

COMMITTEE: Overview and Scrutiny
DATE: 11th June, 2009
AGENDA ITEM NO:
WARD:

COMMITTEE: Cabinet
DATE: 15th June, 2009
AGENDA ITEM NO:
WARD:

TITLE: Overall Final Accounts 2008/09
REPORT BY: Sarah Gobey, Executive Head of Financial Services

1. SUMMARY

- 1.1 This report brings together in summary form the final outturn for 2008/09 and compares this to the 3rd quarter projection, analysed by Cabinet Members' portfolio (Appendices 1 and 3 to 9).
- 1.2 Information is also provided in respect of Earmarked Reserves, Capital Receipts and the Collection Fund (Appendices 2, 12 and 14).
- 1.3 The Overview and Scrutiny Committee is asked to review the outturn position, as presented and to consider whether it wishes to pass any comments on the proposals to the Cabinet at its meeting on 15th June, 2009.
- 1.4 The Cabinet is asked to agree and recommend to the Council the proposals for dealing with the net underspend on the Revenue Account by making transfers to various reserves, and to the carrying forward of certain revenue and capital budgets to allow projects to be completed in 2009/10.

2. 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 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 budget is reported to Cabinet at least four times with a full analysis of the variances at the end of the year when the final accounts are reported.

3. REVENUE OUTTURN - GENERAL FUND

Comparison to Quarter 3 Projection

- 3.1 At its meeting on the 2nd February 2009 the Cabinet reviewed the 2008/09 budget of £16,022,410, before use of reserves and external funding. The meeting was also advised of a projected underspend of £373k, compared to the original budget of £15,842,240. The projected underspend was increased to £441,430 in the 3rd quarter revenue 2008/09 monitoring reported to Members on 9th March 2009.
- 3.2 Table One below records the final results for the year and summarises the overall variations between the 3rd quarter expected outturn and the final outturn within each Cabinet Member Portfolio. The actual net Cabinet expenditure for the year of £15,426,065 is £596,345 less than the updated approved budget of £16,022,410, which is equivalent to a 3.7% underspend. Full detailed explanations for revenue variations are identified in the attached Appendices 3 to 8.
- 3.3 Table One and Appendix 1 also shows the “below the line” entries relating to budgeted transfers to or from reserves, which the Best Value Accounting Code of Practice indicates should be shown separately from the normal service expenditure.

Table One – Changes from Quarter 3 Projection

CABINET MEMBER PORTFOLIOS		Expected Outturn as at 3 rd Quarter 2008/2009	OUTTURN 2008/2009	VARIANCE 2008/2009
Appendix		£	£	£
Leader	3	1,792,164	1,658,893	(133,271)
Resources	4	961,480	1,221,864	260,384
CM Business Modernisation	5	-	-	-
CM Clean & Green Environment	6	3,799,400	3,373,178	(426,222)
CM Health & Safety Wellbeing	7	2,249,420	2,083,426	(165,994)
CM Improved Customer Services	8	6,899,110	6,001,120	(897,990)
CM Regeneration	9	3,069,780	2,644,944	(424,836)
Holding Accounts	10	(497,114)	12,156	509,270
Total C.M. Requirements		18,274,240	16,995,580	(1,278,660)
Credit Back Depreciation		(2,815,320)	(1,642,604)	1,172,716
Minimum Revenue Provision		240,000	240,000	-
LABGI		(117,940)	(117,940)	-
Area Based Grant			(48,975)	(48,975)
Net Expenditure		15,580,980	15,426,065	(154,915)

3. **REVENUE OUTTURN - GENERAL FUND** (continued)

Table One (continued)

CABINET MEMBER PORTFOLIOS	Expected Outturn as at 3 rd Quarter 2008/2009	OUTTURN 2008/2009	VARIANCE 2008/2009
	£	£	£
Net Expenditure carried forward	15,580,980	15,426,065	(154,915)
Transfers to/(from) Reserves:			
Recommended Funding of Service Expenditure	(395,580)	(448,701)	(53,121)
Recommended Contribution to Reserves	452,570	351,460	(101,110)
Pension Contributions Reserve	(225,000)	(225,000)	-
Capacity Issues Reserve	(250,000)	(250,000)	-
2008/09 Underspend including requested carry forwards	441,430	750,576	309,146
TOTAL BUDGET REQUIREMENT	15,604,400	15,604,400	-

- 3.4 Before use of reserves, the difference between the 3rd quarter projection and the revenue outturn now reported is an increase in underspend of £154,915 which is due to a few key variations:

	(Under) / Over
	£'000
Changes to Items Previously Identified:	
Reduced income from investments and properties	150
Reduced Cemetery & Crematorium income due to decline in death rate.	101
Concessionary Fares – net increased operator payments	143
Other changes to items previously identified -see Appendices 3-10	(13)
Now reported	
Staff Curtailment Costs – funded from reserves	122
Economic Development Action Plan Slippage	(50)
Waste collection additional income from bulky waste, garden waste & trade waste	(162)
Parks & open spaces premises underspend	(74)
Net cleaning saving following reletting of the contract for Office and Public Convenience cleansing	(14)
Planning Delivery Grant received greater than 2008/09 spend	(14)

3. **REVENUE OUTTURN - GENERAL FUND** (continued)

	(Under) / Over
	£'000
Now reported (continued)	
Area Based Grant – unspent in year	(49)
Other cleaning and maintenance variations across a number of council services	42
Additional income across a number of council services	(112)
Salary, consultancy and vacancy variations across a number of council services	(86)
Various offsetting variations – See Appendices 3 to 10	(139)
Difference between 3rd quarter & outturn revenue spend before use of reserves	(155)

Overall Outturn Position

3.5 Appendix One shows the overall revenue position for the Council. Year end changes to capital charges and support service recharges are stripped out to show the variation on the same basis as the in-year monitoring budget to enable a like for like comparison. The overall variance between the approved budget (£16,022,410) and the final outturn (15,426,065) of £596,345 is significant. The main variations are listed below.

	Appendix Reference	Under (/) Overspend
		£'000
Variations identified during year:		
Reduction in Land Charges income	4	197
VAT refund	4	(105)
Senior Officer Structure	4	(112)
Waste Collection Tipping Charges	6	119
Reduced Cemetery & Crematorium income	6	154
Reduction in car parking income	6	143
Additional indoor sports & Recreation Income from FIT4	8	(228)
Concessionary Fares additional journeys	8	104
Development Control income shortfall	9	122
Planning Policy – Local Development scheme slippage	9	(75)
Corporate Strategy – External recruitment rationalisation	10	(44)
Vacancy Management	10	(129)
Local Authority Business Growth Incentive Grant (LABGI)	1	(49)
Minimum revenue provision – lower than expected provision for repayment of debt.	1	(124)

3. REVENUE OUTTURN - GENERAL FUND (continued)

	Appendix Reference	Under (/) Overspend £'000
Variations identified during year: (continued)		
Other changes to previously reported items– see Appendices 3 -10	3-10	8
Variations Now Reported:		
Lower than expected property rents	4	30
Staff Curtailment costs – funded from Reserves	4	122
Planning Delivery Grant received greater than 2008/09 spend	4	(14)
Waste collection additional income from bulky waste, garden waste & trade waste	6	(162)
Housing benefits increased volume results in higher subsidy due	8	(36)
Economic Development Action Plan slippage	9	(50)
Area Based Grant – Delay to programme of work.	1	(49)
Housing Benefits – Adjustment to Bad Debt Provision.	8	(88)
Variations Summarised – Additional detail in Appendices 3 to 10:		
Net cleansing saving following re-letting of the contract for office accommodation and public convenience cleaning.		(32)
Cleaning and Maintenance variations across a number of council services		(14)
Variations in anticipated income across a number of council services		(114)
Salary, consultancy and vacancy variations across a number of council services		(90)
Various offsetting variations – see Appendices 3 to 10.		19
		(596)

Full details of all the variances can be found in appendices 3 to 8.

- 3.6 Whilst the most significant of the trends in both expenditure and income had been identified within the quarter 3 monitoring, the extent of the trends had not. In addition, there have been a number of other variations that have not been reported until the year-end. As many of the more significant variations identified in 2008/09, particularly the additional income from Leisure and Cultural activities, were built into the 2009/10 budget it is unlikely that an underspend of this nature will recur. However, given the financial prospects for 2010/11, the underspend does give the Council a welcome opportunity to replenish its reserves..
- 3.7 There needs to be a continued focus on improving financial management. As part of this process, the MTFP, which is elsewhere on this agenda, already includes a number of key financial health indicators, which are:

3. REVENUE OUTTURN - GENERAL FUND (continued)

- Continue to maintain a General Fund balance at a minimum balance of 6% and a maximum of 8% 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 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).

3.8 Overall, the revenue monitoring is within the target of 1% set. However, despite not achieving the target for accuracy of budget preparation, many of these variances have already been built into the 2009/10 budget to improve the quality of the current year's revenue budget. Officers will be carrying out further work on the revenue budget as part of updating the Medium Term Financial Plan to identify where the variances in 2008/09 need to be reflected in budget adjustments for future years.

3.9 Recommended Carry Forwards of Unspent Budget

Budgets in respect of the following items remain unspent at 31st March 2009 and are required for new initiatives in 2009/10. It is recommended that these amounts are carried forward to 2009/10 and funded from the Capacity Issues Reserve. Cabinet may wish to consider how these items contribute to the Council's priorities when approving the carry forward of budgets.

