance</b>	(31)	(132)	(100)	Planned and reactive maintenance for all services
<b>Vacancies</b>	(306)	(35)	277	See section 4.5
<b>Cross Cutting</b>	(59)	(26)	(33)	Various supplies and services budgets (equipment, postage, printing & consultancy)
<b>Total</b>	(1,132)	(764)	(445)	
<b>Other Variations Below £50K</b>	(19)	(131)	(68)	
<b>Total Variance</b>	<b>(1,151)</b>	<b>(895)</b>	<b>(513)</b>	

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Consul- tation with lease- holders £	5 Delivery lead In times £	6 Slippage required for 2013/2014 schemes £	7 TOTAL £
<p><b>CABINET MEMBER FOR CUSTOMER SERVICES</b>  <b>Information and Communications Technology</b>  <b>Contribution to CenSus Partnership</b>  <b>Schemes - VDI design, Sccm Citric</b>  <b>Licences, VM servers, WAN and project</b>  <b>management for VDI</b></p> <p>CenSus ICT partnership schemes in progress and slippage of £55,640 is requested to complete these schemes. The underspend has resulted from unallocated budget which has been carried forward from previous years and is now declared as an underspend.</p>	(124,558)	55,640	55,640						55,640
<p><b>Wadurs Swimming Pool</b>  <b>Replacement of original pool tiles</b></p> <p>The scheme was initially delayed by works being scheduled around the requirements of the pool. The replacement of the floor tiles has completed. However, further work costing £6,000 is required to the drainage channel round the edge of the pool.</p>	(19,808)	6,000	6,000						6,000

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Consul- tation with lease- holders £	5 Delivery lead In times £	6 Slippage required for 2013/2014 schemes £	7 TOTAL £
<b>CABINET MEMBER FOR CUSTOMER SERVICES (Continued)</b>									
<b>Wadurs Swimming Pool (Continued)</b>									
<b>Replacement of communal areas tiling</b>	(13,600)								
Scheme has completed. The underspend was identified when the scheme was tendered.									
<b>Adur Homes Capital Investment Programme</b>	(543,771)	262,000				50,000	212,000		262,000
The overall capital programme has underspent in 2012/2013. Slippage is requested for the Fishersgate Refurbishment Scheme and the following schemes which were suspended in 2012/2013 to fund the acquisition of properties:									
1) £50,000 Fishersgate Refurbishment Programme which has been delayed by consultation with leaseholders.									
2) £80,000 Re-cover flat roofs and associated works.									
3) £20,000 Communal areas replacement door screens.									
4) £10,000 Upgrade and repair of car parking areas.									

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Consul- tation with lease- holders £	5 Delivery lead In times £	6 Slippage required for 2013/2014 schemes £	7 TOTAL £
<b>CABINET MEMBER FOR CUSTOMER SERVICES (Continued)</b>									
<b>Adur Homes Capital Investment Programme (Continued)</b>									
5) £102,000 Upgrade of smoke detection systems.									
<b>Energy Efficiency Schemes funded by the Department of Energy and Climate Change</b>									
All works have completed. There was some slippage into the first weeks of April but WSCC have confirmed that DECC funding has been secured.	(29,157)	22,680			22,680				22,680
<b>Miscellaneous Minor Variations</b>	(12,684)	1,660	1,660						1,660
<b>TOTAL - Customer Services</b>	<b>(743,577)</b>	<b>347,980</b>	<b>63,300</b>	<b>-</b>	<b>22,680</b>	<b>50,000</b>	<b>212,000</b>	<b>-</b>	<b>347,980</b>
<b>Slippage C/f to 2013/2014</b>	<b>347,980</b>								
<b>Budget B/f from 2013/2014</b>	<b>-</b>								
<b>Net (Underspend)/Overspend</b>	<b>(395,597)</b>								

