



TITLE: REVENUE AND CAPITAL OUTTURN FOR JOINT, ADUR AND WORTHING 2013/14

AUTHOR: SARAH GOBEY, CHIEF FINANCIAL OFFICER

1.0 SUMMARY

- 1.1 This report outlines the financial monitoring position for the end of the 2013/14 financial year for Joint Strategic Committee, Adur and Worthing Councils. At the time of writing, the Statement of Accounts were 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 any 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 2014/15

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 61.1% and Adur's share is 38.9%.

3.0 REVENUE OUTTURN OVERVIEW

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

Summary of 4th Budget Monitoring Report			
	Joint	Adur	Worthing
	£000s	£000s	£000s
Current Budget 2013/14	20,687	9,658	14,229
Outturn	20,234	9,119	14,529
over/ (underspend)	(453)	(539)	300
over/(underspend) percentage	-2.2%	-5.6%	2.1%

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

3.2 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.

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

- Favourable FIT4 variance following opening of Splash Point
- Additional income from refuse and recycling;
- Increased investment income net of reduced borrowing cost for Adur District Council;
- Overall cost of the new joint Grounds Maintenance service greater than originally estimated
- Additional grant income for 'New Burdens'

3.0 REVENUE OUTTURN OVERVIEW

- Changes arising from the new Business Rate Retention Scheme. The grant to compensate the Council for business rate income lost from the new Small Business Relief scheme announced by the Government in the year is credited to the General Fund.
- Underachievement of investment property income
- Significant overspend in Worthing theatre activities.

3.4 The third quarter monitoring report was presented to Joint Strategic Committee on 5th March 2014.

Comparison of 3rd budget monitoring report and final outturn			
	Joint £000s	Adur £000s	Worthing £000s
Underspends reported at Quarter 3	*(388)	(325)	35
Final underspend reported	(453)	(539)	300
Difference	(65)	(214)	265
Difference expressed as a percentage of the Cabinet Member requirements - target 1%	0.3%	2.2%	1.9%

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

Significant variations from 3rd monitoring report to final outturn	Joint	Adur	Worthing
	£000s	£000s	£000s
Crematorium & Cemeteries - reduced demand for services and lower contribution from abatement scheme	-	-	109
Theatres net increase in predicted shortfall in current year. See note 4.5	-	-	311
Changes arising from the new business rate retention scheme.		(242)	(318)
Employee, Premises & Transport Insurance due to high level of claims which are self insured, partly funded from Insurance Reserves.	209	84	125
Overspend of pensions costs resulting from voluntary redundancies. In future years this is funded from salary savings.	-	43	150
Parks and Grounds Maintenance improved position see note 4.7	-	(189)	2

3.0 REVENUE OUTTURN OVERVIEW

3.6 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:

- 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 the revenue monitoring has largely met the target of 2% set, however there needs to be some improvement in the reporting of individual services. There needs to be a continued focus on budget monitoring with particular emphasis on high-risk areas.

For the past three years, the Councils have undertaken review of revenue base budgets and this exercise contributed to the savings required to meet the budget requirement between 2012/13 and 2014/15. We intend to carry out a similar exercise for 2015/16.

Details of the capital outturn for both Councils follow in Sections 7 and 8 of this report. Whilst Worthing Council's capital outturn was within the 10% of the original budget Adur Council's capital outturn was 37% below the original outturn. The reason for this is that a number of large schemes were included in the original programme which, due to further financial considerations and/or further design considerations, had to be reprofiled to future years. This reflects the inherent difficulty in accurately budgeting for large capital schemes where a number of factors can affect the timing and outturn of those schemes.

The capital outturn compared to the Quarter 3 monitoring estimates varied by 26% for Adur Council and 15% for Worthing Council. Both are outside the 5% target and resulted from i) Capital schemes not completing as expected in the last quarter of the year for both Councils and ii) Unexpected underspends arising in the 4th quarter of Worthing Council's capital programme resulting from i) The funding for one large scheme not being required and ii) Underspends from contingencies not required on the completion of other schemes.

4.0 REVENUE 2013/14 OUTTURN

4.1 The following table details variances over £100,000. A more detailed analysis is included in **Appendix 3**.

Service Area	Joint £000s (under)/ over- spend		Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Significant Variations Share of joint services allocated 40:60 to Councils *
Fit 4 Leisure Income				(766)	INCOME: Gross increased FIT4 income. See offsetting costs below. Underachievement of income due to empty properties. Shortfall in Development Control income due to market conditions Net shortfall of savings target in current year. See note 4.5 Net additional non ring fenced grants - mainly additional grant to compensate the Council for the doubling of small business relief now credited to the general fund.
Investment Properties			54	229	
Development Control			25	115	
Theatres				484	
Grants			(286)	(384)	
Total income	-		(135)	(322)	
Fit 4 Leisure				494	COSTS Higher than anticipated Domestic Rates of £95k and increased variable salary and supplies & services costs associated with generating income. Budget not required following change in accounting for MRP & Interest Overspend of pensions costs resulting from voluntary redundancies. In future years this is funded from salary savings Underspend in Adur. Shortfall of savings target in current year. See note 4.7 Investment income below expectations due to suppressed interest rates arising from Government Funding For Lending scheme. The councils have also temporarily used internal resources where available to fund the capital programme rather than borrow externally (see below). Borrowing costs below budget due to savings resulting from the use of internal resources to fund the capital programme, deferred borrowings for capital investment and reduced provision for repayment of debt
Refuse and Recycling	(258)	*	(103)	(155)	
Non Distributed costs			43	150	
Parks and Grounds Maintenance			(189)	416	
Treasury Management			129	129	
Treasury Management			(240)	(439)	

4.0 REVENUE 2013/14 OUTTURN

Service Area	Joint £000s (under)/ over- spend		Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Significant Variations Share of joint services allocated 40:60 to Councils *
Vacancy Target			236	504	The vacancy target for Worthing will be reviewed as part of the 2015/16 budget process
Vacancies Saving achieved	(588)	*	(235)	(353)	See section 4.4
Employee, Premises & Transport Insurance	209	*	84	125	High demand on self-insurance, funded from Insurance Reserves
Redundancy costs	446	*	283	164	Redundancy costs to be funded from reserves
Joint Items funded from reserves			(494)	(322)	
Total costs	(191)		(486)	713	
Other Variations Below £100K	(262)		82	(91)	
Total Variance	(453)		(539)	300	

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 In addition to the variances 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' budgets for 2013/14 (Adur £236,000 and Worthing £503,000). 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 2013/14.

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 £588,000.

4.0 REVENUE 2013/14 OUTTURN

4.4 Vacancy savings

Summary of Vacancy Savings			
	Joint	Adur	Worthing
	£000s	£000s	£000s
Salary Underspend	(588) *	(243) *	(334) *
Vacancy Target		236	504
over/ (underspend) against target	-	(7)	170
* These figures include some minor salary variances directly charged in Adur and Worthing, not just the Joint Committee underspend.			

4.5 Worthing Theatres overspend 2013/4

	(Under)/ Overspends £'000
Redundancies	68
Under-recovery on programming	218
Catering	195
Other variations	17
TOTAL	484

4.5.1 The 2013/14 outturn for Theatres is an overspend of £484,000, comprising of the main variations listed in the table above. While redundancy expenditure was £68,000 in 2013/14, this will result in savings of £50,000 per annum from 2014/15. Some of the overspend relates to savings identified in years 1 and 2 of the Theatres business plan which was incorporated into the original 2013/14 budget. Realistically, this was over ambitious and it has been addressed in the setting of the 2014/15 theatres budget by deferring the year 3 saving target until 2015/16 at the earliest.

4.5.2 Programming

The Council's programme of events had become staid and audiences were steadily declining. If this position had continued there would have been a terminal decline in the theatres. Therefore, the decision was made to radically improve the cultural offer which your officers recognised would in the short term lead to an increase in the net cost of events whilst the Council developed an improved reputation, allowing us to attract high quality performances to Worthing. This is being achieved as is evidenced by the shows that are being delivered and the substantial increase in the e-mailing list from 11,000 to 50,000 contacts.

4.0 REVENUE 2013/14 OUTTURN

4.5 Worthing Theatres overspend 2013/4

4.5.3. Catering

Following a difficult start to the year the new Catering Manager, who arrived in October, has taken control of income and expenditure as well as improving the quality of the menu and the overall customer experience. The Council should see the benefits of this in 2014/15

4.5.4 For Theatres, 2013/14 has been a further year of transition and 2014/15 will be a year of consolidation, which although challenging will see the continued improvement of the cultural offer and marked improvement to the financial position. The following will be factors in the positive change to the Theatres financial position next year:

- The programme of events for 2014/15 is very strong and sales are already very good with several events sold out in advance.
- Replacing the film officer will enable us to increase film income by over £60,000
- Dedicating a staff member to Hirings in order to make full use of the buildings, launch the wedding package and increase income.
- Growth in internet sales will allow Theatres to reduce box office staff costs
- Experienced Catering Manager is improving the catering position and maximising secondary spend in the bars
- The ticket levy has been increased to include an admin fee of 50p per ticket which will bring in an additional £70,000 income

4.6 Car Park Income underachievement

Income in Adur has declined due to a drop in demand.

The downturn in car park income within the Worthing car parks combined with the disagreement with NCP regarding the treatment of income from the Montegue Centre has meant that there has been no income share payment in 2013/14.

Members will also be aware that there has been a long running legal dispute with NCP over the tariff trial in the Worthing car parks. This has now been settled but does not show in the variance table as the cost was fully funded from reserves.

4.7 Grounds Maintenance

The final overspend for WBC Grounds Maintenance was £416k and the underspend for Adur £190k net of support costs. This proved to be just £2k more than projected in the 3rd monitoring report for Worthing and much better than anticipated for Adur.

4.0 REVENUE 2013/14 OUTTURN

4.7 Grounds Maintenance

As explained at quarter 3, the overall cost of operating the new joint Grounds Maintenance service proved to be greater than originally estimated. Job evaluation has led to higher grounds maintenance staff salaries than expected, in particular for staff being TUPE'd over from Continental Landscapes. There was also a delay in bringing in the new streamlined management structure. This has resulted in the recharge to Worthing being considerably higher than the budget available in Worthing to pay for the service.

The original savings target of £433,000 in the WBC budget included reductions in expenditure and additional receipts, previously collected by Continental Landscapes. The anticipated expenditure reductions did not materialise as commitments had already made to suppliers, and on examination, the level of income was overestimated and not achievable. Consequently the budget has been adjusted for 2014/15.

The underspend on Adur was greater than hoped and was a result of a number of factors including reduced charges from other services, greater income than anticipated and careful spending on supplies and service and maintenance.

As a result of the issues reported throughout 2013/14, the approved 2014/15 WBC Grounds Maintenance budget has been increased by £300k. The service has introduced a number of measures planned for 2014/15, also reported in the 3rd monitoring report, which aim to ensure that the expenditure will be within budget in future.

5.0 ADUR HOUSING REVENUE ACCOUNT (HRA)

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

	CURRENT ESTIMATE 2013/2014	FINAL OUTTURN 2013/2014	VARIANCE (UNDER)/ OVERSPEND 2013/2014	% (UNDER)/ OVERSPEND On gross expenditure
	£'000	£'000	£'000	
Adur Homes	30	(900)	(930)	(7.1%)

The reported outturn of £900k is provisional subject to verification from the Council's auditors that the accounting treatment applied for property revaluations is acceptable.

Under the Accounting Code of Practice, the gain or loss on non-dwelling property (garages) revaluation is required to be included in the HRA Income and Expenditure Statement.

However, transitional rules following the introduction of Self Financing from 2012/13 give the Council the discretion to reverse out of the accounts the impact of council dwelling revaluations in the first five years so that there is no impact on rent payers as a result of a technical adjustment within the accounts. This discretion does not apply to changes in the value of the non-dwelling assets in the HRA, including garages.