Table Two

Proposed Carry Forward of Unspent Budgets		£
(i)	ICT Consultancy ICT budgets on various initiatives not spent due to delayed decision on future of ICT	*13,600
(ii)	Local Development Framework Programme timetable slippage - general, core strategy consultation and renewable energy study budgets will be required next year	*28,700

3. **REVENUE OUTTURN - GENERAL FUND** (continued)

3.9 **Recommended Carry Forwards of Unspent Budget** (continued)

Table Two (continued)

Proposed Carry Forward of Unspent Budgets		£
(iii)	EDRMS To pay for an upgrade to our public access module and a new server both important to enable the implementation of EDRMS.	12,000
(iv)	Worthing First Grant Grant delayed pending submission of business case for funding by Worthing First (see Table 3)	*2,000
(v)	Support for EDRP projects	*2,500
(vi)	ED Strategy Various budgets	*750
(vii)	Economic Development Repair and maintenance issues	*3,900
(viii)	Cohesion funding - ABG Cohesion budget agreed at Cabinet but programme of work has slipped.	*26,500
(ix)	Legal Services Equipment budgets required for business transformation	7,000
(x)	Equalities and Diversity Budget for consultancy, training and event in 2009/10 required	4,000
(xi)	Training Delay in NVQ training	*4,000
(xii)	Benefit Adjudication Part funding for additional staff in Housing Benefit and associated equipment	11,000
(xiii)	FIT4 retention package Purchase of the package was agreed at Cabinet on 9th March 2009.	21,200
(xiv)	Sustainable Development - Unused ABG Grant was notified to the Council in November 2008 which was too late in the year for a full programme to be developed.	*17,500
(xv)	Mayor's Car Purchase delayed until 2009/10, budget is required to fund purchase	*5,400

3. REVENUE OUTTURN - GENERAL FUND (continued)

3.9 Recommended Carry Forwards of Unspent Budget (continued)

Table Two (continued)

Proposed Carry Forward of Unspent Budgets		£
(xvi)	Microsoft Enterprise Agreement Support, maintenance & training for Microsoft products. This project did not secure sufficient points to feature in the 2009/10 Capital Programme. Whilst it would be possible to let the agreement lapse and only buy software when needed on a temporary basis, the eventual re-establishment of the MS Enterprise Agreement is likely to result in substantial additional costs.	35,000
(xvii)	Birdman Event	15,000
(xviii)	Ice Rink Following the success of these events in 2008, it is proposed to use some of the underspend to fund the events in 2009/10.	25,000
(xix)	Temporary Accommodation Underspend to be used to fund introduction of Choice Based lettings.	21,600
		256,650
* Delayed 2008/09 Scheme		

3.10 Recommended Carry Forwards of 2008/09 Approvals to Use Reserves

The following unspent items have been approved for 2008/09 and were planned to be funded from reserves. It is recommended that these approvals to utilise reserves are carried forward to 2009/10. ***No transfer to reserves is required as the funds have been previously set aside.***

Table Three

Proposed Carry Forwards - Existing Reserves		£
(i)	Local Development Framework General slippage in programme	*28,000
(ii)	Masterplan - Seafront advertising	*900
(iii)	Worthing First Grant – Grant delayed pending submission of a business case for funding by Worthing First.	*15,000
(iv)	Economic Development strategy	*21,500
(v)	Accommodation moves for partnership working	*4,700
(vi)	Citizen's Panel Project work delay due to confirmation of Consultation Officer post in HLBC and then recruitment	*8,000

3. **REVENUE OUTTURN - GENERAL FUND** (continued)

3.10 **Recommended Carry Forwards of 2008/09 Approvals to Use Reserves** (continued)

Table Three (continued)

Proposed Carry Forwards - Existing Reserves	£
(vii) Boating Lake Project completed in new year	*20,000
	98,100
* Delayed 2008/09 Scheme	

3.11 **Movements and Use of Reserves**

As part of the 2008/09 final accounts process, officers have identified amounts that are recommended for transfer to reserves for specific purposes, planned as part of the budget process, as detailed below and in Appendix 2:

Reserve Description	£
Self-insurance charges, proposed contributions	52,990
Cremator abatement	78,590
Crematorium improvement	56,450
Planning Delivery Grant	163,430
Planned Contributions to reserves	351,460

3.12 The overall revenue outturn position shows an available balance of £750,576.

It is proposed that:

- £200,000 be transferred to Special and Emergency Reserve which was discussed as part of the 2009/10 budget considerations. This would be available to fund recession initiatives including the additional Housing Advice Officer.
- £256,650 be transferred to the Capacity Issues Reserve to fund the bids for carry forward {see Table Two}.
- £293,926 of the £750,576 balance is transferred to the Capacity Issues Reserve, to partially replace the planned withdrawal to support the general fund budget in 2009/10,

3.13 If all the proposals in the above paragraphs are adopted, the Council will maintain its General Fund Working Balance at £1,139,710 which, at 7.0% of net expenditure of £15,426,065, is within the range of 6%-8% set by the Council. In addition the Council would retain earmarked revenue reserves of £3,910,257, an increase of £70,880 over 31st March, 2008. The full listing of earmarked reserves is attached as Appendix 2.

4. VALUE ADDED TAX

- 4.1 Annually, if the proportion of input tax incurred on the Council's exempt activities exceeds 5% of the whole, the Council is unable to recover VAT on exempt activities and VAT already recovered must be repaid. In previous years the Council has accrued for a potential VAT liability, which may have arisen as a result of exceeding this threshold.
- 4.2 The VAT officer has advised, that for a second year, HM Revenue & Customs have issued a moratorium for the requirement to carry out a partial exemption calculation, whilst they review the current regime at a National level. Therefore there is no potential liability for 2008/09.
- 4.3 Additionally, the council has submitted claims to HM Revenue & Customs for overpaid VAT arising on excess parking tickets, bulky waste, garden waste, cultural services and sporting activities charges, following challenges in the courts. The retrospective liability changes cover periods 1982 to 2003. These claims originally attracted simple interest, but the high court has recently decided that compound interest should be paid. However, this latest court decision is likely to be appealed and in the meantime, simple interest will be payable. The VAT element of the claims amount to some £1.28 million, subject to HM Revenue & Customs agreement.

5. CAPITAL OUTFURN - ALL PORTFOLIOS

- 5.1 The capital investment programme for all Portfolios was originally estimated at £7,928,530. This estimate was revised to £5,224,500 in January, 2009, and subsequent approvals produced a total revised budget of £5,245,650.
- 5.2 Actual expenditure in the year totalled £4,878,048, a reduction of £367,602 on the revised estimate, comprising of a net slippage of £241,040 and a net underspend of £126,562. Individual Portfolio expenditure was as follows:

Portfolios	Revised Estimate £	Actual Outturn £
General Fund Other Services:		
Business Modernisation	176,700	157,443
C.M. for Clean and Green Environment	2,197,140	2,263,118
C.M. for Health, Safety and Well-Being	331,640	231,905
C.M. for Improved Customer Services	737,490	578,779
C.M. for Regeneration		
- Affordable Housing	436,240	436,235
- Other Housing	967,260	979,326
- Other Schemes	247,930	135,421
	-----	-----
C.M. for Resources	151,250	95,821
	-----	-----
TOTAL AS PER REVISED BUDGET	5,245,650	4,878,048

5. **CAPITAL OUTTURN - ALL PORTFOLIOS** (continued)

5.3 Major scheme variations are listed in Appendix 11.

5.4 Two schemes exceeded the permitted overspend parameters:

Scheme	Revised Estimate £	Actual Outturn £
General Fund Other Services:		
C.M. for Clean and Green Environment		
- Crematorium Rebricking of Cremators 2008/09 Programme	33,000	47,731
C.M. for Regeneration		
- Mandatory Disabled Facilities Grants	689,100	776,298

5.5 The Cabinet is asked to approve a virement of £14,731 from underspends within the Clean and Green Environment Portfolio, to fund the overspend on the Crematorium Rebricking Scheme. A full explanation of the overspend is detailed in Appendix 13.

5.6 The Cabinet is also asked to approve a virement of £37,198 from the Discretionary Housing Renewal Assistance Budgets to fund part of the £87,198 overspend on the Mandatory Disabled Facilities Grants Budget. The remaining £50,000 is requested to be funded from the 2009/2010 Mandatory Disabled Facilities Grants Budget. This is part of the original 2008/2009 budget which was reprofiled in line with anticipated expenditure. A full explanation of the overspend is detailed in Appendix 13.

5.7 The MTFP set targets for the monitoring of capital expenditure, which are laid out in paragraph 3.7. Schemes to the value of £2,913,211 were completed. These schemes had an original budget of £2,834,780. This represents an overspend of 2.8%, which is within the tolerances set. However, profiling of schemes in the 3 Year Capital Investment Programme remains an issue and 51% of the original budget was reprofiled in line with anticipated expenditure. This is outside the tolerance for the year. Of this 24% related to the Affordable Housing Programme which has been affected by the downturn in the housing market with developers unwilling to invest in housing in the current economic climate. A further 9% related to schemes delayed by joint working with Adur District Council which require complex negotiations and investigations. 4% of the reprofiling related to schemes where the expenditure profile is dependent on third party involvement such as the Environment Agency. The remaining 14% is still outside the tolerances and the Council has begun to address this issue by looking closely at schemes not progressing satisfactorily and 2 schemes will be removed from the 2009/10 Capital Investment Programme.

5. **CAPITAL OUTTURN - ALL PORTFOLIOS** (continued)

5.8 Capital Expenditure in 2008/09 was financed as follows:-

	£	£
Usable Capital Receipts		
- Affordable Housing	128,549	
- Re provision of Leisure Facilities	55,163	
- Other General Fund	2,073,830	2,257,542
Prudential Borrowing		1,375,277
S106 Contributions		550,346
Government Grants		417,651
Other Contributions		169,776
Revenue Contributions		107,456
TOTAL CAPITAL FINANCED		4,878,048

5.9 The Cabinet is asked to recommend that the Council approve the utilisation of £2,257,542 usable capital receipts in the funding of the 2008/09 capital programme.

5.10 Approval is requested to carry over to 2009/10 and bring forward to 2008/09 certain budgeted expenditure where spending patterns have changed since the budget was set, as detailed in Appendix 11.