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Consul- tation with lease- holders £	5 Delivery lead In times £	6 Slippage required for 2013/2014 schemes £	7 TOTAL £
<b>CABINET MEMBER FOR THE ENVIRONMENT</b>									
<b>Street Scene Environment Improvements</b> Environmental improvements in Shoreham High Street, purchase of market stalls and Christmas lights completed and lighting upgrade commenced. Slippage is requested for: 1) The completion of the lighting upgrade in Lancing. 2) Further lighting upgrades identified for conservation areas. 3) The monoliths in Lancing and Shoreham which have been ordered and are anticipated to be installed June 2013. 4) The Lancing street furniture project which is anticipated to be undertaken in August 2013.	(37,270)	37,270			37,270				37,270
<b>Cemeteries</b>									
<b>Mill Lane Cemetery - Resurfacing of hard surfaces Phase 2</b> This scheme was initially delayed by officers being diverted to other higher priority schemes, including additional works associated with Splash Point. Tenders have now been received and a virement of £5,000 has been approved from contingency to progress the scheme. The works are anticipated to complete September 2013.	(20,500)	20,500			20,500				20,500

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Consul- tation with lease- holders £	5 Delivery lead In times £	6 Slippage required for 2013/2014 schemes £	7 TOTAL £
<b>CABINET MEMBER FOR THE ENVIRONMENT (Continued)</b>									
<b>Grounds Maintenance</b>									
<i>Purchase of vehicles and equipment for the new joint service</i> Some of the vehicles and equipment were not able to be delivered prior to 31st March due to delivery lead in times. All equipment is expected to be delivered by June 2013.	(11,406)	11,410					11,410		11,410
<b>Replacement tractor</b> One tractor had to be replaced following fire damage and was funded from insurance.	12,900								
<b>Miscellaneous Minor Variations</b>	(20,553)	25,340			16,250			9,090	25,340
<b>TOTAL - Environment</b>	<b>(76,829)</b>	<b>94,520</b>	-	-	<b>74,020</b>	-	<b>11,410</b>	<b>9,090</b>	<b>94,520</b>
<b>Slippage C/f to 2013/2014</b>	<b>94,520</b>								
<b>Budget B/f from 2013/2014</b>	-								
<b>Net (Underspend)/Overspend</b>	<b>17,691</b>								

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Consul- tation with lease- holders £	5 Delivery lead In times £	6 Slippage required for 2013/2014 schemes £	7 TOTAL £
<b>CABINET MEMBER FOR HEALTH AND WELLBEING</b> <b>Community Centres</b> <b><i>Fishersgate Community Building - Demolition of the dome, renovation of the two remaining wings and construction of a link building.</i></b> This project has been delayed by the Community Group not vacating the premises until 3 months after the initial agreement. Costs are being compiled and, in view of the scale of the works, an additional £30,000 is requested to be carried forward to 2013/2014 from the overall capital programme underspends as a general contingency for this scheme.	(20,710)	50,710	50,710						50,710
<b>DDA Act Improvements</b> Works proposed/planned for the Ropetackle Centre, the Fishersgate Centre and other areas identified from DDA surveys.	(29,500)	29,500			29,500				29,500



**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Consul- tation with lease- holders £	5 Delivery lead In times £	6 Slippage required for 2013/2014 schemes £	7 TOTAL £
<b>CABINET MEMBER FOR HEALTH AND WELLBEING (Continued)</b>									
Miscellaneous Minor Variations	3,409	(2,000)			(2,000)				(2,000)
<b>TOTAL - Health &amp; Well-Being</b>	<b>(46,801)</b>	<b>78,210</b>	<b>50,710</b>	<b>-</b>	<b>27,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78,210</b>
Slippage C/f to 2013/2014	80,210								
Budget B/f from 2013/2014	(2,000)								
Net (Underspend)/Overspend	31,409								