5.0 ADUR HOUSING REVENUE ACCOUNT (HRA)

This is significant for 2013/14 as there has been a large downward valuation of non-dwelling properties, specifically the garages. However to mitigate this impact the council has proposed not to reverse out valuation gains on Council dwellings.

It is proposed that any overall gain resulting from this change in accounting treatment is transferred to a specific reserve to deal with any future swings in the valuation of HRA assets which would help protect the long-term interests of the rent payers. The Council's auditors have indicated that this accounting treatment is acceptable, but have referred the matter to their technical team for confirmation.

5.2 The underspend of £930k for the year comprises the following headline figures:-

	(Under)/ Overspends £'000
Supervision and Management	(113)
Surveyors Costs due to slippage in Capital Programme (recharge back to revenue)	150
Income including rent and service charges	(247)
Repairs underspend	(329)
Reduction in debt charges and revenue contribution to the capital programme due to slippage in the programme.	(313)
Change in accounting treatment for depreciation	240
Reduction in provision for special services	(100)
Provision for Bad/Doubtful debts	129
Budgeted provision for Refurbishment & New Build – applied as transfer to reserves	(346)
Other Net Minor Variations	(1)
TOTAL	(930)

5.3 The year-end outturn underspend is £581k more than the underspend of £349k projected in the 3rd 2013/14 monitoring report. The overall variance arises from a number of areas explained further as follows:

- an underspend of £113k on central support service re-allocations included within Supervision and Management
- Increased costs of £150k to HRA due to slippage in capital programme and re-allocation of surveyors charges originally included in capital budget
- increased income of £247k due to there being a 53 week rent year
- an underspend of £329k on Planned and Cyclical maintenance work.
- reduced net capital charges of £73k arising from deferred borrowing and reduced incidental interest costs (£313k), offset by increased depreciation charges (£240k)
- underspends totalling £100k within Special Services relating to Sheltered Accommodation (£36k), Communal Lighting (£16k), Grounds Maintenance (£9k), 2012-13 Scanning carry forward (£14k), central allocations (£25k).

5.0 ADUR HOUSING REVENUE ACCOUNT (HRA)

- an increase in provision for bad or doubtful debts of £129k.
- Included in the budget is a contribution to the Refurbishment & New Build reserve fund (£346cr) at end of year, which is applied as a transfer to the reserves within the proposed carry forward surplus in Para 5.6 below.

5.4 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). In 2013-14, 13 properties were sold. The financial impact is detailed below:-

BREAKDOWN OF RTB RECEIPTS ALLOCATION	£
Capital receipts passed to DCLG as part of pooling arrangement	243,230
Adur Homes share of capital receipts from pooling*	399,640
Adur Homes allowable retention of capital receipts**	355,160
TOTAL CAPITAL RECEIPTS	998,030

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

** Adur Homes allowable retention of capital receipts under new RTB regulations from 1st 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 £1,183,870 of new build by Adur Homes or Adur District Council in partnership with another social housing provider.


5.5 Proposed Carry Forward to HRA Reserves

It is proposed that the HRA outturn underspend of £900k for 2013/2014 is utilised as follows.

PROPOSED CARRY FORWARD OF HRA UNSPENT BUDGETS and CONTRIBUTION TO HRA RESERVES	£'000
Proposed expenditure to improve communication and rebrand the service	10
Environmental Initiatives to help encourage positive community neighbourhoods in line with Adur Homes strategic priorities and 'Think Eastbrook'	20
Expenditure to update Leasehold database with a fully integrated up to date system to meet the needs of the Service	20

5.0 ADUR HOUSING REVENUE ACCOUNT (HRA)

5.5 Proposed Carry Forward to HRA Reserves

PROPOSED CARRY FORWARD OF HRA UNSPENT BUDGETS and CONTRIBUTION TO HRA RESERVES		
		£'000
Return to HRA Reserve of unspent balance of used Scanning Carry Forward from 2012-13		14
Contribution to New Development and Acquisition reserve		346
Contribution to Discretionary Assistance Fund		50
Contribution to Major Repairs Reserve		440
TOTAL		900

5.6 The proposed contribution of £346k to the new Development and Acquisition Reserve is in keeping with the budgeted amount included in the HRA budget strategy for setting aside resources specifically to increase capacity for the supply of affordable housing in future years. This transfer will increase the New Homes Reserve to £871k.

5.7 Similarly, the proposed transfer of £440k to the Major Repairs Reserve will bolster the resources available to finance new capital investment or repay debt, bringing the balance to £3,021k.

5.8 There is no proposal to transfer any of the surplus to the HRA Reserve (apart from returning the 2012-13 unspent Carry Forward of £14k) as the balance on this reserve already stood at £2,108k at 31st March 2013. This balance will increase to £2,122k following the return of the unspent carry forward, and is deemed to be sufficient.

5.9 Finally, it is proposed that a new reserve called the "Discretionary Assistance Fund" be established out of this year's surplus to provide financial assistance to tenants who may require support not otherwise available. A transfer of £50k is proposed to establish this fund.

6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES

6.1 Recommended Carry Forwards of Unspent Budget

Any unspent funds are placed into reserves at the year end. Budgets in respect of the following items remain unspent at 31st March 2014 and are required to complete existing initiatives in 2014/15. 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 2014/15 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

It should be appreciated that Worthing Borough Council overspent in 2013/14, consequently any carry forward approved that impacts on Worthing Borough Council will have to be funded by releasing existing funds from the capacity issues reserve.

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

6.1 Recommended Carry Forwards of Unspent Budget

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.

Proposed Carry Forward of unspent Budgets within the Joint Strategic Committee			
	Adur share	Worthing share	TOTAL
	£	£	£
IT Systems Support Resilience work within IT Systems Support Team, including updating Access databases from 2003 to 2010, job knowledge sharing and succession planning	8,370	12,550	20,920
Leisure Development Balance of National Lottery funding for National Play Day event	350	530	880
Purchase of Racing Wheelchair for Wheelchair Racing Group	240	360	600
Recycling and Waste Management Purchase of bins for the increased number of new builds and extra recycling	14,000	21,000	35,000
Purchase of electric bin lifts for two new refuse/recycling vehicles - this will result in fuel savings	5,600	8,400	14,000
Energy Management Balance of the budget allocated to the Energy Switch project to pump prime each forthcoming scheme. Expenditure of £820 in 2013-14 resulted in income of approximately £700. Areas with fuel poverty and deprived neighbourhoods will be targeted.	1,670	2,510	4,180

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
	£	£	£
Training			
Corporate training budget to be used for the Chief Executive's plans for widening the remit of training and creating a series of new initiatives of organisational development	6,000	9,000	15,000
Qualification training budget to be used as above	7,800	11,700	19,500
Community Planning			
Funding to run a small grant scheme for Community Greenspaces	800	1,200	2,000
TOTAL FOR JOINT STRATEGIC COMMITTEE SHARED BETWEEN ADUR & WORTHING	44,830	67,250	112,080

Adur District Council:

Proposed Carry Forward of Unspent Budgets within Adur District Council	
	£
Democratic Services	
Funding for Code of Conduct investigation	7,500
Chairman's planned events from April to June and phone bills for the period	750
Economic Regeneration	
Concessions income ring-fenced to fund infrastructure improvements for future concessions	1,230
Wellbeing	
Balance of Adur Wellbeing grants to be allocated during the 2014/15	26,190

6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES

6.1 Recommended Carry Forwards of Unspent Budget

Adur District Council:

Proposed Carry Forward of Unspent Budgets within Adur District Council	
	£
Corporate	
Pot of Gold - Project is being completed by ADC and has slipped but will complete in early summer	1,880
Pot of Gold - Esteem project near completion	900
Adur Homes	
One-off expenditure to improve communication and rebrand the service	10,000
Environmental initiatives to encourage positive community neighbourhoods in line with Adur Homes strategic priorities and "Think Eastbrook"	20,000
Contribution to 2014-15 Capital required to update Leasehold database to a fully integrated package	20,000
TOTAL FOR ADUR DISTRICT COUNCIL	88,450

Worthing Borough Council:

Proposed Carry Forward of Unspent Budgets within Worthing Borough Council	
	£
Leisure Services	
Capital report approved revenue contribution to capital for spinning bikes	28,800
New post of Business Development Officer to generate new business over and above the cost of the post	29,780
Economic Regeneration	
Income from Concessions is ring-fenced to fund infrastructure improvements for future concessions	9,540

6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES

6.1 Recommended Carry Forwards of Unspent Budget

Worthing Borough Council:

Proposed Carry Forward of Unspent Budgets within Worthing Borough Council	
	£
Democratic Services	
Planned Mayoral expenditure from April to June and phone bills for the period	1,200
Corporate	
The Money Tree - Project started late and therefore will finish late	730
The Money Tree - continuation of last year's pilot	14,250
Museum	
Funding to open Museum Café (invest to save) and Sunday opening hours staffing costs	4,000
TOTAL FOR WORTHING BOROUGH COUNCIL	88,300

6.2 Recommended Carry Forwards of 2013/14 Approvals to Use Reserves

The following unspent items have been approved for 2013/14 and were planned to be funded from reserves. It is recommended that these approvals to utilise reserves are carried forward from 2013/14 to 2014/15. ***No transfer to reserves is required as the funds have been previously set aside.***

Joint Strategic Committee:

Proposed Carry Forward of unspent Budgets within the Joint Strategic Committee (not yet spent and previously approved)			
	Adur share	Worthing share	TOTAL
	£	£	£
Health and Safety			
Funds required for Risk Assessment for Town Hall carried out by external consultant	800	1,200	2,000
Development Management			
Budget is required for the back scanning of several years of documents, delayed due to contractual issues. New Ways of Working means that the filing space must be released.	8,000	12,000	20,000
TOTAL FOR JOINT STRATEGIC COMMITTEE SHARED BETWEEN ADUR & WORTHING	8,800	13,200	22,000

6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES

6.2 Recommended Carry Forwards of 2013/14 Approvals to Use Reserves

Adur District Council:

Proposed Carry Forwards (not yet spent and previously approved) - Existing Reserves	
	£
Economic Regeneration Income from Concessions to be ring-fenced to fund infrastructure improvements for future concessions	1,550
Energy Management Funding unspent from previous years for generic energy projects & sustainability issues	4,920
TOTAL FOR ADUR DISTRICT COUNCIL	6,470

Worthing Borough Council:

Proposed Carry Forwards (not yet spent and previously approved) - Existing Reserves	
	£
Economic Regeneration Income from Concessions is ring-fenced to fund infrastructure improvements for future concessions	6,210
Energy Management Funding unspent from previous years for generic energy projects & sustainability issues	4,140
TOTAL FOR WORTHING BOROUGH COUNCIL	10,350

6.3 Movements and Use of Reserves


As part of the 2013/14 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.

For 2013/14, both authorities drew down on reserves to fund redundancy costs. For Adur the delay in the sale of the Civic Centre combined with the subsequent decision to continue to use the Civic Centre as the Civic Presence was one of the more substantial items funded from the reserves. For Worthing a payment was made to a 3rd party contractor as part of an ongoing legal dispute. 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:

TRANSFERS TO GENERAL FUND EARMARKED RESERVES AND PROVISIONS 2013/14		
	£	£
Committed contribution to reserves		
• Grants Carried Forward	214,800	
• Contributions To Capital	52,600	
• Self-insurance charges and proposed contributions	30,000	297,400
Contribution to reserves from 2013/14 underspend:		
Carry Forward requests from the Joint Strategic Committee to Capacity Issues Reserve (see para. 6.1)	44,830	
Carry Forward requests to Capacity Issues Reserve (see para. 6.1)	88,450	
Special and Other Emergency Expenditure Reserve	100,000	
Insurance Reserve	100,000	
Balance to be placed in Capacity Issues Reserve	206,150	
New contributions to reserves recommended for approval		539,430
Total Recommended Contributions to Reserves		836,830

In 2013/14 there was an unusually high level of insurance claims that required funding. It is recommended that £100,000 be transferred to the insurance fund to replace the funding used.