	Carried Forward To 2009/10 £
Cabinet Member for Business Modernisation	20,220
Cabinet Member Clean and Green Environment	54,950
Cabinet Member for Health, Safety and Well-Being	86,950
Cabinet Member for Improved Customer Services	72,980
Cabinet Member for Regeneration	135,180
Cabinet Member for Resources	46,920
TOTAL CARRIED FORWARD TO 2009/10	417,200

	Brought Forward to 2008/09 £
Cabinet Member for Business Modernisation	1,080
Cabinet Member for Clean and Green Environment	122,800
Cabinet Member for Health, Safety and Well-Being	1,450
Cabinet Member for Improved Customer Services	830
Cabinet Member for Regeneration	50,000
Total Brought Forward To 2008/09	176,160
Net Carry Over To 2009/10	241,040

5. CAPITAL OUTTURN - ALL PORTFOLIOS (continued)

5.11 The reasons for the slippage in the capital investment programme have been analysed in Appendix 11:

5.12 The remaining usable capital receipts held at 31st March, 2009 totalled £11,498,172. To be utilised as follows:

• General Capital Financing	4,372,171
• Ring-fenced for future Leisure Provision	2,991,001
• Ring-fenced for Affordable Housing (RTB Clawback Receipts)	4,130,977
• Ring-fenced for Housing Renewal Grants	4,023

5.11 The balance on the General Fund Capital Expenditure Reserve at 31st March, 2009 is £73,158.

5.12 Proceeds from sale of assets in 2008/09 are analysed in Appendix 12.

6. MINIMUM REVENUE PROVISION (MRP) REQUIREMENT 2008/09

6.1 The allowable options for making the MRP determination for 2008/09 were considered and approved by Council on 19 February 2008, and no change has been made to the methodology for 2009/10.

6.2 The approved methodology follows the arrangements set out in the Annual Treasury Management and Annual Investment Strategy Report. The reports for 2008/09 and 2009/10 were approved by Cabinet on 4 February 2008 and 2 February 2009 respectively. These reports 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).

6.3 The Annual Statement determines the basis for calculating the MRP to be set aside in the accounts of the Council for repayment of debt. The methodology for 2008/09 and 2009/10 follows Options 3 of the guidance to the regulations, being the Asset Life method.

6.4 Accordingly, 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.

6.5 The Asset Life Method ensures the MRP will always be sufficient to repay debt over the useful life of the assets acquired by borrowing. As MRP is applied in the year after which capital expenditure is funded from borrowing, the MRP for 2008/09 relates to borrowing incurred in 2007/08. Actual borrowing in 2007/08 comprised a single transaction with the Public Works Loan Board (PWLB) amounting to £1.8m. This has resulted in an MRP determination of £240,001 which has been provided for in the 2008/09 accounts.

7. **COLLECTION FUND**

- 7.1 As a charging authority, the Council has to maintain a separate Collection Fund to account for transactions relating to Council Tax, Precepts and Business Rates (NDR). Full details of the Fund are shown in the attached Appendix 14.
- 7.2. The account for 2008/09 produced a Council Tax deficit of £41, 530. This was, however, £214,954 less than forecast and relates mainly to an increasing level of debt and the associated bad debt provision. The Worthing Borough Council share of this is £5,898.

8. **CONCLUSION**

- 8.1 The revenue underspend of £750,576 gives the Council a welcome opportunity to set aside earmarked funds to cope with the significant spending pressures that will arise in future years.
- 8.2 Of the £750,576 underspend:
- £197,450 relates to delayed projects for which carry forward requests have been received. This is the financial expression of some of the issues that the council has experienced over the last year including staff shortages in key areas;
 - £273,000 relates to the continued success of Leisure, Theatres and Waste Management in generating additional income in excess of any associated costs. Much of this has been built into the 2009/10 revenue budget and so should not recur.
 - £223,000 relates to unexpected one-off income from Local Authority Business Growth Incentive Grant and VAT refunds.

Whilst there does need to be a continued focus on improving the quality of the revenue budget, many of the trends that contributed to the 2008/9 position have already been built into the 2009/10 budget or are not expected to reoccur.

- 8.3 Finally, on a cautionary note, it should be emphasised that the accounts reported here have yet to be audited. Our auditors, the Audit Commission, will commence their work on the 14th July. The statutory Statement of Accounts will however be presented to the Audit and Governance Committee on the 25th June 2009.

9. **RECOMMENDATIONS**

- 9.1 **The Overview and Scrutiny Committee is asked to note the report, accounts and proposed use of reserves and to consider if it wishes to pass any comments to the Cabinet at its meeting on the 15th June, 2009.**
- 9.2 **The Cabinet is asked to note the report, accounts and proposed use of reserves; and**

9. RECOMMENDATIONS (continued)

9.3 The Cabinet is asked to recommend that the Council, at its meeting on 21st July, 2009:-

- (a) APPROVE the overall final accounts for 2008/09;**
- (b) AGREE the net carry over of expenditure to 2009/10 where the original approval for 2008/09 was not utilised as listed in:**
- | | | |
|--------------|-----------------------|-----------------------------|
| (i) | Paragraph 3.9 | Table Two |
| (ii) | Paragraph 3.10 | Table Three |
| (iii) | Paragraph 5.10 | General Fund Capital |
- (c) APPROVE the appropriation of the under-spend in General Fund revenue expenditure in the year of £550,576 to the Capacity Issues Reserve.**
- (d) APPROVE the contribution of £200,000 to the Special and Other Emergency Reserve which will be used to fund recession initiatives.**
- (e) APPROVE the funding of capital investment from usable capital receipts:**
- (i) Capital investment to the value of £2,257,542 in 2008/09 {para. 5.9}**
- (f) APPROVE the virements of £14,731 and £37,198 in the 2008/09 Capital Investment Programme outlined in para 5.4, 5.5 and 5.6 and Appendix 13.**

SARAH GOBEY

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

Local Government Act 1972

Background Papers:

Reports to the Cabinet – December 2008/ March 2009
Worthing Civic Budget Book 2008/2009 and 2009/2010

Principal Author and Contact Officer:

Jo-Anne Chang-Rogers,
Finance Manager (Worthing),
Town Hall, Worthing,
Telephone 01903 221232,
email jo-anne.chang-rogers@worthing.gov.uk

SCHEDULE OF OTHER MATTERS

1. COUNCIL PRIORITY

This report deals with the whole of the Council's revenue and capital expenditure and as such contributes to all 4 of the Council's objectives

- To protect and enhance priority services.
- To promote a clean and green environment.
- To revitalise, regenerate and create lively economies.
- To support and contribute to the health, safety and wellbeing of the area.

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

SCHEDULE OF OTHER MATTERS

9. RISK ASSESSMENT

9.1 Matter considered and no issues identified

10. HEALTH & 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 Resolution (f) arising out of the March 2007 Council meeting was to:

“(f) place any savings achieved in 2007/08 in a Partnership Contingency Fund to help dampen the effect of departure costs in 2008/09.”

12.2 Contained within Worthing’s accounts is the Council’s share of the Adur Worthing Services arrangements.

OVERALL FINAL ACCOUNTS 2008/2009 - APPENDICES

Appendix Number	Appendix Description
1	Civic Budget 2008/2009 – Summary of Final Outturn
2	Movements in Reserve Accounts 2008/2009
	<u>2008/09 Revenue Variation Summaries</u>
3	Leader
4	CM for Resources
5	CM for Business Modernisation
6	CM for Clean & Green Environment
7	CM for Health & Safety Wellbeing
8	CM for Improved Customer Services
9	CM for Regeneration
10	Holding Accounts
11	Capital Outturn – details of major variations to budget and analysis of slippage
12	Analysis of Capital Receipts
13	2008/09 Capital Scheme Overspends
14	Collection Fund 2008/09

CIVIC BUDGET 2008/2009
Summary of Final Revenue Outturn

ACTUAL 2007/2008	CABINET MEMBER PORTFOLIOS	ORIGINAL BUDGET 2008/2009	CURRENT ESTIMATE 2008/09	FINAL OUTTURN 2008/09	Notional Capital Charges Variance	Support Service Recharge Variances	Variance Net Of Changes In Capital Charges & Support Services	
£		£	£	£				
1,870,410	<i>Leader</i>	1,773,810	1,814,894	1,658,893	(2,010)	(134,527)	(19,464)	Appendix 3
1,132,737	<i>Resources</i>	806,300	1,149,330	1,221,864	(3,620)	(29,580)	105,734	Appendix 4
(28,618)	<i>CM for Business Modernisation</i>	0	14,260	(1)	(20,420)	(2,890)	9,049	Appendix 5
3,863,768	<i>CM for a Clean & Green Environment</i>	3,505,880	3,489,010	3,373,178	(338,017)	(123,266)	345,451	Appendix 6
2,054,714	<i>CM for Health, Safety & Wellbeing</i>	2,193,290	2,260,920	2,083,426	(33,410)	(100,333)	(43,751)	Appendix 7
6,399,956	<i>CM for Improved Customer Services</i>	7,134,490	7,115,210	6,001,120	(759,570)	(151,618)	(202,902)	Appendix 8
2,228,611	<i>CM for Regeneration</i>	2,879,920	2,955,020	2,644,944	(3,190)	(218,512)	(88,374)	Appendix 9
(189,681)	<i>Holding Accounts</i>	0	(324,784)	12,156	(12,479)	760,726	(411,307)	Appendix 10
17,331,897	Total Cabinet Members	18,293,690	18,473,860	16,995,580	(1,172,716)	0	(305,564)	
(2,640,799)	<i>Credit Back Depreciation</i>	(2,815,320)	(2,815,320)	(1,642,604)	1,172,716	0	0	
0	<i>Minimum Revenue Provision</i>	363,870	363,870	240,001	0	0	(123,869)	
	<i>Local Authority Business Growth Incentive Grant. Area Based Grant.</i>	0	0	(117,938)	0	0	(117,938)	
		0	0	(48,975)	0	0	(48,975)	
14,691,098		15,842,240	16,022,410	15,426,065	0	0	(596,345)	
	Transfer to/from reserves:							
1,039,972	<i>Contribution to reserves</i>	452,570	452,570	351,460	0	0	(101,110)	Appendix 2
(507,167)	<i>Transfer from reserves to fund specific expenditure</i>	(215,410)	(395,580)	(448,701)	0	0	(53,121)	Appendix 2
(225,000)	<i>Pension Contributions Reserve</i>	(225,000)	(225,000)	(225,000)	0	0	0	Appendix 2
(250,000)	<i>Capacity Issue Reserve</i>	(250,000)	(250,000)	(250,000)	0	0	0	Appendix 2
437,197	Net Underspend Recommended For Transfer To Reserves		0	750,576	0	0	750,576	
15,186,100	Total Budget requirement before External Support from Government	15,604,400	15,604,400	15,604,400	0	0	0	