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Consul- tation with lease- holders £	5 Delivery lead In times £	6 Slippage required for 2013/2014 schemes £	7 TOTAL £
<b>CABINET MEMBER FOR REGENERATION Housing Renewal Assistance</b>  <b>Discretionary Home Repair Grants</b> Grant approvals are for 3 - 12 months and can be taken up at any time in this period. As the scheme is demand led, the Council does not have any control on grants being taken up and this has resulted in an underspend this year. However, expenditure is in line with previous years and no carry forward is required for 2013/2014.	(56,400)								
<b>Mandatory Disabled Facilities Grants</b> These grants are mandatory and the Council has to approve eligible grants. All approvals are for 12 months and works can be undertaken at any time in this period. Expenditure is not substantially different from previous years. £90,000 has been reprofiled to 2013/2014 to fund outstanding commitments, but this still results in an underspend.	(113,473)								

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Consul- tation with lease- holders £	5 Delivery lead In times £	6 Slippage required for 2013/2014 schemes £	7 TOTAL £
<b>CABINET MEMBER FOR REGENERATION (Continued)</b>									
<b>Regeneration</b>									
<b>Ferry Road Improvements</b>	(10,000)	10,000			10,000				10,000
The majority of the budget for this scheme was profiled in 2013/2014. The small budget profiled in 2012/2013 is requested to be carried forward to 2013/2014 as this scheme is to be progressed in conjunction with the improvements to the Riverside Car Park in 2013/2014.									
<b>Miscellaneous Minor Variations</b>	(8,654)	8,660			8,660				8,660
<b>TOTAL - Regeneration</b>	<b>(188,527)</b>	<b>18,660</b>	-	-	18,660	-	-	-	18,660
<b>Slippage C/f to 2013/2014</b>	<b>18,660</b>								
<b>Budget B/f from 2013/2014</b>	-								
<b>Net (Underspend)/Overspend</b>	<b>(169,867)</b>								

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Consul- tation with lease- holders £	5 Delivery lead In times £	6 Slippage required for 2013/2014 schemes £	7 TOTAL £
<b>CABINET MEMBER FOR RESOURCES</b> <b>Information and Communications</b> <b>Technology</b> <b>Corporate Hardware/Infrastructure</b> <b>Replacement Programme</b> Budget requested to be carried forward to replace PCs and infrastructure required for the NWOW project.	(72,032)	72,030			72,030				72,030
<b>Desktop ICT VDI Project</b> Scheme in progress alongside the NWOW project.	(27,533)	27,530			27,530				27,530
<b>Replacement Telephone System</b> Tenders received, evaluation completed and contract negotiations underway. Completion anticipated July 2013.	(22,465)	22,470			22,470				22,470
<b>Pot of Gold Participatory Schemes</b> <b>Shoreham Academy Student Council - Provision of outdoor gym equipment</b> The budget was originally profiled in 2013/2014 due to bad weather delaying the purchase of the equipment. However, the purchases have now completed and budget has been b/f to fund the grant.	15,000	(15,000)	(15,000)						(15,000)

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Consul- tation with lease- holders £	5 Delivery lead In times £	6 Slippage required for 2013/2014 schemes £	7 TOTAL £
<b>CABINET MEMBER FOR RESOURCES (Continued)</b>									
Miscellaneous Minor Variations	(10,288)	4,130	2,240		1,890				4,130
<b>TOTAL - Resources</b>	<b>(117,318)</b>	<b>111,160</b>	<b>(12,760)</b>	<b>-</b>	<b>123,920</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>111,160</b>
Slippage C/f to 2013/2014	131,080								
Budget B/f from 2013/2014	(19,920)								
Net (Underspend)/Overspend	(6,158)								
<b>TOTALS - ALL CABINETS</b>	<b>(1,173,051)</b>	<b>650,530</b>	<b>101,250</b>	<b>-</b>	<b>266,780</b>	<b>50,000</b>	<b>223,410</b>	<b>9,090</b>	<b>650,530</b>
Slippage C/f to 2013/2014	672,450								
Budget B/f from 2013/2014	(21,920)								
Net (Underspend)/Overspend	(522,521)								

\* Internal delays can result from a number of factors, e.g. re-prioritisation of work priorities due to the emergence of new priority schemes.