An additional contribution of £100,000 is requested to the Special and Other Emergency Expenditure Reserve which will be used to cover future risks. These can include legal costs, pension 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 £858,770 which, at 8.9% of net expenditure of £9,680,420 is within the range of 6%-10% set by the Council. In addition the Council would retain earmarked revenue reserves of £2.941m (excluding revenue grants reserve), a decrease of £0.132m over 31st March, 2013. The full listing of earmarked reserves is attached as **Appendix 2b**.

6.0 CARRY FORWARD OF GENERAL FUND BUDGETS AND TRANSFERS TO RESERVES

6.4 Movements and Use of Reserves

Worthing Borough Council:

TRANSFERS TO EARMARKED RESERVES			
	£	£	
Committed contributions to reserves			
• Grants Carried Forward	10,910		
• Budgeted contribution to the Capacity Issues Reserve	50,350		
• Contributions To Museum Reserve	1,870		
• Self-insurance charges and proposed contributions	30,700		
• Crematorium Improvement	45,720		
• Theatre Ticket Levy	70,280		
Total Recommended Contributions to Reserves			209,830


If all the proposals in the above table are adopted, Worthing Borough Council General Fund Working Balance will reduce to £843,630 which, at 5.9% of net expenditure of £14,254,430 is just below the range of 6%-8% set by the Council. In addition the Council would retain earmarked revenue reserves of £3.345m (excluding revenue grants reserve), a reduction of £1.285m over 31st March, 2013. 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 £6,770,000. Subsequent approvals and reprofiling of budgets to 2014/15 produced a total current budget of £6,026,420.


7.2 Actual expenditure in the year totalled £4,046,272, a reduction of £1,980,148 on the current estimate, comprising of net slippage of £1,494,050 and a net underspend of £486,098. Individual Portfolio expenditure was as follows:

7.0 ADUR CAPITAL OUTTURN - ALL PORTFOLIOS


 PORTFOLIOS	Current Estimate £	Actual Outturn £
General Fund Other Services:		
C.M. for Environment	450,200	365,358
C.M. for Health and Well-Being	463,790	515,494
C.M. for Customer Services		
- General Fund	190,480	160,025
- Adur Homes Capital Investment Prog'me	3,996,180	2,327,765
C.M. for Regeneration		
- Affordable Housing (LASHG)	-	-
- Other Housing	448,900	277,980
- Other Schemes	31,410	37,685
C.M. for Resources	445,460	361,965
TOTAL	6,026,420	4,046,272

7.3 The Major scheme variations are listed in **Appendix 5** of this report.

7.4 Adur capital expenditure in 2013/14 was financed as follows:-

 PORTFOLIOS	£	£
General Fund Schemes Financing:		
Usable Capital Receipts		
- General	-	
- Ring-fenced	86,881	86,881
Prudential Borrowing	961,851	
Government Grants	308,368	
Other Contributions	73,724	
S106 Contributions	70,868	
Revenue Contributions / Reserves	216,814	1,631,625
TOTAL GENERAL FUND CAPITAL FINANCED		1,718,506

7.0 ADUR CAPITAL OUTTURN - ALL PORTFOLIOS

 ADUR HOMES	£	£
Adur Homes Capital Investment Programme Financing		
Revenue Contributions / Reserves	2,087,902	
Capital Receipts	100,000	
Leaseholder Contributions	109,224	
Interest Free Loan	10,989	
Government Grants	19,651	
TOTAL ADUR HOMES CAPITAL FINANCED		2,327,766
TOTAL OVERALL CAPITAL FINANCED		4,046,272

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 £186,881 capital receipts in the funding of the 2013/14 capital programme.

7.6 The remaining usable capital receipts held at 31st March, 2014 totalled £2,033,074. To be utilised as follows:

- Shoreham Renaissance £628,917
- Affordable Housing (LASHG) £140,476
- HRA Ring-fenced for new build £1,263,681

7.7 Proceeds from sale of assets in 2013/14 are analysed in **Appendix 7**.

7.8 Approval is requested to carry over to 2014/15 and bring forward from 2014/15 certain budgeted expenditure where spending patterns have changed since the 3rd Quarter Monitoring, as detailed in **Appendix 5**.

	Carried Forward To 2014/15 £
Cabinet Member Environment	89,710
Cabinet Member for Customer Services	
- General Fund	5,000
- Adur Homes Capital Investment Programme	1,279,510
Cabinet Member for Health & Wellbeing	3,050
Cabinet Member for Regeneration	103,630
Cabinet Member for Resources	64,170
TOTAL CARRIED FORWARD TO 2014/15	1,545,070

7.0 ADUR CAPITAL OUTTURN - ALL PORTFOLIOS

	Brought Forward to 2013/14 £
Cabinet Member for Environment	17,610
Cabinet Member for Customer Services - General Fund	900
Cabinet Member for Health and Well-being	24,580
Cabinet Member for Regeneration	7,930
TOTAL BROUGHT FORWARD TO 2013/14	51,020
NET CARRY OVER TO 2014/15	1,494,050

In addition to the carry forward of existing budgets to finish approved projects in 2014/15, permission is also sought to carry forward funding from the 2013/14 underspend for the following:

7.9 Lower Beach (Riverside) Car Park Enhancements

Detailed design work, following consultation with West Sussex County Council has delayed the start of the scheme and resulted in an estimated £60,000 overspend on the project costs, resulting in a total scheme cost of £510,000. In addition WSCC have reduced their £200,000 contribution to £143,000. However, the Council has uncommitted S106 Transport receipts totalling £126,178 which could fund the estimated overspend of £117,000. Council officers have been liaising with WSCC regarding the allocation of S106 receipts to fund the shortfall, and WSCC have advised that the use of these S106 receipts will not have an adverse impact on funding schemes identified by the CLC in Adur as priorities or schemes identified on the community issues list.

It is recommended that S106 funding of £117,000 is approved to fund the estimated overspend and that the additional scheme costs and funding are included in the 2014/15 Capital Investment Programme. The allocation of this funding would enable the works to commence July 2014 and complete by December 2014.


7.10 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 2013/2014, it is recommended that a provision for a new budget of £60,000 is carried forward to 2014/2015 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 £6,770,000. Subsequent approvals and reprofiling of budgets to 2014/2015 produced a total current budget of £5,978,610.

8.2 Actual expenditure in the year totalled £5,025,073, a reduction of £953,537 on the revised estimate, comprising of a net slippage of £700,670 and a net underspend of £252,867. Individual Portfolio expenditure was as follows:

 PORTFOLIOS	Revised Estimate £	Actual Outturn £
General Fund Other Services:		
C.M. for Environment	2,919,240	2,490,747
C.M. for Health and Well-Being	8,500	7,630
C.M. for Customer Services		
- Affordable Housing	50,000	50,000
- Other Housing	920,000	721,998
- Other Schemes	178,130	117,854
C.M. for Regeneration	188,600	102,799
C.M. for Resources	1,714,140	1,534,045
TOTAL AS PER CURRENT BUDGET	5,978,610	5,025,073

8.3 Major scheme variations are listed in **Appendix 6**.

8.4 Worthing capital expenditure in 2013/14 was financed as follows:-

	£	£
Usable Capital Receipts		
- Affordable Housing	50,000	
- Other General Fund	180,000	
		230,000
Prudential Borrowing	4,088,667	
S106 Contributions	20,000	
Government Grants	476,261	
Other Contributions	61,984	
Revenue Contributions	148,161	4,795,073
TOTAL CAPITAL FINANCED		5,025,073

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 £230,000 usable capital receipts in the funding of the 2013/14 capital programme.

8.0 WORTHING CAPITAL OUTTURN - ALL PORTFOLIOS

8.6 Approval is requested to carry over to 2014/15 and bring forward from 2014/15 certain budgeted expenditure where spending patterns have changed since the 3rd Quarter Monitoring, as detailed in **Appendix 5**.

	Carried Forward To 2014/15 £
Cabinet Member Environment	428,750
Cabinet Member for Customer Services	101,900
Cabinet Member for Health and Wellbeing	870
Cabinet Member for Regeneration	96,600
Cabinet Member for Resources	140,330
TOTAL CARRIED FORWARD TO 2014/15	789,650

	Brought Forward to 2013/14 £
Cabinet Member for Environment	14,780
Cabinet Member for Customer Services	1,000
Cabinet Member for Resources	52,000
TOTAL BROUGHT FORWARD TO 2013/14	67,780
NET CARRY OVER TO 2014/15	700,670

8.7 The reasons for the slippage in the capital investment programme have been analysed in **Appendix 6**.

8.8 In addition to the carry forward of existing budgets to finish approved projects in 2014/15, permission is also sought to carry forward funding from the 2013/14 underspend for the following schemes to be included in the 2014/15 Capital Investment Programme.

8.9 Davisons Leisure Centre – Emergency Boiler Replacements

The Council has an agreement with West Sussex County Council to contribute 60% of the costs of maintaining the Davisons Leisure Centre. WSCC have advised the Council that the following works need to be undertaken as a matter of urgency:

- (i) Replacement of the existing boilers with two floor standing condensing boilers complete with boiler pump kits and vertical flues. The replacements will require the existing pipe work and electrics to be modified to suit the new boilers. Total cost £24,983.

8.0 WORTHING CAPITAL OUTTURN - ALL PORTFOLIOS

8.9 Davisons Leisure Centre – Emergency Boiler Replacements

- (ii) Replacement of the existing hot water cylinder in the cleaner's cupboard with a 500 lit unvented HSC cylinder and fit an unvented kit on the existing hot water cylinder in the store room (old hall). These works will also require modification of the existing pipe work and electrics. Total cost £9,311.

The Council's 60% cost of the above works is £21,000 and it is recommended that these works are included in the 2014/15 Capital Investment Programme funded from 2013/14 capital underspends.

8.10 Splash Point Leisure Centre – Purchase of additional turnstiles in the fitness suite and a cover for the paddling pool

The new Splash Point Leisure Centre was completed and opened in May 2013 and additional requirements have now been identified as follows:

- (i) Additional turnstiles in the fitness suite.
- (ii) A pool cover for the paddling pool.

The cost of the above equipment is £30,000 and it is recommended that these purchases are included in the 2014/15 Capital Investment Programme funded from 2013/14 capital underspends.

8.11 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 2013/14, it is recommended that a provision for a new budget of £60,000 is carried forward to 2014/15 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.

8.12 The remaining usable capital receipts held at 31st March, 2014 totalled £4,187,361. To be utilised as follows:

- Ring-fenced for Coast Protection £88,800
- Ring-fenced for Affordable Housing (RTB Clawback Receipts) £4,094,865
- Ring-fenced for Empty Property grants and loans. £3,696

8.13 The balance on the General Fund Capital Expenditure Reserve at 31st March, 2014 is £73,158.

8.14 Proceeds from sale of assets in 2013/14 are analysed in **Appendix 8**.

9.0 MINIMUM REVENUE PROVISION (MRP) REQUIREMENT 2013/14 AND DEBT POSITION

MRP Requirement for 2013/14

- 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 2013/14 were considered by the Joint Strategic Committee at its meeting of 28 March 2013. 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 21st February 2013.
 - For Worthing Borough Council - at the meeting of 19th February 2013.
- 9.3 For both Councils no changes were made to the methodologies for charging MRP in 2013/14 from that applied in the previous year. For Adur, the MRP policy includes voluntary revenue provisions to be set aside for the repayment of housing debt to create borrowing headroom for future HRA capital investment, given that central Government has imposed a debt ceiling under the HRA Self-financing regime. Worthing does not have an HRA.
- 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 2013/14. 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).
- 9.5 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 1st 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 2013/14 relates to borrowing incurred up to and including 31st March, 2013.