MOVEMENTS IN RESERVE ACCOUNTS 2008/2009

Earmarked Revenue Reserve Accounts		Opening Balance	Use of Reserves	Contribution To Reserves	Net Movement	Actual Closing Balance	3rd Qtr Estimated Closing Balance	Variance between 3rd Qtr & Outturn	Comments
		£	£	£	£	£	£	£	
Capacity Issue Reserve	R	950,635	(413,580)	-	-	-	-	-	Various agreed budgeted expenditure items from this reserve and carry forwards not fully spent, of which £78,100 are slippage of revenue projects requesting carry forward, £20,000 is slippage of funding capital scheme and the remainder of £69,110 are underspends.
	C		(2,000)	-	(415,580)	535,055	367,845	167,210	
Community Initiatives	R	10,370	-	-	-	10,370	10,370	-	
Crematoria Abatement	R	159,722	-	78,588	78,588	238,310	242,222	(3,912)	Contribution less than anticipated due to reduction in income from Crematorium.
Crematorium Improvement	C	-	(56,456)	56,456	-	-	-	-	
Economic Development Initiatives	R	82,050	(57,050)	-	-	-	-	-	
	C	-	(25,000)	-	-	-	-	-	
Insurance Reserve	R	284,019	(14,475)	-	-	-	-	-	
	C	-	(24,000)	-	-	-	-	-	
				52,987	14,512	298,531	286,269	12,262	Not all excess of self-insurance required.
Joint Health Promotion Reserve	R	52,093	(7,846)	-	(7,846)	44,247	27,953	16,294	Tobacco control officer post vacant for part year.
Leisure Options -	C	292,154	-	-	-	292,154	292,154	-	
Leisure Lottery and Other Partnerships	C	132,770	-	-	-	132,770	79,770	53,000	Football Foundation Scheme awaiting external funding.

MOVEMENTS IN RESERVE ACCOUNTS 2008/2009

Earmarked Revenue Reserve Accounts		Opening Balance	Use of Reserves	Contribution To Reserves	Net Movement	Actual Closing Balance	3rd Qtr Estimated Closing Balance	Variance between 3rd Qtr & Outturn	Comments
		£	£	£	£	£	£	£	
Museum Reserve	C	110,308	-	-	-	110,308	81,128	29,180	Museum development scheme awaiting external funding.
Pension Contributions	R	625,000	(225,000)	-	(225,000)	400,000	400,000	-	
Planning Delivery Grant		257,206	(159,250)	163,429	4,179	261,385	247,206	14,179	Projects funded from planning deliery grant offset by current year grant of £217,905 of which £54,476 funds capital.
Special and Other Emergency Reserve	R	575,190	(46,500)	-	(46,500)	528,690	575,190	(46,500)	Voluntary redundancies approved by Joint Strategic Committee 10th February 2009.
VAT Partial Exemption	R	246,860	-	-	-	246,860	246,860	-	
Vehicle Repairs & Renewal	R	61,000	-	-	-	61,000	61,000	-	
TOTALS		3,839,377	(1,031,157)	351,460	(679,697)	3,159,680	2,917,967	241,713	
Reserve - Committed to Capital Expenditure	C	73,160	-	-	-	73,160	73,160	-	
S160 Movements									
S106 Education	C	79,075	-	-	-	79,075			In year receipts.
		664	-	256	256	920			
S106 Fire Contributions	C								In year receipts.
S106 Transport Schemes	C	582,433	-	135,669	135,669	718,102			In year receipts.
S106 Affordable Housing	C	135,010	-	637,838	637,838	772,848			In year receipts.
S106 Open Spaces		489,918	(24,000)	76,849	52,849	542,767			In year receipts less funding of capital assets.
TOTALS		1,287,100	(24,000)	850,612	826,612	2,113,712			
Total contribution to capital from Earmarked Reserves - C						(107,456)			
Total contribution to Revenue from Earmarked Reserves - R						(923,701)			
						(1,031,157)			

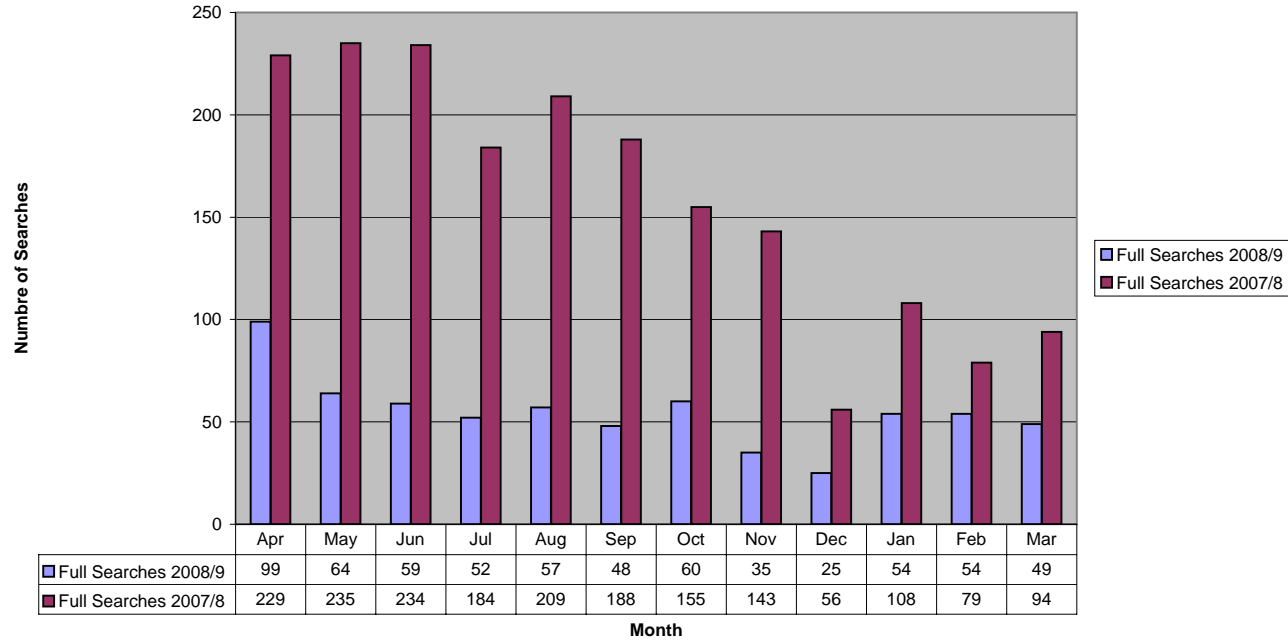
LEADER

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
CENTRAL SERVICES TO THE PUBLIC						
Elections						
						Staff costs saving due to joint working with Adur (Cr. £8k)
						Reduction in Support Service Recharges (Cr. £11k)
						Saving on postage (Cr. £3k)
						Overspend on software maintenance (Dr. £5k)
						Higher printing costs (Dr. £4k)
						Purchase of polling screens (Dr. £12k)
275,338	Gross Expenditure	303,090	303,090	299,871	(3,219)	Savings on Capital Charges (Cr. £2k)
(1,646)	Gross Income	(1,680)	(1,680)	(14,119)	(12,439)	Grants received for polling screens (Cr. £12k)
273,692	Net Cost	301,410	301,410	285,752	(15,658)	
TOTAL COST						
273,692	CENTRAL SERVICES TO THE PUBLIC	301,410	301,410	285,752	(15,658)	
CORPORATE & DEMOCRATIC CORE						
Corporate Management - Communication						
						Public Consultation budget underspent mainly due to; Citizens Panel cheaper than anticipated, Place Survey was procured jointly with all other West Sussex Councils and WSCC contributed 50% of the cost of the Place Survey (Cr. £12k).
						Reduction in Support Service Recharges (Cr. £17k)
						Overspend on salaries (Dr. £2k)
325,951	Gross Expenditure	350,850	363,150	338,354	(24,796)	Overspend on stationery (Dr. £2k)
(377)	Gross Income	(500)	(500)	(120)	380	
325,574	Net Cost	350,350	362,650	338,234	(24,416)	
Democratic Rep. & Management						
						Delay to purchase of Mayor's car (Cr. £5k)
						Reduction in Support Service Recharges (Cr. £106k)
						Not required for Worthing Hospital Campaign (Cr. £3k)
						Underspend on subscriptions/postage/training etc (Cr. £5k)
1,276,562	Gross Expenditure	1,122,050	1,150,834	1,034,919	(115,915)	Regrading within Democratic Services Section (Dr. £3k)
(5,418)	Gross Income			(12)	(12)	
1,271,144	Net Cost	1,122,050	1,150,834	1,034,907	(115,927)	
TOTAL COST						
1,596,718	CORPORATE & DEMOCRATIC CORE	1,472,400	1,513,484	1,373,141	(140,343)	
CABINET MEMBER TOTAL						
1,870,410		1,773,810	1,814,894	1,658,893	(156,001)	
					(2,010)	Variance in Capital Charges due to revaluation of assets
					(134,527)	Variance in Support Service Costs
					(19,464)	Service Variance