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's Control £	2 Supplier/ Contractor/ Consultant Problems £	3 Internal Delays* £	4 Schemes Not Proceeding £	5 Works Completed In Advance of Budget Profile £	6 Slippage Required for 2013/2014 Schemes £	7 TOTAL £
<b>CABINET MEMBER FOR CUSTOMER SERVICES</b>									
<b>Affordable Housing</b>									
<i>Raglan Housing Association - Drake Avenue Housing Development</i> The development is in progress, but behind schedule, and the completion tranche is now estimated to be paid June 2013.	(50,000)	50,000	50,000						50,000
<i>Worthing Homes - St Barnabas Housing Development</i> Completion tranche paid and was lower than originally requested. Remainder of budget carried forward for future affordable housing schemes.	(29,400)	29,400	29,400						29,400
<b>Housing</b>									
<i>Empty Property Grants</i> This is a new scheme this year and works in default have been completed on one property to enable the property to be sold and be brought back into use as a residential property. Two other properties are progressing under enforced sale proceedings to bring them back into use as residential properties.	(16,304)	16,300	16,300						16,300

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
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<b>CABINET MEMBER FOR CUSTOMER SERVICES (Continued)</b>  <b>Mandatory Disabled Facilities Grants</b> These grants are mandatory and the Council has to approve all eligible grants. All approvals are for 12 months and works can be undertaken at any time in this period. The demand for these grants is still high but is lower than in previous years and this has resulted in an underspend. This reduced demand has been reflected in the 2013/2014 budget of £850,000 and no carry forward is requested.	(305,538)								
<b>Pavilion Theatre Renewal of Roof Covering</b> The works have been completed but an overspend of £62,500 has been incurred. This is within the 10% overspend tolerance and has been reported in the quarterly monitoring reports during the year. The overspend can be funded from the overall underspend on the 2012/2013 Capital Investment Programme.	62,541								

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
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<b>CABINET MEMBER FOR CUSTOMER SERVICES (Continued)</b>									
<b>Theatres</b>									
<b><i>Box Office System Replacement</i></b> In order to allow time for any problems to be resolved, implementation was delayed until 18th April with a 'Go Live' date of the last weekend in June.	(60,000)	60,000			60,000				60,000
<b><i>Connaught Theatre - Purchase of a digital projector</i></b> Projector purchased. Slippage requested for additional storage capacity and network hardware.	(16,101)	8,000			8,000				8,000
<b><i>Denton Lounge - Flooring Covering Replacements</i></b> Floor coverings to be replaced January 2014 due to the need to complete works during a quiet operational time as the areas will need to be closed off during the works.	(28,900)	28,900			28,900				28,900



**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
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<b>CABINET MEMBER FOR CUSTOMER SERVICES (Continued)</b>									
<b>Miscellaneous Minor Variations</b>	(16,159)	(20,120)	(26,850)		6,730				(20,120)
<b>TOTAL - Customer Services</b>	<b>(459,861)</b>	<b>172,480</b>	<b>68,850</b>	<b>-</b>	<b>103,630</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>172,480</b>
Slippage C/f to 2013/2014	199,480								
Budget B/f from 2013/2014	(27,000)								
Net (Underspend)/Overspend	(287,381)								