9.0 MINIMUM REVENUE PROVISION (MRP) REQUIREMENT 2013/14 AND DEBT POSITION

MRP Requirement for 2013/14

9.8 By applying the approved methodologies, described in paragraph 9.5, the following MRP determinations have been provided for in the 2013/14 accounts:

- For Adur District Council: £2,467,205.53 (£750,298.44 for General Fund, £1,716,907.09 for HRA)
- For Worthing Borough Council : £883,625.00

Debt Position at 31 March 2014

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 as Worthing does not have an HRA it therefore does not operate a two pool approach.

CFR v Long Term Debt Position at 31 March 2014	Adur District Council			Worthing BC
	General Fund	HRA	Total	General Fund Total
	£	£	£	£
Actual Long term Debt 01/04/13	13,205,320	66,687,042	79,892,362	14,720,792
New Long term Debt Raised in year	27,891	10,989	38,880	87,890
Long Term Debt Repaid in Year	(17,766)	(1,704,649)	(1,722,415)	(11,886,473)
Actual Long Term Debt 31/03/14	13,215,445	64,993,382	78,208,827	2,922,209

9.0 MINIMUM REVENUE PROVISION (MRP) REQUIREMENT 2013/14 AND DEBT POSITION

Debt Position at 31 March 2014

CFR v Long Term Debt Position at 31 March 2014	Adur District Council			Worthing BC
	General Fund	HRA	Total	General Fund Total
	£	£	£	£
Capital Financing Requirement (CFR)	11,029,957	65,253,458	76,283,415	23,759,369
(Over) / Under Borrowing	(2,029,957)	260,076	(1,925,412)	20,837,160
HRA Debt Limit	N/A	68,912,000	68,912,000	N/A
HRA Borrowing Headroom (Debt Limit – Actual Debt)	N/A	3,918,618	3,918,618	N/A

- 9.12 In addition to the amounts reported in the Table above, Worthing also held temporary borrowing of £11.8m at 31 March 2014 which will mature fully by 30 September 2014. This will most likely be refinanced as new temporary borrowing as the existing loans mature pending the receipt of the sale proceeds for the Aquarena site. Adur did not hold any temporary borrowing at 31 March 2014.
- 9.13 For Adur Council the General Fund is over-borrowed by approximately £1.9m while the HRA is under-borrowed by £260k. 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, so that any under or over borrowing at that time was fully attributed to the General Fund.
- 9.14 The HRA under borrowed position is largely due to the HRA share of accumulated debt repaid since 1 April 2012. As the General Fund was over-borrowed at this date, and remains so at 31 March 2014, Capital expenditure has been predominantly funded from internal cash surpluses (i.e. internal borrowing, rather than through new external sources of Prudential Borrowing). Therefore, the only new borrowing for both the HRA (£11k) & General Fund (£28k) in 2013/14 has been interest free loans for Salix energy efficiency schemes.
- 9.15 Conversely, Worthing is under-borrowed by £20.84m and reflects the cumulative impact over a number of years of consistently using internal borrowing as a cheaper source of funding capital investment. This has been a prudent measure in the climate of historically low interest rates to reduce the “cost of carry” (i.e. the difference between the interest charged on new borrowing compared to the interest foregone on cash balances used to fund capital expenditure that would otherwise have been invested).

10.0 PERFORMANCE MONITORING

This report sets out the latest progress on key performance indicators.

Key Performance Indicators

1. % of household waste sent for reuse, recycling and composting

	2012/13 Q4	2013/14 Q4	2013/14 Q3
Adur	33.79%	30.91%	29.38%
Worthing	34.15%	34.00%	29.54%
Targets	38.5%	38.5%	38.5%

The medium term trend for recycling rates has been reducing for some time. There are a number of factors believed to be responsible for this including the light weighting of materials by manufacturers, the reduction of junk mail/ free newspapers and the general state of the economy which has led to householders not buying as many luxury items as they once did. Waste analyses by WSCC suggest that capture rates of material remain very high, suggesting that further recycling is not available to collect.

2. Kilograms of residual household waste per household (Less is best)

2012/13		2013/14 (2012/13 Figures)				
			Adur		Worthing	
Adur	470	January	482	(476)	497	(492)
Worthing	483	February	489	(472)	493	(488)
Target	500	March	478	(469)	491	(483)
		April	502	(508)	485	(503)
		Targets	500	(500)	500	(500)

The average amount of residual waste collected per household has remained little changed for the last few years and tends to fluctuate between 470 and 500 kilos per year.

3. Council Tax Collection (Quarter 4)

	2012/13	2013/14 Q4
Adur	97.71%	97.51%
Worthing	97.87%	97.70%
Targets	97.50% (A) 98.00% (W)	97.50% (A) 98.00% (W)

At 1 April 2014 the collection rates for 2013/14 are slightly lower than at the same period in 2012/13 which is primarily attributable to the teams experiencing a higher volume of outstanding work than in previous years.

10.0 PERFORMANCE MONITORING

Key Performance Indicators

4. Business Rates (Quarter 4)

	2012/13	2013/14 Q4
Adur	96.17%	97.78%
Worthing	96.95%	97.80%
Targets	97.00% (A) 95.00% (W)	Yearly Targets 97.00% (A) 98.00% (W)

At 1 April 2014 the Adur and Worthing collection rates for 2013/14 have improved against the 2012/13 collections.

5. Sickness Rates (Quarter 4)

2012/13 Average	2013/14 Q1	2013/14 Q2	2013/14 Q3	2012/13 Q4	2013/14 Average
6.79 days	1.14 days	1.37 days	2.66 days	1.71 days	6.94 days

6. Council Tax Support Payments

Worthing

2013/14 CTS Budget = £7.7 million

2013/14 CTS Payments = £7,048,780.77 at 31 March 2014

Adur

2013/14 CTS Budget = £5,218,690

2013/14 CTS Payments = £4, 975, 483.25 at 31 March 2014

Most payments are made at the start of the financial year and are now accounted for in the Collection Fund.

7. Corporate Contact Centre Quarter 4 – Key Performance Targets

	Q1 2013/14	Q2 2013/14	Q3 2013/14	Q4 2013/14
Call Volumes	56,738	61,670	50,656	55,416
Call abandonment rate Target – 5%	16.13%	20.9%	10.04%	4.5%
Service Level Target – 80%	93.29%	92.13%	91.13%	95.6%
Joint call and wrap up time Target - <5minutes	4.69 minutes	4.51 minutes	4.59 minutes	4.50 minutes

10.0 PERFORMANCE MONITORING

Key Performance Indicators

7. Corporate Contact Centre Quarter 4 – Key Performance Targets

Abandoned Call - This indicator covers a call which the customer terminates before being answered (after waiting 5 seconds).

Service Level – This indicator covers the percentage of calls answered that were done so in 20 seconds.

Average call and wrap time – This indicator covers the time taken to complete the call to a customer and the subsequent notations.

Points of Note – Failure Demand Analysis underway and targeting all areas of service in an attempt to reduce unnecessary demand.

March included periods without systems for some service areas and an increase in demand as a result of correspondence (Garden Waste Service, Council Tax Billing, Benefit Summaries and Adur Benefit Summaries).

March 2014 saw the abandon rate drop by 15% compared to this time last year (during the period of highest demand).

Abandon Rates for Revs and Bens for March; Revs 2.8%, Bens 4.3% and in Q4 Revs 2.6% and Bens 5.3%.

8. Planning Applications statistics

The latest Planning Performance statistics for Q4 2013/14 are set out below. These show the percentage of Planning applications dealt with inside the Government timescales (13 weeks for major applications and 8 weeks for minor and other applications).

2013/14	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Adur				
Majors	33%	50%	50%	67%
Minors	67%	68%	63%	65%
Others	77%	79%	77%	79%
Worthing				
Majors	0%	20%	43%	83%
Minors	68%	63%	64%	82%
Others	74%	74%	74%	80%

10.0 PERFORMANCE MONITORING

Key Performance Indicators

9. **Work Experience Opportunities within Adur & Worthing Councils (for 18-24 year olds): Arranged by Work Experience Coordinator**

The scheme has successfully received funding from DWP for a second year starting April 2014. We achieved last year's target of 90 placements, with 49 candidates placed in different council departments and 41 with partners covering sectors including sport and activities, electronics, IT, charities and faith organisations. There has only been a small number of candidates who have dropped out of the scheme, running at less than 10%. Of those who have completed, we have maintained an average of over 50% of candidates going into work within 3 months, with a further 20% continuing to volunteer whilst they look for employment. We have extended the scheme from its initial 18-24 age range to anyone over 18, including those with additional physical and emotional needs.

See attached **Appendix 9**.

11.0 CONCLUSION

- 11.1 The overall underspend for Adur is most welcome at this time to help the Councils manage the challenging financial climate which they are currently grappling with.
- 11.2 Of more concern is the overspend within Worthing Borough Council. This has been an extremely difficult year financially, the underperformance of key services has led to an overspend for the first time in many years. This combined with the use of reserves to fund a major legal case means that the reserves have reduced by £1.5m. Clearly this is not sustainable in the longer term. The Council has already taken action with respect to Grounds Maintenance and increased the budget by £300,000. In addition, a new budget monitoring regime has been introduced focussing on areas of key concern which will be the subject of more intensive scrutiny over the coming months. Progress will be regularly reported to members.
- 11.3 Both Adur and Worthing Councils' have considerable underspends in their 2013/14 capital programmes, which has resulted in a reduced borrowing requirement and the consequent costs of this have been reduced in the revenue budget. However, both Councils' have required considerable in year reprofiling of capital budgets to 2014/15 and unexpected year end slippage has also been requested. This reflects the inherent difficulty in accurately budgeting for capital schemes where, due to the complex nature of a capital acquisition, a number of factors can affect the timing and outturn of those schemes.

12.0 RECOMMENDATIONS

12.1 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

12.2 The Joint Strategic Committee is asked to recommend that Adur District Council, at its Council meeting on 17th July, 2014 and Worthing Borough Council at its Council meeting on 15th July 2014:-

- (a) NOTE the overall final outturn for 2013/14;
- (b) AGREE the net carry over of revenue budget to 2014/15 where the original approval for 2013/14 was not utilised which will be funded from the Capacity Issues Reserve as set out in paragraph 5.6 (HRA), 6.1 and 6.2 (General Fund) totalling:-

Adur District Council - HRA	£50,000
Adur District Council	£139,750
Worthing Borough Council	£165,900

- (c) AGREE the net carry over of General Fund Capital underspends, as detailed in paragraph 7.8, 7.10, 8.8, 8.9, 8.10 and 8.11.
- (d) APPROVE the appropriation of the net under-spend in General Fund revenue expenditure in the year to reserves as detailed in paragraph 6.3 for Adur District Council of £539,430
- (e) APPROVE a contribution for Adur District Council from the 2013/14 HRA surplus to:
 - i) Adur Housing New Development and Acquisition Reserve of £346,060 being the original budgeted amount; Paragraph 5.6.
 - ii) Major Repairs Reserve of £440,000 to supplement the resources available for new capital investment and repayment of debt; Paragraph 5.6
 - iii) HRA Reserve of £14,100 being the unspent balance for Scanning Carry Forward from 2012-13
- (f) APPROVE the creation for Adur District Council of a new HRA Discretionary Assistance Fund to provide financial support to tenants, and establish the reserve by transferring £50,000 from the 2013/14 surplus paragraph 5.6
- (g) Approve the creation for Adur District Council of a new HRA revaluation reserve which is to be used to manage the impact of changes to the value of the HRA assets.

12.0 RECOMMENDATIONS

- (h) **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
- (i) **Note** the use of S106 receipts to fund the 2013/2014 Capital Investment Programme, as previously approved, set out in paragraph 7.4 and 8.4.
- (j) **APPROVE** the use of Adur District Council S106 receipts as set out in paragraph 7.9.