CM For RESOURCES

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
CENTRAL SERVICES TO THE PUBLIC						
Local Land Charges						
248,329	Gross Expenditure	267,710	267,710	218,828	(48,882)	Overspend on employee costs (Dr. £4k) Reduction in Support Service Recharges (Cr. £5k) Reduction in income (see below) is offset by reduction in cost of searches (Cr. £49k)
(299,064)	Gross Income	(373,520)	(373,520)	(127,968)	245,552	Shortfall in income due to a) poor housing market throughout the financial year and b) competition from personal search companies (Dr. £246)
(50,735)	Net Cost	(105,810)	(105,810)	90,860	196,670	

Worthing Land Charges Searches



CM For RESOURCES

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
<u>(50,735)</u>	TOTAL COST CENTRAL SERVICES TO PUBLIC	<u>(105,810)</u>	<u>(105,810)</u>	<u>90,860</u>	<u>196,670</u>	
	CORPORATE & DEMOCRATIC CORE					
	Corporate Management					
729,311	Gross Expenditure	571,700	863,250	765,737	(97,513)	Single officer structure savings (Cr. £112k), unutilised Pay and Grading review budget (Cr. £71k), Treasury management savings (Cr. £8k) and other minor savings (Cr. £4k), offset by CRM savings less than budgeted (Dr. £32k). The saving on pay review offsets the cost of regradings and market pay issues elsewhere in this appendix.
(19,144)	Gross Income	0	0	(32,012)	(32,012)	
<u>710,167</u>	Net Cost	<u>571,700</u>	<u>863,250</u>	<u>733,725</u>	<u>(129,525)</u>	
<u>710,167</u>	TOTAL COST CORPORATE & DEMOCRATIC CORE	<u>571,700</u>	<u>863,250</u>	<u>733,725</u>	<u>(129,525)</u>	

CM For RESOURCES

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
NON DISTRIBUTED COSTS						
Non Distributed Costs						
2,210,174	Gross Expenditure	1,770,880	1,862,210	1,976,052	113,842	Overspend largely reflects higher than expected staff curtailment costs (Dr. £122k) partly funded from Capacity issues Reserve, offset by lower than anticipated Added Years Superannuation payments (Cr. £8k).
(163,718)	Gross Income	(9,240)	(47,440)	(84,815)	(37,375)	Variance mainly comprising principal amount of VAT retrospective claim (Cr. £50k) offset by removal of defective dwellings grant (Dr. £9k)
2,046,456	Net Cost	1,761,640	1,814,770	1,891,237	76,467	
2,046,456	TOTAL COST NON DISTRIBUTED COSTS	1,761,640	1,814,770	1,891,237	76,467	
OTHER OPERATING INCOME & EXPENDITURE						
Interest & Investment Income						
575,027	Gross Expenditure	602,890	607,890	549,609	(58,281)	Lower than anticipated repairs & maintenance spend on Gordon Room, Meadow Road and property lettings (Cr. £36k). Reduction in support service recharges (Cr. £22k).
(2,162,932)	Gross Income	(2,173,420)	(2,180,070)	(2,140,397)	39,673	Investment income below budget due to fall in interest rates and lower than expected fund balances in Qtr 4 (Dr. £65k), and lower than expected property rents (Dr. 30k), offset by interest on unexpected VAT reclaim (Cr. £55k)
(1,587,905)	Net Cost	(1,570,530)	(1,572,180)	(1,590,788)	(18,608)	
Interest Payable						
14,754	Gross Expenditure	149,300	149,300	96,829	(52,471)	50% of budgeted 08/09 borrowing took place on 7 Oct 08, with remainder on 24 Jan 09. Hence part year saving as interest payments were budgeted to apply from April 2008, compounded by fall in interest rates in Qtr 4.
0	Gross Income	0	0	0	0	
14,754	Net Cost	149,300	149,300	96,829	(52,471)	
TOTAL COST						
(1,573,151)	OTHER OPERATING INCOME & EXPENDITURE	(1,421,230)	(1,422,880)	(1,493,958)	(71,078)	
1,132,737	CABINET MEMBER TOTAL	806,300	1,149,330	1,221,864	72,534	

3,620 Variance in Capital Charges due to revaluation of assets

29,580 Variance in Support Service Costs

105,734 Service Variance

CM For BUSINESS MODERNISATION

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
HOLDING ACCOUNT DIRECTOR 1						
ICT						
(918,130)	Recharges	(975,640)	(975,640)	(954,331)	21,309	Reduction in capital charges (Cr. £20k) due to revaluation of assets. Underspend of IT Consultancy and Supplies & Services due to projects being in abeyance whilst ICT Business case is being carried out (Cr. £18k) Offset by other minor overspends (Dr. £6k).
890,939	Gross Expenditure	975640	989900	954,672	(35,228)	
(1,427)	Gross Income	0	0	(342)	(342)	
(28,618)	Net Cost	0	14,260	(1)	(14,261)	
<u>(28,618)</u>	NET BALANCE OF ICT COSTS	<u>0</u>	<u>14,260</u>	<u>(1)</u>	<u>(14,261)</u>	

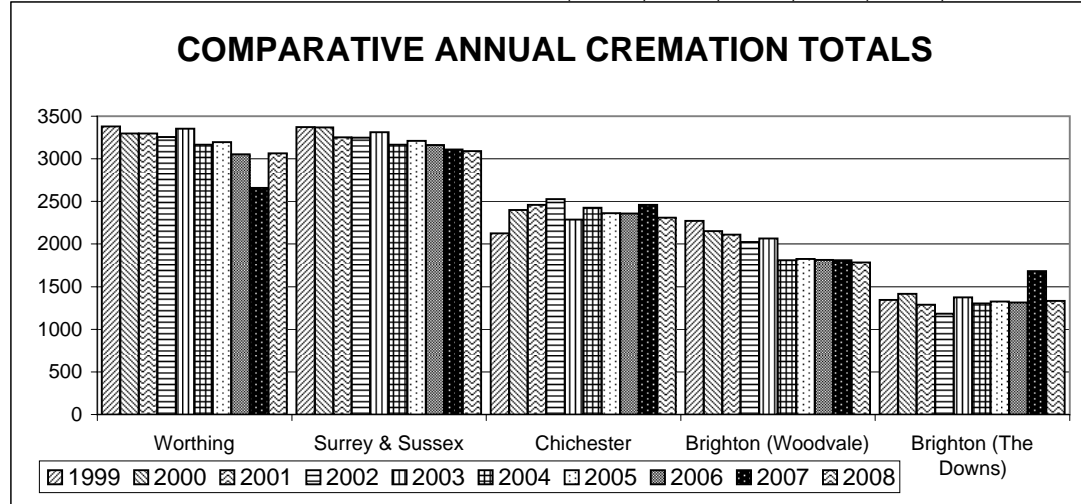
(20,420) Variance in Capital Charges due to revaluation of assets
(2,890) Variance in Support Service Costs
9,049 Service Variance

CM For a CLEAN & GREEN ENVIRONMENT

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
CULTURAL & RELATED SERVICES						
Allotments						
63,746	Gross Expenditure	42,360	42,360	51,803	9,443	Increased Grounds and Reactive Maintenance
15	Gross Income	0	0	0	0	
63,761	Net Cost	42,360	42,360	51,803	9,443	
Community Parks & Open Spaces						
1,907,201	Gross Expenditure	1,976,630	1,976,630	1,853,130	(123,500)	Grounds Maint underspend (Cr. £25k) offset by overspends elsewhere.(Over all services, grounds maint contract variance (Cr. £8k)). Premises underspends include Maintenance (Cr. £27k) ,Water (Cr. £14k) and Electricity (Cr. £8k). Reduction in support service recharges (Cr. £22k) Reduction in Capital Charges due to revaluation of assets (Cr. £38k) offset by (Dr. £14k) increased Traveller activity & incursion, removal & Court costs.
(115,646)	Gross Income	(115,890)	(115,890)	(117,397)	(1,507)	
1,791,555	Net Cost	1,860,740	1,860,740	1,735,733	(125,007)	
1,855,316	TOTAL COST CULTURAL & RELATED SERVICES	1,903,100	1,903,100	1,787,536	(115,564)	

CM For a CLEAN & GREEN ENVIRONMENT

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
ENVIRONMENTAL SERVICES						
Cemetery & Cremation						
1,131,662	Gross Expenditure	1,188,080	1,189,400	1,162,364	(27,036)	Support costs (Cr. £18k), Reduction in Capital Charges due to revaluation of assets (Cr. £13k), Premises (Cr. £18k) offset by Supplies & services (Dr. £23k) Reduced income Crematorium (Dr. £124k) Cemetery (Dr. £30k) partly due to fall in death rate - see below.
(1,499,583)	Gross Income	(1,924,830)	(1,924,830)	(1,770,777)	154,053	
(367,921)	Net Cost	(736,750)	(735,430)	(608,413)	127,017	