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

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	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's Control £	2 Supplier/ Contractor/ Consultant Problems £	3 Internal Delays* £	4 Additional works Required £	5 Works Completed In Advance of Budget Profile £	6 Slippage Required for 2013/2014 Schemes £	7 TOTAL £
<b>CABINET MEMBER FOR THE ENVIRONMENT</b>									
<b>Allotments</b> Works have been delayed by officers being diverted to other higher priority schemes, including additional works associated with Splash Point. Works to be undertaken in 2013/2014.	(16,500)	16,500			16,500				16,500
<b>Beach House Grounds</b>									
<b>Car Parking and landscaping</b> Main car parking works complete. Slippage requested for landscaping works and works to walkway, kiosks and chalets, which will be undertaken as part of the Active Seafront Zone Project in 2013/2014.	(73,924)	73,920			73,920				73,920
<b>Beach House Park</b>									
<b>Pavilions - Renew electrical mains and rewiring in old and new pavilions</b> Schemes initially delayed by surveyor's current workload. Consultant being appointed to prepare specification for works to be undertaken in 2013/2014.	(44,000)	44,000			44,000				44,000

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

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<b>CABINET MEMBER FOR THE ENVIRONMENT (Continued)</b>									
<b>Crematorium Replacement of Cremators and Mercury Abatement Equipment</b>  Main works complete. Slippage requested for replacement fire doors which have been delayed by delivery lead in times, but are due to be installed early May 2013.	(16,001)	16,000		16,000					16,000
<b>Field Place The Barn - Rewire Stage Lighting</b>  Scheme complete. Works less extensive than originally assessed.	(10,375)								
<b>Field Place Provision of kitchen equipment, installation of gas supply and provision of gas fired heating</b>  Kitchen works in progress and anticipated to complete May 2013. Heating works deferred to October 2013 to avoid the main events season. Costs being agreed with the contractor and it is estimated that a further £43,000 is required for the gas supply and heating installation due to:	(80,600)	123,600				123,600			123,600

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
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<b>CABINET MEMBER FOR THE ENVIRONMENT (Continued)</b> <b>Field Place</b> <b><i>Provision of kitchen equipment, installation of gas supply and provision of gas fired heating (Continued)</i></b> 1) £4,000 for internal alterations required to heating scheme to comply with Planning Conservation Order as the building is a Grade II Listed Building. 2) £7,000 for replacement of the water main which could not have been foreseen during the tender process. 3) £6,000 for increased gauge size of gas main pipe required to main building. 4) £15,000 for a contingency for the flue and control panel. 5) £5,000 for an increase in material costs (copper pipework, boiler) from when the capital bid was first submitted in 2010. 6) £6,000 for additional preliminaries and costs for commercial kitchen project, incorporating client delayed programme to suit commercial operation of site.									

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<b>CABINET MEMBER FOR THE ENVIRONMENT (Continued)</b> <b>New Swimming Pool</b> Despite atrocious weather in February and March Practical Completion was accepted on schedule on 15th April 2013. Various snagging and final completion works remain outstanding but are progressing well. The facility will be open to the public on 1st May, again as scheduled, and will be tested by selected users from 25th April. The project will be within budget and the spend profile has been amended by bringing forward budget from 2013/2014.	133,243	(133,240)					(133,240)		(133,240)
<b>Parks</b> <b>Dominion Road Recreation Ground - Provision of lighting</b> Scheme complete. Works not as extensive as originally forecast.	(17,812)								

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
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<b>CABINET MEMBER FOR THE ENVIRONMENT (Continued)</b>									
<b>Parks and Open Spaces</b> <b><i>Purchase of equipment and plant for the new Joint Parks Service</i></b>  Some of the vehicles and equipment were not able to be delivered prior to 31st March due to delivery lead in times. Completion anticipated June 2013.	(45,624)	45,620		45,620					45,620
<b>Parks and Open Spaces</b> <b><i>Resurfacing of hard surfaces 2012/2013 - Steyne Gardens access improvements</i></b>  Scheme delayed by officers being diverted to other higher priority schemes, including additional works associated with Splash Point. Works to be undertaken in 2013/2014.	(16,500)	16,500			16,500				16,500
<b>VAT</b> <b><i>Provision for Liability in 2012/2013</i></b>  The Council is currently awaiting confirmation of the 2012/2013 liability.	(914,660)	914,660	914,660						914,660