SARAH GOBEY

**Chief Finance Officer
and Section 151 Officer**

Local Government Act 1972

Background Papers:

Reports to the Joint Overview and Scrutiny and Joint Strategic Committee

Revenue Budget 2013/14 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

Contact Officer:

Jo-Anne Chang-Rogers - Finance Manager

Direct Dialling No: (01903) 221232

Email: jo-anne.chang-rogers@adur-worthing.gov.uk

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.

2013/14 FINAL REVENUE OUTTURN JOINT SUMMARY

	ORIGINAL ESTIMATE 2013/14	CURRENT ESTIMATE 2013/14	OUTTURN 2013/14	(UNDER)/ OVERSPEND 2013/14
	£	£	£	£
Financial Services	3,379,480	3,372,980	3,457,808	84,828
Technical Services	5,138,320	5,626,206	5,617,871	(8,334)
Planning Regen & Well	3,543,040	3,570,404	3,454,751	(115,654)
Recycling and Waste Management	4,390,880	4,521,970	3,942,181	(579,789)
Customer Services	1,676,380	1,686,740	1,630,585	(56,155)
Corporate & Cultural	2,220,700	2,202,580	2,277,504	74,924
Housing Health & Community Safety	3,184,430	3,203,410	2,990,130	(213,280)
Chief Executive & Corporate Strategy	1,067,860	1,072,860	1,219,671	146,811
Adur Homes	110,490	110,490	91,943	(18,547)
TOTAL SERVICES	24,711,580	25,367,640	24,682,444	(685,196)
ALLOCATION OF COSTS Recharged to other joint ser	(4,024,800)	(4,680,860)	(4,449,050)	231,810
	20,686,780	20,686,780	20,233,394	(453,386)
Grants Reserves			(52,444)	(52,444)
Adur District Council	(8,128,430)	(8,128,430)	(7,851,385)	277,045
Worthing Borough Council	(12,558,350)	(12,558,350)	(12,329,565)	228,785
TOTAL SERVICE BLOCK ALLOCATIONS	(20,686,780)	(20,686,780)	(20,233,394)	453,386

CIVIC BUDGET 2013/2014

Summary of Final Revenue Outturn

CABINET MEMBER PORTFOLIOS	ORIGINAL BUDGET 2013/2014	CURRENT ESTIMATE 2013/14	OUTTURN 2013/14	Notional Capital Charges Variance	Support Service Recharge Variances	Under / Over Spend Excluding Support and Capital Charges
	£	£	£			
<i>CM for Environment</i>	3,377,650	3,388,290	3,094,548	106,163	104,221	(504,127)
<i>CM for Health & Wellbeing</i>	989,420	1,061,136	1,080,917	(398)	(51,464)	71,643
<i>CM for Customer Services</i>	1,059,200	1,081,200	1,004,129	5,440	8,390	(90,900)
<i>Leader</i>	556,480	613,843	562,756	-	(16,844)	(34,243)
<i>CM for Regeneration</i>	1,803,590	1,814,690	2,143,932	610	(1,566)	330,198
<i>CM for Resources</i>	2,116,660	2,089,410	2,941,864	882	(311,667)	1,163,239
<i>Support Service Holding Accounts</i>	389,890	407,185	5,331	86,493	268,931	(757,279)
<i>Budget vired to HRA</i>		29,730				(29,730)
Total Cabinet Members	10,292,890	10,485,484	10,833,476	199,190	-	148,802
<i>Credit Back Depreciation</i>	(1,499,980)	(1,499,980)	(1,300,790)	(199,190)	-	398,381
<i>Minimum Revenue Provision</i>	847,280	853,480	750,298	-	-	(103,182)
<i>Additional Non Ring Fenced Grants</i>	-	-	(295,731)	-	-	(295,731)
<i>Financial Instrument Adjustment</i>	-	-	1,869	-	-	1,869
	9,640,190	9,838,984	9,989,123	(0)	-	150,139
Transfer to/from reserves:						
<i>Contribution to/from reserves</i>	(5,940)	(5,940)	(157,005)	-	-	(151,065)
<i>Revenue Contributions To Capital Expenditure</i>	-	-	20,842	-	-	20,842
<i>Transfer from reserves to fund specific expenditure (Incl. carry forwards)</i>	-	(176,794)	(736,143)	-	-	(559,349)
<i>Capacity Issue Reserve</i>	24,170	24,170	24,170	-	-	-
Net Underspend Recommended For Transfer To Reserves			539,433	-	-	539,433
TOTAL BUDGET REQUIREMENT BEFORE EXTERNAL SUPPORT FROM GOVERNMENT	9,658,420	9,680,420	9,680,420	(0)	-	0


Vired from external grant funding

(22,000)

9,658,420

Recommended Additional Carry Forwards	88,445
Recommended Additional Carry Forwards from Joint Service Share	44,830
Recommended transfer to Insurance Reserve	100,000
Contribution to Special and Other Emergency Expenditure Reserve	100,000
Balance of Net Underspend available to transfer to Capacity Issues Reserve	206,158

539,433

				APPENDIX 2b	
 EARMARKED REVENUE RESERVE ACCOUNTS		Opening Balance 2013/14	Decrease in 2013/14	Increase 2013/14	Closing Balance 2013/14
		Capacity Issues Fund including General Fund Carry Forward Reserve		2,056,872	
-	Carry forward from 2010/11 Dial-a-Ride Grant (subject to conditions) JSC 21/06/2012		(6,000)		
-	Capital: Streetscene improvements (29/11/2011 - JSC/060/11-12)		(40,380)		
-	Big Society initiatives (JSC 29th September 2011) Now to be Fuel Switching (JSC 11/06/13)		(510)		
-	Pot of Gold (04/07/2013 JSC/026/13-14)		(55,954)		
-	Contribution to Coastal West Sussex (24/01/2013 JSC/091/12-13)		(9,000)		
-	Events Budget (27/09/11 JSC/038/11-12)		(9,000)		
-	New Ways of Working Project (28/02/12)		(74,461)		
-	Re the delay in sale of the Civic Centre (28/02/13 JSC/109/12-13)		(107,012)		
-	Contribution to external organisation to run Adur Festival (26/07/12 JSC/026/12-13) agreed for 3 years		(4,290)		
-	CAPITA Single Person Discount review (26/07/12 JSC/028/12-13)		(2,061)		
-	Redundancy costs re Grounds Maint restructure (27/09/12 JSC/049)		(29,232)		
-	To fund secondment for work on EDRMS, 2 years 2013/14 and 2014/15 (28/02/2013 JSC/110/12-13)		(17,657)		
-	Open Space Strategy (26/07/12 JSC/034/12-13)		(9,200)		
-	Impact of Public Service Network requirements (7/11/13 JSC/057/13-14) - revenue costs		(46,000)		
-	Partnership and Business Support Manager post (7/11/13 JSC/058/13-14 40% share)		(12,260)		
-	Redundancies agreed at JSC various		(31,823)		
-	Redundancy costs re Management Team restructure (07/01/2014 JSC)		(122,706)		
-	Compulsory Purchase for Shoreham Beach Boardwalk (6/2/14 JSC/104/13-14)		(12,500)		
-	Transfer from minor reserves			1,092	
Carry Forwards agreed JSC 11/06/2013:					
Adur share of Joint			(8,385)		
Adur Carry Forwards			(57,528)		
-	Budgeted contribution to Reserves			24,170	
Contributions to reserves from 2013/14 underspend:					
-	Carry forward requests from JSC			44,830	
-	Adur Carry forward requests			88,445	
-	Underspend to be placed in Capacity Issues Reserve			306,158	
					1,865,608
Insurance Fund		127,117	(97,442)	130,000	159,675
New Technology Fund: JSC/057/13-14 impact of Public Service Network		37,300	(15,000)		22,300
Local Plan (Adur) and PDG		191,548	(51,072)		140,476
Partnership Development Fund		66,561			
-	Salary funding 6 months (JSC/091 24/01/2013)		(14,550)		52,011
Community Alarm		8,020	(8,020)		-
Health & Safety		32,545			32,545
Investment Property Maintenance Fund		68,387			
-	Revenue maintenance programme		-		68,387
Building Maintenance Fund		150,810			
-	Revenue maintenance programme				150,810
Grants & Contributions held in reserves		440,838	(397,388)	214,800	258,249
Performance Reward Grant Fund		26,398			26,398
Election Reserve		10,380			10,380
Special & Other Emergency Reserve		250,000		100,000	350,000
Vehicle Repair and Renewal Reserve		29,203			29,203
	Others (all under £10,000): transfer of minor balances to Capacity Issues Reserve	18,416	(1,092)		
JSC/057/13-14 impact of Public Service Network - use IT Disaster Recovery Fund			(2,873)		14,451
General Fund Reserve		858,770			858,770
TOTALS		4,373,165	(1,243,396)	909,495	4,039,264


CIVIC BUDGET 2013/2014
Summary of Final Revenue Outturn

CABINET MEMBER PORTFOLIOS	ORIGINAL BUDGET 2013/14	CURRENT ESTIMATE 2013/14	OUTTURN 2013/14	Notional Capital Charges Variance	Support Service Recharge Variances	Under / Over Spend Excluding Support and Capital Charges
	£	£	£			
<i>Leader</i>	903,110	915,445	942,708	(370)	(57,084)	84,717
<i>CM for the Environment</i>	4,109,260	3,884,820	4,099,286	401,023	(35,887)	(150,669)
<i>CM for Health & Wellbeing</i>	1,399,200	1,390,590	1,419,297	400	(35,279)	63,586
<i>CM for Customer Services</i>	3,844,960	4,042,540	4,692,848	6,440	71,014	572,854
<i>CM for Regeneration</i>	2,575,880	2,662,457	2,538,060	30,083	16,950	(171,430)
<i>CM for Resources</i>	2,890,680	2,546,060	4,161,817	(288,580)	(116,168)	2,020,504
<i>Holding Accounts</i>	616,730	820,575	(40,700)	143,934	156,454	(1,161,663)
Total Cabinet Member	16,339,820	16,262,487	17,813,316	292,930	0	1,257,899
<i>Credit Back Depreciation</i>	(2,877,240)	(2,877,240)	(2,584,760)	(292,930)		585,409
<i>Minimum Revenue Provision</i>	732,240	1,088,040	883,625			(204,415)
<i>Additional Non Ring Fenced Grants</i>	0	0	(384,434)			(384,434)
	14,194,820	14,473,287	15,727,747	0		1,254,460
Transfer to/from reserves:						
<i>Contribution to reserves</i>	(15,740)	(15,740)	(148,572)			(132,832)
<i>Transfer from reserves to fund specific expenditure</i>	0	(253,467)	(1,075,835)			(822,368)
<i>Capacity Issue Reserve</i>	50,350	50,350	50,350			0
Transfer to/ (from) working balances			(299,260)			(299,260)
Total Budget requirement before External Support from Government	14,229,430	14,254,430	14,254,430	0		(0)

vired from external grant funding

(25,000)