CM For a CLEAN & GREEN ENVIRONMENT

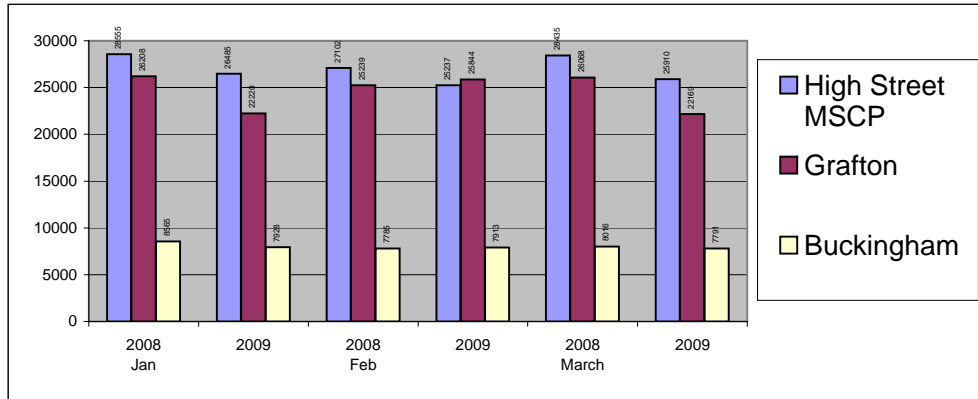
2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
Environmental Health						
						Increased maintenance (Dr. £39k) and cleaning costs (Dr. £74k), to public conveniences partly due to new cleaning contracts, with emphasis on public conveniences, offset by a reduction in Capital Charges due to revaluation of assets (Cr. £93k)
604,159	Gross Expenditure	609,100	609,100	629,107	20,007	
(2,673)	Gross Income	(9,190)	(9,190)	(5,926)	3,264	
601,486	Net Cost	599,910	599,910	623,181	23,271	
Flood Defence & Land Drainage						
32,156	Gross Expenditure	47,380	55,380	49,318	(6,062)	
(1,150)	Gross Income	0	0	0	0	
31,006	Net Cost	47,380	55,380	49,318	(6,062)	
Street Cleansing						
1,145,580	Gross Expenditure	1,788,620	1,065,400	1,004,406	(60,994)	Reduced Employee, Supplies & Service and Support costs to offset income shortfall
(254,629)	Gross Income	(961,050)	(285,220)	(222,498)	62,722	Income shortfall from cleaning Bus Shelters
890,951	Net Cost	827,570	780,180	781,908	1,728	
Waste Collection						
2,622,388	Gross Expenditure	3,578,630	3,609,190	3,649,922	40,732	Increased Trade Waste Tipping charges due to previous underestimation of 3900 tonnes compared to actual tonnages of 4300 (Dr. £119k), Net increase in charges from Joint Account relating to :- 1) vehicle maintenance & fuel costs (Dr. £116k), 2) Supplies & Services costs for Garden Waste and Bulky Waste (Dr. £41k), Offset by savings in employees (Cr. £82k), Support costs (Cr. £22k). Reduction in budgets left in Worthing for Capital charges due to revaluation of assets (Cr. £50k), Bulky Waste employee budget now in Joint account (Cr. £40k) and Support costs (Cr. £35k)
(1,170,517)	Gross Income	(2,056,420)	(2,068,780)	(2,235,045)	(166,265)	Additional income from Joint account for Bulky Waste Collections (Cr. £50k) and Garden Waste sack collections (Cr. £50k) (see offsetting expenditure above), additional income from hire of green waste bins (Cr. £25k). Increase in income from Trade Waste (Cr. £37k) to offset increased tipping charges
1,451,871	Net Cost	1,522,210	1,540,410	1,414,877	(125,533)	
2,607,393	TOTAL COST ENVIRONMENTAL SERVICES	2,260,320	2,240,450	2,260,871	20,421	

CM For a CLEAN & GREEN ENVIRONMENT

<u>2007/08 Actual</u>	<u>SERVICE/ACTIVITY</u>	<u>2008/09 Original Budget</u>	<u>2008/09 Original Budget with virements</u>	<u>2008/09 Outturn</u>	<u>Variation (Fav)/Adv</u>	<u>Comment</u>
PLANNING & DEVELOPMENT SERVICES						
Economic Development						
3,364	Gross Expenditure	4,390	4,390	3,592	(798)	
	Gross Income	0	0	0	0	
<u>3,364</u>	Net Cost	<u>4,390</u>	<u>4,390</u>	<u>3,592</u>	<u>(798)</u>	
Environmental Initiatives						
61,441	Gross Expenditure	53,970	53,970	55,396	1,426	
	Gross Income	0	0	0	0	
<u>61,441</u>	Net Cost	<u>53,970</u>	<u>53,970</u>	<u>55,396</u>	<u>1,426</u>	
<u>64,805</u>	TOTAL COST PLANNING & DEVELOPMENT SERVICES	<u>58,360</u>	<u>58,360</u>	<u>58,988</u>	<u>628</u>	

CM For a CLEAN & GREEN ENVIRONMENT

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
TRANSPORT PLAN POLICY & STRATEGY						
Highways						
195,701	Gross Expenditure	211,660	211,660	193,744	(17,916)	Mainly due to a reduction in support costs (Cr. £12k) & in maintenance on seats (Cr. £4k)
(655)	Gross Income	0	0	(104)	(104)	
195,046	Net Cost	211,660	211,660	193,640	(18,020)	
Parking Services						
198,668	Gross Expenditure	277,690	280,690	147,894	(132,796)	Reduction in Capital Charges due to revaluation of assets (Cr. £139k). This relates to a reduction in the Council's variable share of Car Parking income, due to many issues. This includes a falling demand caused by issues such as the impact of the current economic climate and concessionary travel, the current pricing structure plus a change to the threshold at which the Council is entitled to a share of excess income.
(1,123,754)	Gross Income	(1,254,080)	(1,254,080)	(1,111,086)	142,994	
(925,086)	Net Cost	(976,390)	(973,390)	(963,192)	10,198	



The graph shows a decline in usage of the multistorey car parks compared to the same period in previous years.

Public Transport						
66,294	Gross Expenditure	48,830	48,830	38,839	(9,991)	Reduction in Cleaning of Bus Shelters
	Gross Income	0	0	(3,504)	(3,504)	
66,294	Net Cost	48,830	48,830	35,335	(13,495)	
(663,746)	TRANSPORT PLAN POLICY & STRATEGY	(715,900)	(712,900)	(734,217)	(21,317)	
3,863,768	CABINET MEMBER TOTAL	3,505,880	3,489,010	3,373,178	(115,832)	
					-338017	Variance in Capital Charges due to revaluation of assets
					-123268	Variance in Support Service Costs
					345,453	Service Variance

CM For HEALTH, SAFETY & WELLBEING

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
CENTRAL SERVICES TO THE PUBLIC						
Emergency Planning						
82,373	Gross Expenditure	99,220	99,220	94,009	(5,211)	Reduction in support service recharges (Cr. £4k)
	Gross Income	0	0	(234)	(234)	
82,373	Net Cost	99,220	99,220	93,775	(5,445)	
General Grants						
						Discretionary Rate Relief underspent (Cr. £5k)
						Staff vacancies in Community Engagement (Cr. £6k)
216,172	Gross Expenditure	226,770	235,670	220,059	(15,611)	Reduction in Support Service Recharges (Cr. £6k)
	Gross Income	0	0	(936)	(936)	
216,172	Net Cost	226,770	235,670	219,123	(16,547)	
298,545	TOTAL CENTRAL SERVICES TO THE PUBLIC	325,990	334,890	312,898	(21,992)	
CULTURAL & RELATED SERVICES						
Foreshore						
654,894	Gross Expenditure	655,230	655,230	615,666	(39,564)	Reduced Capital Charges due to revaluation of assets (Cr. £27k). Saving on Cleaning of Parade (Cr. £12k). Underspend on repairs and maintenance (Cr. £7k). Additional Rents Income, mainly from Beech Huts (Cr. £6k).
(264,567)	Gross Income	(235,450)	(235,450)	(253,632)	(18,182)	
390,327	Net Cost	419,780	419,780	362,034	(57,746)	
Sports Development & Recreation						
184,431	Gross Expenditure	176,150	176,150	204,132	27,982	Leisure Development salaries underspent (Cr. £6k). Expenditure high on Youth Projects but this is off-set by increased income. Reduction in support service recharges (Cr. £5k). Better than anticipated income taken in course fees for the Youth Projects (Cr. £5k).
(26,862)	Gross Income	(7,120)	(7,120)	(51,015)	(43,895)	
157,569	Net Cost	169,030	169,030	153,117	(15,913)	
547,896	TOTAL COST CULTURAL & RELATED SERVICE	588,810	588,810	515,151	(73,659)	

CM For HEALTH, SAFETY & WELLBEING

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
ENVIRONMENTAL SERVICES						
Coast Protection						
229,994	Gross Expenditure	210,390	230,950	496,598	265,648	
(108,304)	Gross Income	(75,320)	(75,320)	(307,697)	(232,377)	
1,034	Recharges	9,220	9,220		(9,220)	Overspend mainly due to increased Transport costs.
<u>122,724</u>	Net Cost	<u>144,290</u>	<u>164,850</u>	<u>188,901</u>	<u>24,051</u>	
Environmental Health						
1,371,214	Gross Expenditure	1,416,420	1,455,490	1,315,450	(140,040)	Reduction in support service recharges (Cr. £78k).
(285,665)	Gross Income	(282,220)	(283,120)	(248,974)	34,146	Underspend on maintenance of Footway Lighting (Cr. £14k).
<u>1,085,549</u>	Net Cost	<u>1,134,200</u>	<u>1,172,370</u>	<u>1,066,476</u>	<u>(105,894)</u>	Vacancies in excess of provision (Cr. £14k).
<u>1,208,273</u>	TOTAL COST ENVIRONMENTAL SERVICES	<u>1,278,490</u>	<u>1,337,220</u>	<u>1,255,377</u>	<u>(81,843)</u>	
<u>2,054,714</u>	CABINET MEMBER TOTAL	<u>2,193,290</u>	<u>2,260,920</u>	<u>2,083,426</u>	<u>(177,494)</u>	
					-33410 Variance in Capital Charges due to revaluation of assets	
					-100333 Variance in Support Service Costs	
					(43,751) Service Variance	