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
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	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's Control £	2 Supplier/ Contractor/ Consultant Problems £	3 Internal Delays* £	4 Additional works Required £	5 Works Completed In Advance of Budget Profile £	6 Slippage Required for 2013/2014 Schemes £	7 TOTAL £
<b>CABINET MEMBER FOR THE ENVIRONMENT (Continued)</b>									
Miscellaneous Minor Variations	(42,648)	32,490			20,420			12,270	32,690
<b>TOTAL - Environment</b>	<b>(1,145,402)</b>	<b>1,150,050</b>	<b>914,660</b>	<b>61,620</b>	<b>171,340</b>	<b>123,600</b>	<b>(133,240)</b>	<b>12,270</b>	<b>1,150,250</b>
Slippage C/f to 2013/2014	1,284,490								
Budget B/f from 2013/2014	(134,440)								
Net (Underspend)/Overspend	4,648								

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's Control £	2 Supplier / Contractor Problems £	3 Internal Delays* £	4 Schemes Not Proceeding £	5 Works Completed In Advance of Budget Profile £	6 Slippage Required for 2013/2014 Schemes £	7 TOTAL £
<b>CABINET MEMBER FOR HEALTH AND WELLBEING</b>									
Miscellaneous Minor Variations	(590)								
<b>TOTAL - Health, Safety &amp; Well-Being</b>	<b>(590)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Slippage C/f to 2013/2014	-								
Budget B/f from 2013/2014	-								
<b>Net (Underspend)/Overspend</b>	<b>(590)</b>								



**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1  Outside the Council's Control £	2  Supplier / Contractor Problems £	3  Internal Delays* £	4  Schemes Not Proceeding £	5  Works Completed In Advance of Budget Profile £	6  Slippage Required for 2013/2014 Schemes £	7  TOTAL £
<b>CABINET MEMBER FOR REGENERATION</b>									
<b>Regeneration</b> <i>Contribution to WSCC Scheme - Montague Street Paving funded from S106 contributions</i> Scheme awaiting WSCC to progress the works.	(19,500)	19,500	19,500						19,500
<b>Seaconomics Seafront Improvements Scheme</b> The seafront play area is now complete. The opening event was very successful and the new playground is very well used. The remaining budget is to be used alongside the £300,000 WSCC funding for the Active Seafront Zone Project.	(16,100)	16,100			16,100				16,100
<b>Miscellaneous Minor Variations</b>	(14,100)	(2,000)					(2,000)		(2,000)
<b>TOTAL - Regeneration</b>	<b>(49,700)</b>	<b>33,600</b>	<b>19,500</b>	<b>-</b>	<b>16,100</b>	<b>-</b>	<b>(2,000)</b>	<b>-</b>	<b>33,600</b>
<b>Slippage C/f to 2013/2014</b>	<b>35,600</b>								
<b>Budget B/f from 2013/2014</b>	<b>(2,000)</b>								
<b>Net (Underspend)/Overspend</b>	<b>(16,100)</b>								

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's Control £	2 Supplier/ Contractor/ Consultant Problems £	3 Internal Delays* £	4 Schemes Not Proceeding £	5 Works Completed In Advance of Budget Profile £	6 Slippage Required for 2013/2014 Schemes £	7 TOTAL £
<b>CABINET MEMBER FOR RESOURCES</b> <b>Information and Communications Technology</b> <b>Contribution to CenSus Partnership Schemes - VDI design, Sccm Citric Licences, VM servers, WAN and project management for VDI</b> CenSus ICT partnership schemes in progress.	(55,638)	55,640	55,640						55,640
<b>Corporate Hardware/Infrastructure Replacement Programme</b> Budget requested to be carried forward to replace PCs and infrastructure required for the NWOW project.	(33,126)	33,130			33,130				33,130
<b>Desktop Energy Saving Scheme</b> Scheme in progress alongside the NWOW project.	(24,985)	24,980			24,980				24,980
<b>Electronic Document and Records System Management</b> The EDRMs for Planning and Development completed in 2011/2012. The remainder of the budget is now declared as an underspend.	(120,580)								