14,229,430

 Earmarked Revenue Reserve Accounts		Opening Balance 2013/14	Decrease 2013/14	Increase 2013/14	Closing Balance 2013/14
		£	£	£	£
Capacity Issue Reserve		2,701,902			
-	BID Levy		(7,000)		
-	Participatory Budgeting Project (21 June 2012 JSC/14/11-12) added £10,000 approved for 13/14 (7/11/13 JSC/061/13-14)		(10,021)		
-	Invest to save schemes (Theatres) (26/07/12 JSC/035/12-13) *C		(68,078)		
-	Reimbursement of funding for faulty Pavilion electronic signage			10,037	
-	Big Society initiatives (JSC 29th September 2011: £5k per year for 2012/13 and 2013/14) £5k now to be Fuel Switching (JSC 11/06/13)		(2,392)		
-	Splash Point net cost of investment		(83,440)		
-	New Ways of Working Project (28/02/12)		(83,967)		
-	CAPITA Single Person Discount review (26/07/12 JSC/028/12-13)		(13,992)		
-	Programme Manager 6 months (24/01/2013 JSC)		(14,550)		
-	Contribution to Coastal West Sussex (24/01/2013 JSC/091/12-13)		(9,000)		
-	Funding for secondment for work on EDRMS, 2 years 2013/14 and 2014/15 (28/02/2013 JSC/110/12-13)		(26,485)		
-	Funding for Citizens' Advice Bureau for 2013/14 and 2014/15 (28/03/2013 JSC/125/12-13) conditions apply		(18,500)		
-	Impact of Public Service Network requirements (7/11/13 JSC/057/13-14) - revenue costs		(52,000)		
-	Open Spaces Strategy (26/07/12 JSC/034/12-13)		(13,800)		
-	Partnership and Business Support Manager post (7/11/13 JSC/058/13-14)		(18,390)		
-	Preparation costs for WBC in-house car parks service (3/12/13 JSC/072/13-14)		(34,830)		
-	Redundancies agreed at JSC various		(78,453)		
-	Redundancy Costs for restructure of Management Team (7/1/14 JSC)		(96,108)		
Expenditure funded from approved carry forwards from 2012/13 agreed JSC 11/06/2013 (see next tab)					
	Worthing share of Joint carry forwards		(21,454)		
	Worthing carry forwards		(94,927)		
-	Budgeted contribution to reserves			50,350	
					2,014,902
Crematoria Abatement		60,000	(60,000)		0
Crematorium Improvement *C		0	(45,721)	45,721	0
Insurance Reserve					
-	Net use of insurance reserve	491,858	(86,800)	30,700	435,758
Joint Health Promotion Reserve		29,582	(7,726)		21,856
Leisure Lottery & Other Partnerships *C		77,767			77,767
Museum reserve		110,308		1,873	112,181
Theatre Ticket Levy		0	(43,214)	70,278	27,064
Planning Delivery Grant		134,362	(10,000)		124,362
Special & Other Emergency Reserve		642,080	(492,654)		149,426
Grants & Contributions		589,694	(55,445)	10,907	545,156
VAT exemption liability					
-	Palatine Pavilion	211,860			211,860
Vehicle Repairs & Renewal		97,000			97,000
Capital Expenditure Reserve *C		73,158			73,158
General Fund Working Balance		1,142,885		(299,260)	843,625
TOTAL		6,362,456	(1,548,947)	(79,393)	4,734,116

Appendix 3c

Service Area	Joint £000s (under)/ over- spend		Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations over £10k Share of joint services allocated 40:60 to Councils *
Home Improvement Assistance			11	39	INCOME: There has been a significant drop in the number and value of DFG applications received over the past 12 months which is expected to result in a significant reduction in the anticipated fee income for Home Improvement Assistance
Homelessness			18		Underachievement of income
Homelessness Management			70	10	Additional rental income offset by bad debt write offs.
Fit 4 Leisure				(766)	Increased FIT4 income. See offsetting costs below.
Income Investment Properties			54	229	Underachievement of income due to empty properties.
Southern Pavilion of Pier				34	25 year lease agreed and tenancy commenced 2/1/2014 and tenant granted a rent free period of 7 months
Housing & Health	19	*	8	11	Income dependent on weather conditions, local pest infestations etc.
Pest Control					
Income Engineers	(20)	*	(8)	(12)	Additional income from Coastal Survey Works
Electoral Registration			(29)		
Land Charges				(78)	Predicted income will exceed budget.
Corporate Information	(21)	*	(8)	(13)	Additional income from new Street Naming & Numbering charging service.
Crematorium & Cemeteries				49	Shortfall in memorial income as Memorial gardens being purchased instead.
Ditch Clearing			(10)		Additional income recharged for ditch clearance work
Reprographics	41	*	16	25	Reprographics income shortfall - print room budget under-achieved
Building Control	11	*	4	7	Under recovery of income from medium sized jobs reduced in last Quarter. Joint income shortfall from Added Value Services.
Coast Protection				21	This transfer is no longer done therefore income budget not required
Council Tax Collection				(23)	Increased income from Court costs following more strict policy on follow up.

Service Area	Joint £000s (under)/ over- spend		Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations over £10k Share of joint services allocated 40:60 to Councils *
Community Alarm			51		Shortfall in income partly due to loss of WSCC grant
Community Wellbeing	(13)	*	(5)	(8)	Additional income from Leisure Development activities
Community Safety	(30)	*	(12)	(18)	Additional income from WSCC for Community Safety
Development Control			25	115	Shortfall in Development Control income due to market conditions
Housing Benefit			47		Overpayment recovery underachieved budget mainly due to write-offs made during the year.
Housing Benefit			72		Adjustment to 2012/13 Housing Benefit following audit findings after closure of accounts
Parks			(23)		Income from parks and facilities greater than anticipated in Adur.
Parking Services			83	90	Relates to budgeted share of turnover income that is not reaching the threshold and an on-going contractual dispute in Worthing and shortfall of penalty notices and parking income in Adur.
Recycling	(85)	*	(34)	(51)	Increase in Garden Bin take up over and above predicted income and additional bin refurbishment fees.
Theatres				484	Net shortfall of savings target in current year. See note 4.6
Trade Waste				(84)	
Council Tax Benefit scheme			69	55	Additional Council Tax Support scheme costs funded by matching grant
Grants			(286)	(384)	Additional non ring fenced grant-mainly small business relief
Total income	(98)		113	(268)	
Fit 4 Leisure				494	COSTS Higher than anticipated Domestic Rates of £95k and increased variable salary and supplies & services costs associated with generating income.
Crematorium				(59)	Reduction in rateable value
Homelessness			(10)		Reduction in repair costs relating to private sector leases
Community Alarm			(13)		Equipment underspend
Public Toilets			16	40	Under provision for cleaning budget (contract is being re-tendered) and cleaning contract uplifted as per agreement yearly since commencement, all nappy/sani bins inc in this contract

Service Area	Joint £000s (under)/ over- spend	*	Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations over £10k Share of joint services allocated 40:60 to Councils *
Refuse and Recycling	(258)	*	(103)	(155)	Budget not required following change in accounting for MRP & Interest
Street Sweeping	(79)	*	(32)	(47)	Budget for leases no longer required due to replacement vehicles purchased via borrowing
Chief Executive	18	*	7	11	Recruitment costs of appointing for new Chief Executive
Development Control				(43)	Budget not fully utilised this year, but is required for 2014/15 to support development activity.
Development Control	(22)	*	(9)	(13)	Software maintenance costs shared with other Councils
Discretionary Rate Relief			(27)	(59)	Discretionary Rate Relief now included in the Business Rate Retention scheme for NDR Collection Fund
Environmental Health - Domestic out of hours service			(15)		A service provider has not yet been appointed and out of hours services have been provided by ad hoc and pre planned visits by in-house staff
Public Health				(15)	Underspend on equipment and
Economic Regeneration - Street Scene			13		Expenditure is overspent and there will be an income shortfall due to poor market conditions and high maintenance costs offset by from local projects.
Land Charges				36	Settlement cost with personal search companies for charges wrongly imposed in earlier years
Local Elections			(10)		Underspent as no local election apart from some by-elections.
Licensing				23	Licences and income are dependent on events outside of the Authorities control and Overestimation of demand for Hackney Carriage licensing.
Homelessness			11	26	Increased expenditure paid in advance to secure emergency accommodation to comply with statutory duties
Planning Policy				(58)	Local Development Framework studies now likely to take place in 2014/15.
Beach Huts and Chalets				18	Rates budget is understated and will need to increase for 2014/15
Southern Pavilion of Pier				46	Self insured flood damage insurance claim
Tourism				(21)	Waterfront improvements, Tourism business training and niche campaigns have been funded jointly through the EU Seaeconomics project

Service Area	Joint £000s (under)/ over- spend		Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations over £10k Share of joint services allocated 40:60 to Councils *
Trade Waste				16	New Rabbit contract price increase was above inflationary allowance made
Rent Allowances			(76)		Un used budget for Revenues & benefits following code rationalisation (offered as saving in 14-15) offset by slight overspend from Census R&B contract offset by New Burdens Grants received
Census	25	*	10	15	Overspend on CENSUS
Corporate	(12)	*	(5)	(7)	IT equipment saving
Information					
Business	(12)	*	(5)	(7)	IT equipment saving
Services					
Web Team	(12)	*	(5)	(7)	Underspend on Web and Intranet costs as more work has been done in-house
Training	(35)	*	(14)	(21)	Underspend on qualification training
Building	21	*	8	13	Overspend on building maintenance
Maintenance					
Equipment,	(48)	*	(19)	(29)	cross cutting variances
Stationery,					
Postage &					
Consultancy					
Cleaning	(73)	*	(29)	(44)	Reduced cleaning costs due to New Ways of Working
Vehicle Fuel	(52)	*	(21)	(31)	Lower than expected vehicle fuel costs, mainly in Joint Refuse
Vehicle	(59)	*	(24)	(35)	Reduced vehicle maintenance, mainly in Trade & Cleansing, due to recent replacement of vehicles.
Maintenance					
Travel Expenses	(37)	*	(15)	(22)	Underspend on travel expenses
Conference	(11)	*	(4)	(7)	Underspend on conference expenses
Expenses					
Uniform &	(30)	*	(12)	(18)	Underspend on uniform & laundry, largely in AWS
Laundry					
Non Distributed costs			43	150	Overspend of pensions costs resulting from voluntary redundancies. In future years this is funded from salary savings
Non Distributed costs				69	Un-budgeted rates and de-commissioning costs of Aquarena
Parks and			(189)	416	Underspend in Adur. Shortfall of savings target in current year. See note 4.8
Grounds					
Maintenance					
Treasury			129	129	Investment income below expectations due to suppressed interest rates arising from Government Funding For Lending scheme
Management					

Service Area	Joint £000s (under)/ over- spend		Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Variations over £10k Share of joint services allocated 40:60 to Councils *
Treasury Management			(240)	(439)	Borrowing costs below budget due to deferred borrowings for capital investment and reduced provision for repayment of debt
Energy	(11)	*	(4)	(7)	Gas & Electricity across Joint services
Vacancy Target			236	504	The vacancy target for Worthing will be reviewed as part of the 2015/16 budget process
Vacancies Saving achieved	(588)	*	(235)	(353)	See section 5.0
Redundancy costs not funded from reserves	63		25	38	
Employee, Premises & Transport Insurance Restructure	209	*	84	125	High demand on self-insurance, funded from Insurance Reserves
Redundancy costs Office Accommodation	48	*	35	13	Recruitment costs of appointing new directors funded from reserves
Costs related to Public Service Network requirements	446	*	283	164	Redundancy costs to be funded from reserves
Joint Items funded from reserves	40	*	40		Overspend on Rates at Civic Centre and others as building is to remain occupied as Adur's Civic presence. To be funded from reserves
	98	*	39	59	
Total costs	(371)		(631)	586	
Other Variations Below £10K	16		(21)	(18)	
Total Variance	(453)		(539)	300	