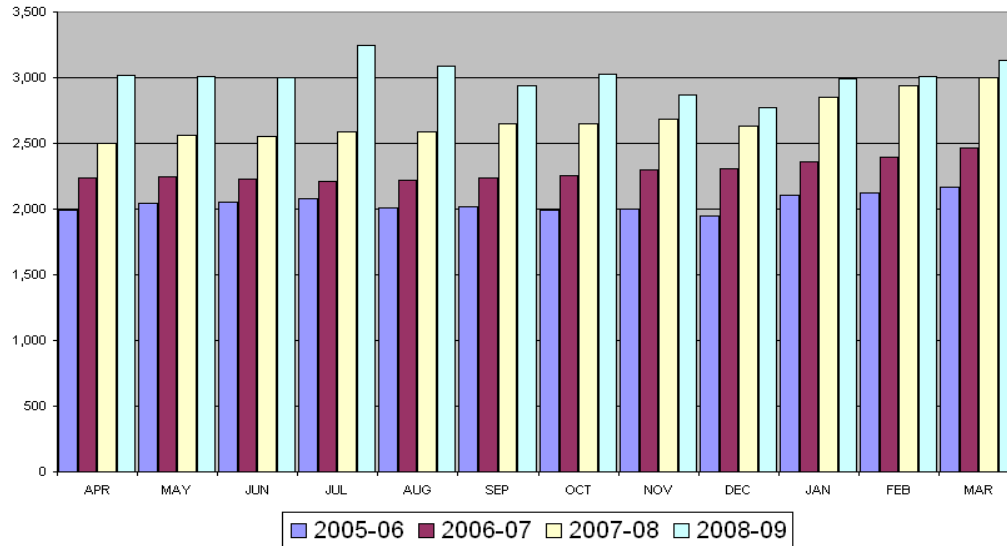
CM For IMPROVED CUSTOMER SERVICES

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
CENTRAL SERVICES TO THE PUBLIC						
Local Tax Collection						
7,092,946	Gross Expenditure	7,227,970	7,233,220	7,525,257	292,037	
(6,195,310)	Gross Income	(6,298,950)	(6,298,950)	(6,731,578)	(432,628)	Decline in proportion of Benefit Subsidy received on Council Tax Benefit (Dr. £16k). Vacancies in excess of provision (Cr. £11k). Increase in cost recovery of (Cr. £53k) in relation to Council Tax.
897,636	Net Cost	929,020	934,270	793,679	(140,591)	Reduced Support Service Recharges of (Cr £84k).
897,636	TOTAL CENTRAL SERVICES TO THE PUBLIC	929,020	934,270	793,679	(140,591)	
CULTURAL & RELATED SERVICES						
Art Development & Support						
63,016	Gross Expenditure	58,500	58,500	66,072	7,572	
(33,796)	Gross Income	(22,170)	(22,170)	(34,485)	(12,315)	
29,220	Net Cost	36,330	36,330	31,587	(4,743)	Additional net income for classical music (Cr. £3k) and reduction in Support Service Recharges (Cr. £2k)
Museums & Galleries						
464,625	Gross Expenditure	472,350	486,750	482,762	(3,988)	Overspend of employees for long term sickness cover (Dr. £23k), offset by underspends of property insurance (Cr. £3k), Pictures & Specimens (Cr. £7k), reduced Support Service Recharges (Cr. £6k), & Capital Financing (Cr. £11k)
(22,950)	Gross Income	(32,780)	(32,780)	(21,463)	11,317	Underachieved income mainly sale of goods (Dr. £5k) Courses (Dr. £3k) and room hire (Dr. £3k)
441,675	Net Cost	439,570	453,970	461,299	7,329	
Theatres & Public Entertainment						
4,669,826	Gross Expenditure	4,329,860	4,330,860	4,373,594	42,734	Employees underspend (Cr. £27k) Capital Finances (Cr. £242k) and Support Costs (Cr. £17k). Net increase in theatre income (Cr. £27k) mainly due to star attractions and drama in final quarter. Increased advertising income (Cr. £34k). Southern pavilion increased rental income together with one off service charges relating to previous years (Cr. £77k)
(3,101,062)	Gross Income	(2,629,750)	(2,629,750)	(3,056,051)	(426,301)	
1,568,764	Net Cost	1,700,110	1,701,110	1,317,543	(383,567)	
Community Centres						
51,100	Gross Expenditure	45,630	45,630	36,363	(9,267)	Premises maintenance (Cr. £7k) and reduction in Support Services Recharge (Cr. £3k).
(246)	Gross Income	0	0	(1,161)	(1,161)	
50,854	Net Cost	45,630	45,630	35,202	(10,428)	

CM For IMPROVED CUSTOMER SERVICES

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
Indoor Sports & Recreation						
6,428,905	Gross Expenditure	4,589,490	4,589,590	4,212,311	(377,279)	Repairs and Maintenance mainly relating to Aquarena (Dr. £50k) offset by underspends on rates and property insurance (Cr. £9k). Capital financing (Cr. £456k) and reduction in Support Service Recharges (Cr. £21k). Increased employees (Dr. £28k) & supplies and services (Dr. £27k) offset by increased income. Increased FIT4 income (Cr. £228k) offset by reductions in food & bar sales (Dr. £25k), adult courses (Dr. £18k) and Letting of rooms (Dr. £13k).
(2,934,852)	Gross Income	(2,457,370)	(2,466,650)	(2,643,004)	(176,354)	
(1,693,671)	Recharges	(55,820)	(46,600)	(46,600)	0	
1,800,382	Net Cost	2,076,300	2,076,340	1,522,707	(553,633)	

FIT4 MEMBERSHIP TOTALS



Outdoor Sports & Recreation					
10,751	Gross Expenditure	10,120	10,120	11,597	1,477
(11,051)	Gross Income	(6,500)	(6,500)	(11,051)	(4,551)
(300)	Net Cost	3,620	3,620	546	(3,074)
3,890,595	TOTAL COST CULTURAL & RELATED SERVICES	4,301,560	4,317,000	3,368,884	(948,116)

CM For IMPROVED CUSTOMER SERVICES

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
DIRECTOR OF SERVICES						
Customer Services - Holding Account						
(756,600)	Recharges	(823,710)	(823,710)	(736,368)	87,342	Reduced Capital Charges due to due to revaluation of assets
868,536	Gross Expenditure	823,710	789,450	736,456	(52,994)	(Cr. £51k).
111,936	Net Cost	0	(34,260)	88	34,348	
111,936	TOTAL COST of DIRECTOR of SERVICES	0	(34,260)	88	34,348	
HOUSING - GENERAL FUND						
Housing Benefit Administration						
891,194	Gross Expenditure	934,560	907,339	874,192	(33,147)	Mainly due to reduced Support Service Recharges (Cr. £38k). Overspend on salaries due to increased Benefits workload (Dr. £20k) offset by an underspend of various supplies and services being mainly postages (Cr. £15k).
(466,330)	Gross Income	(454,770)	(444,530)	(444,535)	(5)	
424,864	Net Cost	479,790	462,809	429,657	(33,152)	
Housing Benefit Payments						
23,249,365	Gross Expenditure	22,696,010	22,723,231	25,966,132	3,242,901	Increased volume of Housing Benefit cases due largely to the current economic environment resulting in a higher volume of overpayments on which subsidy is received, which are subsequently recovered by overpayments section giving a favourable variance (Cr. £36k). Budgeted increase in bad debt provision not required (Cr. £88k).
(23,399,533)	Gross Income	(22,832,460)	(22,842,700)	(26,207,530)	(3,364,830)	
(150,168)	Net Cost	(136,450)	(119,469)	(241,398)	(121,929)	
274,696	TOTAL COST of HOUSING - GENERAL FUND	343,340	343,340	188,259	(155,081)	

CM For IMPROVED CUSTOMER SERVICES

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
TRANSPORT PLAN POLICY & STRATEGY						
Public Transport						
1,238,838	Gross Expenditure	1,560,570	1,911,860	2,098,889	187,029	Increased costs of (Dr. £167k) from operator due to higher proportion of journeys starting in Worthing and additional running costs of the scheme of (Dr. £28k) (mainly printing of Smart cards). (Cr. £92k) Additional Department for Transport startup grant.
(13,745)	Gross Income	0	(357,000)	(448,679)	(91,679)	
1,225,093	Net Cost	1,560,570	1,554,860	1,650,210	95,350	
1,225,093	TOTAL COST TRANSPORT PLAN POLICY & STRATEGY	1,560,570	1,554,860	1,650,210	95,350	
6,399,956	CABINET MEMBER TOTAL	7,134,490	7,115,210	6,001,120	(1,114,090)	

(759,570) Variance in Capital Charges due to revaluation of assets
 (151,618) Variance in Support Service Costs
(202,902) Service Variance

CM For a REGENERATION

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
CULTURAL & RELATED SERVICES						
Tourism						
284,546	Gross Expenditure	274,360	289,360	280,583	(8,777)	Balance from reserves not required for Birdman (Cr. £7k)
(17,438)	Gross Income	(9,870)	(6,870)	(9,749)	(2,879)	Reduction in Support Service Recharges (Cr. £5k)
267,108	Net Cost	264,490	282,490	270,835	(11,655)	
267,108	TOTAL COST CULTURAL & RELATED SERVICES	264,490	282,490	270,835	(11,655)	
ENVIRONMENTAL SERVICES						
Environmental Health						
74,930	Gross Expenditure	76,700	76,700	73,439	(3,261)	Increased HMO licence income (Cr. £3k).
(3,757)	Gross Income	(80)	(80)	(3,093)	(3,013)	Reduced support services costs (Cr. £3k).
71,173	Net Cost	76,620	76,620	70,346	(6,274)	
71,173	TOTAL COST ENVIRONMENTAL SERVICES	76,620	76,620	70,346	(6,274)	

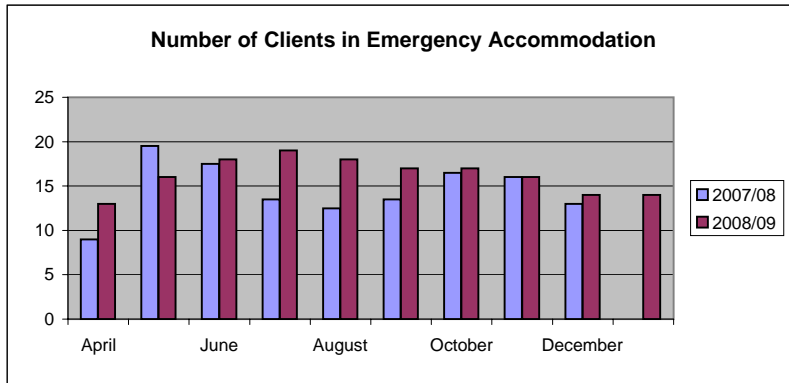
CM For a REGENERATION

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
----------------	------------------	-------------------------	--	-----------------	---------------------	---------

Homelessness

Overspend on B&B due to increase in accommodation costs (Dr. £29k) and shortfall in Housing Benefit Income (Dr. £10k).
 Underspend on other temporary accommodation due to delay in starting Choice Based Lettings Scheme (Cr. £22k).
 Reduction in Support Service Recharges (Cr. £18k).
 Underspend on Homelessness Initiatives (Cr. £20k).