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's Control £	2 Supplier/ Contractor/ Consultant Problems £	3 Internal Delays* £	4 Schemes Not Proceeding £	5 Works Completed In Advance of Budget Profile £	6 Slippage Required for 2013/2014 Schemes £	7 TOTAL £
<b>CABINET MEMBER FOR RESOURCES (Continued)</b>									
<b>Information and Communications Technology (Continued)</b>									
<b>NWOW ICT Requirements</b> The data centre, meeting room AV and the fibre cabling replacements are complete. Other schemes in progress.	(11,738)	11,740			11,740				11,740
<b>Replacement Telephone System</b> Tenders received, evaluation completed and contract negotiations underway. Completion anticipated July 2013.	(21,503)	21,500			21,500				21,500
<b>Properties</b>									
<b>NWOW Portland House and Town Hall Refurbishment</b> Refurbishment of Portland House is complete and the building is now open to the public. The Town Hall refurbishment is soon to commence. The overall NWOW scheme is expected to come within budget as it is being closely monitored.	321,164	(321,160)					(321,160)		(321,160)

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's Control £	2 Supplier/ Contractor/ Consultant Problems £	3 Internal Delays* £	4 Schemes Not Proceeding £	5 Works Completed In Advance of Budget Profile £	6 Slippage Required for 2013/2014 Schemes £	7 TOTAL £
<b>CABINET MEMBER FOR RESOURCES (Continued)</b>  <b>Properties (Continued)</b> <b>Café Beach House Park (Bowl Inn)</b> The Council is reviewing its sports/play strategy which includes a review of the bowls provision and ultimately the future arrangements for Beach House Park including refreshment provision. As progress of this scheme is dependent on decisions by JSC the scheme has been removed from Capital Investment Programme.	(17,338)								
<b>Energy Efficiency Schemes (Funded from Salix interest free loan)</b> The LED lighting upgrades, T5 lighting upgrades and the insulation of boiler houses and pipework have completed. The energy management schemes have been delayed by staffing resources being diverted to the NWOW project and are now anticipated to complete July 2013. A trial is to be undertaken on the seafront decorative lighting which will be reported prior to a decision being made on a scheme.	(53,067)	31,570			31,570				31,570

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2012/2013  
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

Scheme	Variations		Analysis of Slippage Carried Forward to and (Brought Forward) from 2013/2014						
	2012/2013 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's Control £	2 Supplier/ Contractor/ Consultant Problems £	3 Internal Delays* £	4 Schemes Not Proceeding £	5 Works Completed In Advance of Budget Profile £	6 Slippage Required for 2013/2014 Schemes £	7 TOTAL £
<b>CABINET MEMBER FOR RESOURCES (Continued)</b>									
Miscellaneous Minor Variations	(21,992)	(3,790)	8,360		(12,150)				(3,790)
<b>TOTAL - Resources</b>	<b>(38,803)</b>	<b>(146,390)</b>	<b>64,000</b>	<b>-</b>	<b>110,770</b>	<b>-</b>	<b>(321,160)</b>	<b>-</b>	<b>(146,390)</b>
Slippage C/f to 2013/2014	198,490								
Budget B/f from 2013/2014	(344,880)								
Net (Underspend)/Overspend	(185,193)								
<b>TOTALS - ALL CABINETS</b>	<b>(1,694,356)</b>	<b>1,209,740</b>	<b>1,067,010</b>	<b>61,620</b>	<b>401,840</b>	<b>123,600</b>	<b>(456,400)</b>	<b>12,270</b>	<b>1,209,940</b>
Slippage C/f to 2013/2014	1,718,060								
Budget B/f from 2013/2014	(508,320)								
Net (Underspend)/Overspend	(484,616)								

\* Internal delays can result from a number of factors, e.g. re-prioritisation of work priorities due to the emergence of new priority schemes.