**ADUR HOUSING REVENUE ACCOUNT**

	ORIGINAL ESTIMATE 2013/14	CURRENT ESTIMATE 2013/14	OUTTURN 2013/14	(UNDER)/ OVERSPEND
	£	£	£	£
EXPENDITURE				
General Management	2,383,740	2,657,690	2,694,241.80	36,552
Special Services	977,010	775,160	674,871.79	-100,288
Rent, Rates, Taxes & Other Charges	20,700	29,190	26,849.08	-2,341
Repairs & Maintenance	2,412,900	2,091,740	1,762,491.18	-329,249
Revenue Contribution to Capital	1,950,000	1,950,000	1,950,000.58	1
Provision for refurbishment and new build	346,060	346,060	89,756.43	-256,304
Charges for Capital / Interest Repayment/Debt Management Expenses	2,831,500	2,831,500	2,519,000.65	-312,499
Depreciation transfer to MRR Inc Non Op assets	2,000,000	2,000,000	2,150,180.00	150,180
Bad/Doubtful Debt	-	-	128,683.58	128,684
TOTAL EXPENDITURE	12,921,910	12,681,340	11,996,075.09	(685,265)
INCOME				
Dwelling Rents	(11,575,730)	(11,551,760)	-11,825,472.38	-273,712
Non-Dwelling Rents	(525,580)	(527,680)	-470,286.76	57,393
Heating Charges	(100,430)	(69,330)	-65,902.46	3,428
Leaseholder's Service Charges	(114,720)	(100,000)	-82,741.74	17,258
Other Service Charges	(557,490)	(359,440)	-382,607.46	-23,167
Contributions towards Expenditure	(19,960)	(15,400)	-17,056.58	-1,657
Interest Received	(28,000)	(28,000)	-52,205.24	-24,205
TOTAL INCOME	(12,921,910)	(12,651,610)	-12,896,272.62	-244,663
NET (SURPLUS)/DEFICIENCY	-	29,730	-900,197.53	-929,927.53
HRA REVENUE BALANCES				
1st April	(2,108,313)	(2,108,313)	(2,108,313)	
31st March	(2,108,313)	(2,138,043)	(2,122,313)	

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
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						
	2013/2014 (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 Works Completed In Advance of Budget Profile £	6 Slippage required for 2014/2015 schemes £	7 TOTAL £
CABINET MEMBER FOR CUSTOMER SERVICES Information and Communications Technology Contribution to CenSus Partnership Schemes - 2013/2014 schemes completed: PSN accreditation, Citrix VDI and network switch replacement. Some of the hardware purchases were completed from the NWoW budget resulting in an underspend.	(17,815)								
Contribution to CenSus Partnership Scheme - Provision of a disaster recovery service 2013/2014 works complete. Slippage requested for a contingency for further partnership works.	(11,228)	5,000						5,000	5,000

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
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CABINET MEMBER FOR CUSTOMER SERVICES (Continued)									
Adur Homes Capital Investment Programme Elements of the programme were initially delayed by procurement difficulties which has resulted in further slippage of the kitchen and bathroom replacements programme and roofing works. In addition the demand for boiler replacements has been lower than anticipated. The Fishersgate communal works and the smoke detection programmes will be continuing into 2014/2015.	(1,668,414)	1,279,510			1,279,510				1,279,510
Miscellaneous Minor Variations	(1,412)	(900)	(900)						(900)
TOTAL - Customer Services	(1,698,869)	1,283,610	(900)	-	1,279,510	-	-	5,000	1,283,610
Slippage C/f to 2014/2015	1,284,510								
Budget B/f from 2014/2015	(900)								
Net (Underspend)/Overspend	(415,259)								

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

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CABINET MEMBER FOR THE ENVIRONMENT Car Parks Lower Beach (Riverside) enhancements Detailed design work, following consultation with WSCC has delayed the start of the scheme and resulted in an estimated £60,000 overspend. In addition WSCC have reduced their £200,000 contribution to £143,000. It is recommended that uncommitted S106 Transport receipts are allocated to this scheme; WSCC have advised that this will not have an adverse impact on funding schemes identified by the CLC in Adur as priorities or schemes identified on the communities issues list. Tenders are to be sent out at the end of May 2014, start on site is anticipated July 2014, with completion estimated by the end of December 2014.	13,639	(13,640)					(13,640)		(13,640)

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
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CABINET MEMBER FOR THE ENVIRONMENT (Continued)									
Car Parks (Continued)									
Southwick Square car park renewal of boundary wall Tenders have been received over budget, resulting from specialist works that were difficult to estimate when the budget was agreed. Additional £10,000 has been vired from underspends within the Environment Portfolio to fund the overspend.	(34,550)	34,550			34,550				34,550
Compliance Service									
Replacement of 2 vehicles One vehicle has now been delivered and the second vehicle's delivery is imminent.	(11,200)	11,200			11,200				11,200
Parks									
Croft Avenue Rest Gardens Project Scheme approved by Council in November 2014. Works are in progress with completion anticipated by the end of May 2014. Works were initially delayed by the requirement to agree the design and start date with the external funder.	(11,564)	11,560	11,560						11,560

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
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	2013/2014 (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 Works Completed In Advance of Budget Profile £	6 Slippage required for 2014/2015 schemes £	7 TOTAL £
CABINET MEMBER FOR THE ENVIRONMENT (Continued)									
Parks									
<i>Southwick Recreation Ground - Refurbishment of hard surfaces</i> Start on site estimated end of April 2014 with completion anticipated June 2014.	(22,496)	22,500			22,500				22,500
Miscellaneous Minor Variations	(18,671)	5,930		2,130	7,770		(3,970)		5,930
TOTAL - Environment	(84,842)	72,100	11,560	2,130	76,020	-	(17,610)	-	72,100
Slippage C/f to 2014/2015	89,710								
Budget B/f from 2014/2015	(17,610)								
Net (Underspend)/Overspend	(12,742)								

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

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CABINET MEMBER FOR HEALTH AND WELLBEING									
Community Centres									
<i>Shoreham Community Centre - Extension works to provide an Adur Civic Presence in the Adur District</i>	11,063	(11,060)					(11,060)		(11,060)
Demolition of the CAB building complete. The start of the main works have been delayed until the end of May/June 2014 due to redesign of internal areas. The Joint Strategic Committee 6th May 2014 have approved additional funding of £679,000.									
Foreshore									
<i>Southwick Beach - Promenade resurfacing</i>	15,000	(11,000)	(11,000)						(11,000)
Works complete. A revenue contribution of £4,000 and 2014/2015 budget b/f to fund additional works to correct voids in the concrete which were revealed during construction, caused by the exceptionally wet winter.									

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CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

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	2013/2014 (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 Works Completed In Advance of Budget Profile £	6 Slippage required for 2014/2015 schemes £	7 TOTAL £
CABINET MEMBER FOR HEALTH AND WELLBEING (Continued)									
Foreshore									
Strategic Monitoring Project for the South East - Phase 3									
Five year on-going project, which is funded by the Environment Agency, and administered by New Forest District Council.	21,506								
Miscellaneous Minor Variations	4,135	530			3,050		(2,520)		530
TOTAL - Health & Well-Being	51,704	(21,530)	(11,000)	-	3,050	-	(13,580)	-	(21,530)
Slippage C/f to 2014/2015	3,050								
Budget B/f from 2014/2015	(24,580)								
Net (Underspend)/Overspend	30,174								

ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

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	2013/2014 (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 Works Completed In Advance of Budget Profile £	6 Slippage required for 2014/2015 schemes £	7 TOTAL £
CABINET MEMBER FOR REGENERATION Housing Renewal Assistance Discretionary Home Repair Grants 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.	(14,328)								
Mandatory Disabled Facilities Grants 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. However, there are outstanding commitments of £152,377 at 31st March 2014 and slippage is requested to fund commitments that are not funded from budget already reprofiled to 2014/2015.	(148,322)	102,380	102,380						102,380

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

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	2013/2014 (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 Works Completed In Advance of Budget Profile £	6 Slippage required for 2014/2015 schemes £	7 TOTAL £
CABINET MEMBER FOR REGENERATION (Continued)									
Miscellaneous Minor Variations	(1,995)	(6,680)	(6,680)						(6,680)
TOTAL - Regeneration	(164,646)	95,700	95,700	-	-	-	-	-	95,700
Slippage C/f to 2014/2015	103,630								
Budget B/f from 2014/2015	(7,930)								
Net (Underspend)/Overspend	(68,946)								

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

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	2013/2014 (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 Works Completed In Advance of Budget Profile £	6 Slippage required for 2014/2015 schemes £	7 TOTAL £
CABINET MEMBER FOR RESOURCES Information and Communications Technology Corporate ICT Hardware/Infrastructure Replacement Programme Some purchases of monitors and equipment have been funded from the NWoW project, resulting in an underspend. The data centre air conditioning replacement has been rescheduled to 2014/2015. Slippage is also requested for Wide Area Networks for the CenSus Partnership.	(72,751)	26,720			26,720				26,720
Desktop ICT VDI Project This scheme was progressed as part of the NWoW project and has now completed.	(16,534)								

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

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	2013/2014 (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 Works Completed In Advance of Budget Profile £	6 Slippage required for 2014/2015 schemes £	7 TOTAL £
CABINET MEMBER FOR RESOURCES (Continued) Information and Communications Technology (Continued) Electronic Document and Records System The EDRMS programme is progressing well. Additional services are moving towards the use of I@W and it is anticipated additional scanners will soon be needed at Commerce Way, Worthing Crematorium and possibly Worthing Museum. The EDRMs programme will continue throughout 2014/15 and as services are brought on board their scanning will also be evaluated. Slippage is requested to accommodate this rolling programme.	(11,958)	11,960			11,960				11,960
NWoW ICT Requirements This project included the purchase of workstation ICT equipment which has reduced the ICT requirements of other 2013/2014 ICT schemes. This has resulted in the following underspends: CenSus Partnership Schemes £17,815, Corporate Hardware ICT replacements £27,231 and the Desk Top Energy Saving Scheme £16,534 which offset the overspend on this scheme.	73,617								

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
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	2013/2014 (Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Outside the Council's control £	2 Contractor delays £	3 Internal delays* £	4 Con- sul- ta- tion with lease- holders £	5 Works Completed In Advance of Budget Profile £	6 Slippage required for 2014/2015 schemes £	7 TOTAL £
CABINET MEMBER FOR RESOURCES (Continued)									
Properties									
<i>Building Services - Replacement of operational vehicles</i>	(10,249)								
Underspend resulted from the procurement process.									
<i>Commerce Way - Contribution to new boilers</i>	(20,000)	20,000			20,000				20,000
The emergency replacement of the boilers was approved by the Joint Strategic Committee on 5 March 2014. Quotes are currently being obtained for replacement in June 2014.									
<i>Commerce Way Depot - Contribution to new drainage system</i>	(22,659)								
The scheme has completed. Underspend revealed during the tendering process.									

**ADUR DISTRICT COUNCIL FINAL ACCOUNTS 2013/2014
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

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	2013/2014 (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 Works Completed In Advance of Budget Profile £	6 Slippage required for 2014/2015 schemes £	7 TOTAL £
CABINET MEMBER FOR RESOURCES (Continued)									
Miscellaneous Minor Variations	(2,959)	5,490	5,490						5,490
TOTAL - Resources	(83,495)	64,170	5,490	-	58,680	-	-	-	64,170
Slippage C/f to 2014/2015	64,170								
Budget B/f from 2014/2015	-								
Net (Underspend)/Overspend	(19,325)								
TOTALS - ALL CABINETS	(1,980,148)	1,494,050	100,850	2,130	1,417,260	-	(31,190)	5,000	1,494,050
Slippage C/f to 2014/2015	1,545,070								
Budget B/f from 2014/2015	(51,020)								
Net (Underspend)/Overspend	(486,098)								

* 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 2013/2014
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CABINET MEMBER FOR CUSTOMER SERVICES <i>Mandatory Disabled Facilities Grants</i> 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 has reduced over the last 2 years and has resulted in an underspend in 2013/2014 of £181,927. The reduced demand has been reflected in the 2014/2015 budget of £750,000. However, £50,000 slippage has been requested to allow for demand fluctuations in 2014/2015.	(181,927)	50,000						50,000	50,000
Theatres <i>Improvements funded from Theatres Restoration Levy</i> Pavilion Theatre - carpeting complete. Denton Lounge replacement tills - complete. Pavilion curtains and lighting replacements have been delayed by the need to work around performances but will complete by November 2014.	(13,786)	13,790			13,790				13,790