## FINAL ACCOUNTS 2012/13

## Analysis of Capital Receipts

	£	£
<b>A. General Fund</b>		
<b>1. Sales of Land and Other Assets*:</b> Land East Mash Barn Lane	400,000	
<b>2. Grant Repayments:</b> Housing Renewal Grants	8,768	
		408,768
<b>B. Housing Revenue Account</b>		
<b>1. Council House Sales:</b> Houses and Flats	936,850	
<b>2. Loan Repayments:</b> Council House Mortgages	989	
<b>3. Less Pooling Requirement</b>	(211,818)	726,021
<b>TOTAL CAPITAL RECEIPTS</b>		1,134,789

\* **Sale of Land and Other Assets:**

The Council is currently negotiating the sale of the Adur Civic Centre.

**FINAL ACCOUNTS 2012/13**

**Analysis of Capital Receipts**

	£	£
<b>A. General Fund</b>		
1. Sales of Land and Other Assets*:	-	
		-
<b>B. Housing Receipts (Ringfenced)</b>		
1. Council House Sales:		
RTB Clawback Receipt	364,059	364,059
2. Loan Repayments:		
Council House Mortgages	9,505	
Housing Act Advances	3,408	
		12,913
<b>TOTAL CAPITAL RECEIPTS</b>		<b>376,972</b>
<p>* <b>Sale of Land and Other Assets:</b></p> <p>The Council is planning to sell the Aquarena in 2013/14 and other properties have been approved for sale</p>		

## ADUR HOUSING REVENUE ACCOUNT

	ORIGINAL ESTIMATE 2012/13	CURRENT ESTIMATE 2012/13	OUTTURN 2012/13	(UNDER)/ (OVERSPEND)
	£	£	£	£
<b>EXPENDITURE</b>				
General Management	2,266,050	2,264,276	2,148,186	(116,090)
Special Services	966,400	966,400	826,599	(139,801)
Rent, Rates, Taxes & Other Charges	20,290	20,290	27,042	6,752
Repairs & Maintenance	2,305,000	2,308,160	2,033,552	(274,608)
Revenue Contribution to Capital	1,877,330	1,877,330	2,064,437	187,107
Provision for refurbishment and new build	40,140	40,140	40,140	-
Charges for Capital	2,941,200	2,941,200	2,740,150	(201,050)
Depreciation transfer to MRR Inc Non Op assets	2,124,670	2,124,670	2,271,873	147,203
Bad/Doubtful Debt	-	-	(3,714)	(3,714)
<b>TOTAL EXPENDITURE</b>	12,541,080	12,542,466	12,148,265	(394,201)
<b>INCOME</b>				
Dwelling Rents	(11,226,780)	(11,226,780)	(11,321,377)	(94,597)
Non-Dwelling Rents	(510,230)	(510,230)	(508,467)	1,763
Heating Charges	(98,460)	(98,460)	(69,035)	29,425
Leaseholder's Service Charges	(112,470)	(112,470)	(99,804)	12,666
Other Service Charges	(545,580)	(545,580)	(519,754)	25,826
Contributions towards Expenditure	(19,560)	(19,560)	(15,975)	3,585
Interest Received	(28,000)	(28,000)	(51,146)	(23,146)
Virement Adjustment from holding a/c	-	(1,386)	-	1,386
<b>TOTAL INCOME</b>	(12,541,080)	(12,542,466)	(12,585,559)	(43,093)
<b>NET (SURPLUS)/DEFICIENCY</b>	-	-	(437,294)	(437,294)
<b>HRA REVENUE BALANCES</b>				
1st April	1,761,490	1,850,110	2,079,390	
Transfer from housing repairs account		229,280		
31st March	1,761,490	2,079,390	2,079,390	