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CABINET MEMBER FOR CUSTOMER SERVICES (Continued) Theatres Box Office System Replacement The new box office system is installed and working well. A new payment gateway (PDQ supplier) had to be identified due to problems with the original supplier and the contract is in place. Installation followed by the purchase of ticket readers is ongoing with completion anticipated December 2014.	(12,240)	12,240		12,240					12,240
Pavilion Theatre and Montague Place - Replacement of electronic signage Both signs have been replaced and are currently operational. However, the signage in Montague Street is not working satisfactorily and the Council has secured a reduction in the cost. It is requested that the remaining budget is carried forward to replace the Montague sign.	(10,038)	9,290		9,290					9,290

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CABINET MEMBER FOR CUSTOMER SERVICES (Continued)									
Theatres (Continued)									
Denton Lounge - Flooring Covering Replacements	(15,714)	15,710			15,710				15,710
Floor coverings almost complete. Slippage requested for covers for seating at Denton Lounge.									
Miscellaneous Minor Variations	(24,574)	(130)			870		(1,000)		(130)
TOTAL - Customer Services	(258,278)	100,900	-	21,530	30,370	-	(1,000)	50,000	100,900
Slippage C/f to 2014/2015	101,900								
Budget B/f from 2014/2015	(1,000)								
Net (Underspend)/Overspend	(157,378)								

WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2013/2014
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CABINET MEMBER FOR THE ENVIRONMENT									
Beach House Park									
<i>Pavilions - Renew electrical mains and rewiring in old and new pavilions</i>	(43,000)	43,000			43,000				43,000
Works have been delayed by other higher priority schemes taking precedence. Works now to be undertaken in 2014/2015.									
Car Parks									
<i>Replacement of barrier and pay equipment</i>	(282,780)	282,780			282,780				282,780
Following approval by the Joint Strategic Committee in December 2013, the equipment has been ordered for delivery and installation by the end of June 2014.									
Cemeteries									
<i>Durrington Cemetery - Initial assessment of works to provide additional burial space</i>	(13,205)	13,210			13,210				13,210
Land survey and concept design completed. Bore hole testing needs to be undertaken, and any works arising from the tests, prior to the main construction scheme.									

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2013/2014
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CABINET MEMBER FOR THE ENVIRONMENT (Continued)									
Compliance Service Replacement of 2 vehicles <p>One vehicle has now been delivered and the second vehicle's delivery is imminent.</p>	(16,800)	16,800			16,800				16,800
Crematorium Replacement of Cremators and Mercury Abatement Equipment <p>All works have now been completed. Final account is still to be agreed with the contractor and the estimated overspend could reduce. The current overspend is within permitted parameters.</p>	13,374								
Field Place Provision of equipment to improve conference facilities <p>Installation of wi-fi and equipment was installed in 3 of the 5 areas by end of March. Other areas were unable to complete due to existing bookings, which delayed access to instal the equipment. All works have now completed.</p>	(17,477)	17,480			17,480				17,480

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2013/2014
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CABINET MEMBER FOR THE ENVIRONMENT (Continued) Parks and Open Spaces <i>Palatine Park - Provision of a new pavilion</i> The scheme completed in 2012/2013 and final invoices have now been paid resulting in an underspend.	(17,911)								
Parks and Open Spaces <i>Pond Lane Recreation Ground - Footway and access improvements</i> Design work has started and drawings have been prepared. However, issues with gas services and utilities are holding up the works,	(23,520)	23,520	23,520						23,520
Parks and Open Spaces <i>Pond Lane Recreation Ground - Pavilion roof renewal</i> The project has been delayed by other higher priority schemes taking precedence. Works are now planned for summer 2014.	(16,500)	16,500			16,500				16,500

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CABINET MEMBER FOR THE ENVIRONMENT (Continued)									
Miscellaneous Minor Variations	(10,674)	680	(6,070)	3,625	11,835		(8,710)		680
TOTAL - Environment	(428,493)	413,970	17,450	3,625	401,605	-	(8,710)	-	413,970
Slippage C/f to 2014/2015	428,750								
Budget B/f from 2014/2015	(14,780)								
Net (Underspend)/Overspend	(14,523)								

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2013/2014
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						
	2013/2014 (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 2014/2015 Schemes £	7 TOTAL £
CABINET MEMBER FOR HEALTH AND WELLBEING									
Miscellaneous Minor Variations	(870)	870			870				870
TOTAL - Health, Safety & Well-Being	(870)	870	-	-	870	-	-	-	870
Slippage C/f to 2014/2015	870								
Budget B/f from 2014/2015	-								
Net (Underspend)/Overspend	-								

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2013/2014
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						
	2013/2014 (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 2014/2015 Schemes £	7 TOTAL £
<p>CABINET MEMBER FOR REGENERATION</p> <p>Foreshore Seafront Regeneration Programme - £300,000 funded from WSCC Kickstart Grant</p> <p>The overall scheme is progressing well with individual elements of the project completed and the majority of the works anticipated to complete by June 2014. Slippage is requested to complete i) Provision of new electricity supply to seafront café ii) Conversion of beach chalets to artists studios iii) Water feature in "The Gap" iv) Flood lighting for sand/volleyball court v) Refurbishment of Windsor Road shelter.</p>	(81,730)	81,730		40,865	40,865				81,730
<p>Foreshore Strategic Monitoring Project for the South East Phase 3</p> <p>Five year on-going project, which is funded by the Environment Agency, and administered by New Forest District Council.</p>	10,530								

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2013/2014
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						
	2013/2014 (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 2014/2015 Schemes £	7 TOTAL £
CABINET MEMBER FOR REGENERATION (Continued) Regeneration <i>Purchase and installation of new beach huts</i> Planning approval has been received for 25 beach huts which, due to the location of the sites approved, will be built to rent out. Tenders have been received and PID approval has been submitted for works to be undertaken prior to the summer season.	(14,870)	14,870			14,870				14,870
Miscellaneous Minor Variations	270								
TOTAL - Regeneration	(85,801)	96,600	-	40,865	55,735	-	-	-	96,600
Slippage C/f to 2014/2015	96,600								
Budget B/f from 2014/2015	-								
Net (Underspend)/Overspend	10,799								

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2013/2014
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

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<p>CABINET MEMBER FOR RESOURCES Information and Communications Technology <i>Contribution to CenSus Partnership Scheme</i> <i>- Provision of a disaster recovery service</i></p> <p>The CenSus Partnership have progressed this scheme and slippage is requested as a contingency for further works.</p>	(11,228)	5,000			5,000				5,000
<p>Corporate Hardware/Infrastructure Replacement Programme Some purchases of monitors and equipment have been funded from the NWoW project, resulting in an underspend. The data centre air conditioning replacement has been rescheduled to 2014/2015. Slippage is also requested for Wide Area Networks for the CenSus Partnership.</p>	(27,560)	30,130			30,130				30,130
<p>Desktop Energy Saving Scheme This scheme was progressed as part of the NWoW project and has now completed.</p>	(12,581)								

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CABINET MEMBER FOR RESOURCES (Continued) Information and Communications Technology (Continued) Electronic Document and Records System The EDRMS programme is progressing well. Additional services are moving towards the use of I@W and it is anticipated additional scanners will soon be needed at Commerce Way, Worthing Crematorium and possibly Worthing Museum. The EDRMs programme will continue throughout 2014/15 and as services are brought on board their scanning will also be evaluated. Slippage is requested to accommodate this rolling programme.	(13,485)	13,480			13,480				13,480
NWOW ICT Requirements This project is now complete and included the purchase of workstation equipment which has reduced the spend on other ICT schemes, resulting in underspends. The remainder of the overspend is offset by the underspend on the NWoW Town Hall and Portland House refurbishment.	77,176								

WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2013/2014
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

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CABINET MEMBER FOR RESOURCES (Continued)									
Properties									
<i>NWOW Portland House and Town Hall Refurbishment</i> All refurbishment works have completed. Slippage is requested for a new generator for the Town Hall.	(118,372)	60,000			60,000				60,000
<i>Commerce Way - Contribution to new boilers</i> Scheme approved by the Joint Strategic Committee 5 March 2014. Quotes being obtained for replacement in June 2014.	(10,000)	10,000			10,000				10,000
<i>Commerce Way Depot - Contribution to new drainage system</i> The scheme has completed. Underspend revealed during the tendering process.	(14,421)								
<i>Misc Property - 2 The Waterfront (23 Eirene Road)</i> The tenant has accepted a new property in Shoreham and the property was vacated on 12th May. The funding is not now required as the property will be sold.		(52,000)				(52,000)			(52,000)

**WORTHING BOROUGH COUNCIL FINAL ACCOUNTS 2013/2014
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE**

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CABINET MEMBER FOR RESOURCES (Continued)									
Properties (Continued)									
<i>Meadow Road - Safety improvements to road layout</i> Works have started on site but have been delayed by UK Gas works. Completion estimated June 2014.	(21,716)	21,720	21,720						21,720
Miscellaneous Minor Variations	(27,909)								
TOTAL - Resources	(180,095)	88,330	21,720	-	118,610	(52,000)	-	-	88,330
Slippage C/f to 2013/2014	140,330								
Budget B/f from 2013/2014	(52,000)								
Net (Underspend)/Overspend	(91,765)								
TOTALS - ALL CABINETS	(953,537)	700,670	39,170	66,020	607,190	(52,000)	(9,710)	50,000	700,670
Slippage C/f to 2014/2015	768,450								
Budget B/f from 2014/2015	(67,780)								
Net (Underspend)/Overspend	(252,867)								

* 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 2013/14
Analysis of Capital Receipts

	£	£
A. General Fund		
1. Sales of Land and Other Assets*:	-	
2. Grant Repayments: Housing Renewal Grants	5,633	
		5,633
B. Housing Revenue Account		
1. Council House Sales: Houses and Flats	996,965	
2. Loan Repayments: Council House Mortgages	1,066	
3. Less Pooling Requirement	(243,231)	754,800
TOTAL CAPITAL RECEIPTS		760,433

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

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

FINAL ACCOUNTS 2013/14		
Analysis of Capital Receipts		
	£	£
A. General Fund		
1. Sales of Land and Other Assets*: 2 Bedford Row	180,000	
		180,000
B. Housing Receipts (Ringfenced)		
1. Council House Sales: RTB Clawback Receipt	141,532	
2. Loan Repayments: Council House Mortgages Housing Act Advances	1,180 167	
3. Empty Property Grant Repayments: Grant Repayments	3,696	
		146,575
TOTAL CAPITAL RECEIPTS		326,575
*Sale of Land and Other Assets:		
The Council has exchanged on the sale of the Aquarena but the sale is subject to Planning Permission.		

**WORK EXPERIENCE OPPORTUNITIES WITHIN
ADUR & WORTHING COUNCILS
(FOR 18-24 YEAR OLDS): ARRANGED BY WORK EXPERIENCE COORDINATOR**

Dept/Venue	No. of posts advertised	No. placed	Placement interviews arranged	Awaiting applicants from Job Centre	No. completed	Outcomes
Wellbeing Hubs	4	4			3	All 3 in work
Energy & Sustainability	3	3			3	All 3 in work
Highdown Gardens	3	2		1	2	1 in training
Waste Services	7	5		2	2	2 in work
Field Place	2	1		1	1	
Communities / Neighbourhood Team	9	9			6	1 in work 1 in apprenticeship 1 in carer role 2 volunteering
Davison Leisure Centre	1	1			1	In training
Theatres	15	9	4	4	5	3 in work 1 volunteering
Worthing Leisure Centre	2	2			2	1 in apprenticeship
Beach Office	2	1		1	1	1 in work
Crematorium	4	2		1	1	1 In work 1 self employed
Environmental Health	1	1			1	1 in work
Community Alarm	1	1				In work
Energy Switch	4	2	2			2 volunteering
Parks	5	5			4	2 in work 1 volunteering
Visit Worthing	1	1				
Local partners Partners Posts	17 48	41	2	8	23	8 in work 7 volunteering
TOTALS	112	90	8	18	55	