798,728	Gross Expenditure	862,700	858,130	837,331	(20,799)	
(371,391)	Gross Income	(512,320)	(508,280)	(506,169)	2,111	
427,337	Net Cost	350,380	349,850	331,162	(18,688)	



Housing Advances

25,734	Gross Expenditure	23,640	23,640	24,393	753	
(15)	Gross Income	(150)	(150)	0	150	
25,719	Net Cost	23,490	23,490	24,393	903	

Housing Advice

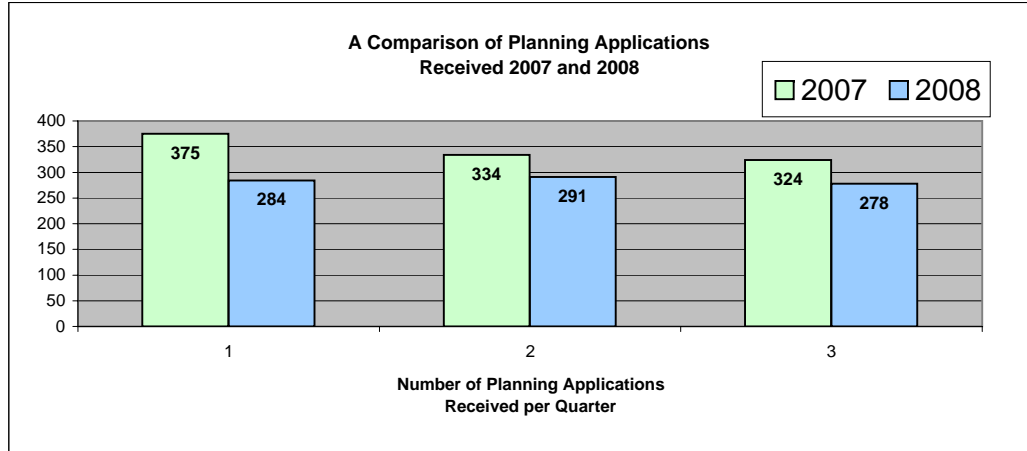
169,900	Gross Expenditure	164,550	164,550	143,242	(21,308)	Reduction in Support Service Recharges (Cr. £12k).
	Gross Income	0	0		0	Lower depreciation charge(Cr. £3k)
169,900	Net Cost	164,550	164,550	143,242	(21,308)	

CM For a REGENERATION

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
	Housing Strategy					
118,194	Gross Expenditure	119,380	119,910	99,390	(20,520)	Reduction in Support Service Recharges (Cr. £20k).
	Gross Income	0	0		0	
118,194	Net Cost	119,380	119,910	99,390	(20,520)	
	Private Sector Housing Renewal					
127,200	Gross Expenditure	132,840	132,840	126,992	(5,848)	
(85)	Gross Income	0	0		0	
127,115	Net Cost	132,840	132,840	126,992	(5,848)	Reduction in Support Service Recharges (Cr. £6k).
	Registered Social Landlords					
54,340	Gross Expenditure	57,050	57,050	48,575	(8,475)	Reduction in Support Service Recharges (Cr. £9k).
	Gross Income	0	0		0	
54,340	Net Cost	57,050	57,050	48,575	(8,475)	
922,605	TOTAL COST HOUSING	847,690	847,690	773,754	(73,936)	

CM For a REGENERATION

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
PLANNING & DEVELOPMENT SERVICES						
Building Control						
455,802	Gross Expenditure	471,110	471,110	446,466	(24,644)	Reduction in Support Service Recharges (Cr. 25K) Fee income only just exceeded budget as a result of the recession in the later half of the year.
(313,388)	Gross Income	(274,740)	(274,740)	(276,005)	(1,265)	
142,414	Net Cost	196,370	196,370	170,461	(25,909)	
Community Development						
83,981	Gross Expenditure	92,320	91,180	77,181	(13,999)	Public consultation underspent (Cr. £3k). The remaining variance due to net reduction in Support Service Recharges.
83,981	Net Cost	92,320	91,180	77,181	(13,999)	
Development Control						
	Recharges	(77,410)	(77,410)	(77,410)	0	Salaries underspent (Cr. £7k). The remaining variance due to net reduction in Support Service Recharges. Fee income shortfall (Dr. £122k)
745,055	Gross Expenditure	1,153,450	1,165,190	1,100,564	(64,626)	
(378,112)	Gross Income	(455,930)	(455,930)	(333,460)	122,470	
366,943	Net Cost	620,110	631,850	689,694	57,844	



CM For a REGENERATION

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
Economic Development						
196,126	Gross Expenditure	267,330	288,130	238,262	(49,868)	Underspend on employee costs (Cr. £42k) Slippage in the Economic Development & Tourism Action Plan (Cr. £50k) Reduction in Support Service Recharges (Cr. £9k) Underspends in supplies & services (Cr. £4k) Balance of Planning Delivery Grant (Cr. £14k)
(310,674)	Gross Income	50	50	(71,751)	(71,801)	Income from rechargeable works (Cr. £3k)
(114,548)	Net Cost	267,380	288,180	166,511	(121,669)	
Planning Policy						
393,371	Gross Expenditure	422,760	448,460	326,659	(121,801)	Slippage in the Local Development Scheme resulting in budget not required this year for Examination in Public (Cr. £75k) Reduction in Support Service Recharges (Cr. £46k)
(291)	Gross Income	(1,630)	(1,630)	(156)	1,475	
393,080	Net Cost	421,130	446,830	326,503	(120,327)	
871,870	TOTAL COST PLANNING & DEVELOPMENT SERVICES	1,597,310	1,654,410	1,430,350	(224,060)	

CM For a REGENERATION

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
SOCIAL SERVICES						
	Elderly People					
64,140	Gross Expenditure	66,120	66,120	62,910	(3,210)	
(2,975)	Gross Income	(9,370)	(9,370)	0	9,370	Income not achieved due to Careline alarm service reporting no surplus (Dr. £8k)
<u>61,165</u>	Net Cost	<u>56,750</u>	<u>56,750</u>	<u>62,910</u>	<u>6,160</u>	
<u>61,165</u>	TOTAL COST SOCIAL SERVICES	<u>56,750</u>	<u>56,750</u>	<u>62,910</u>	<u>6,160</u>	
TRANSPORT PLAN POLICY & STRATEGY						
	Public Transport					
34,690	Gross Expenditure	37,060	37,060	36,750	(310)	
	Gross Income	0	0	0	0	
<u>34,690</u>	Net Cost	<u>37,060</u>	<u>37,060</u>	<u>36,750</u>	<u>(310)</u>	
<u>34,690</u>	TRANSPORT PLAN POLICY & STRATEGY	<u>37,060</u>	<u>37,060</u>	<u>36,750</u>	<u>(310)</u>	
<u>2,228,611</u>	CABINET MEMBER TOTAL	<u>2,879,920</u>	<u>2,955,020</u>	<u>2,644,944</u>	<u>(310,076)</u>	

3,190 Variance in Capital Charges due to revaluation of assets
218,512 Variance in Support Service Costs
(88,374) Service Variance

HOLDING ACCOUNTS - CM for RESOURCES

APPENDIX 10

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
Chief Executive & Secretarial Support						
(141,750)	Recharges	(182,790)	(182,790)	(128,140)	54,650	
146,419	Revenue Expenditure	182,790	126,910	128,922	2,012	Vacancy provision not met
4,669	Net Cost	0	(55,880)	782	56,662	
EH Corporate Strategy						
(766,670)	Recharges	(741,820)	(741,820)	(609,000)	132,820	Rationalisation of external recruitment costs (Cr. £44k). Administration of training has undergone review during 2008/9 contributing to underspend against budget (£Cr. £8k). Balancing difference due to other other minor over and under spends.
777,172	Revenue Expenditure	760,600	671,930	628,104	(43,826)	
(54,730)	Revenue Income	(18,780)	(1,790)	(27,725)	(25,935)	Recharge of various costs to Adur DC and to Centre for Public Scrutiny for staff secondment costs
(44,228)	Net Cost	0	(71,680)	(8,621)	63,059	
(39,559)	TOTAL COST OF CHIEF EXECUTIVE'S DEPARTMENT RECHARGED TO SERVICES	0	(127,560)	(7,839)	119,721	
Director 1 & Secretarial Support						
(160,350)	Recharges	(154,490)	(154,490)	(94,400)	60,090	
167,436	Revenue Expenditure	154,490	91,320	94,405	3,085	Vacancy provision not met
7,086	Net Cost	0	(63,170)	5	63,175	
EH Financial Services & Section 151 Officer						
(1,973,290)	Recharges	(2,010,380)	(2,010,380)	(2,006,436)	3,944	Overspend on salary costs (Dr. £33k) due to vacancy provision not being met. (Cr. £20k) reduction in Support Service
2,297,498	Revenue Expenditure	2,277,130	2,290,257	2,309,007	18,750	Recharges. (Cr. £10k) underspend on office equipment.
(334,444)	Revenue Income	(266,750)	(302,047)	(299,977)	2,070	
(10,236)	Net Cost	0	(22,170)	2,594	24,764	Increased credit card charges due to system not being security compliant (£21k).
EH of Technical Services						
(2,176,531)	Recharges	(2,387,320)	(2,387,320)	(2,317,192)	70,128	Reduction in Employee costs (Cr. £16k), Support Service Recharges (Cr. £19k) and Reduced costs on Reprographics equipment (Cr. £26k) offset by rechargeable works expenditure
2,222,035	Revenue Expenditure	2,394,660	2,389,820	2,356,445	(33,375)	(Dr. £23k) (see offsetting income)
(16,545)	Revenue Income	(7,340)	(7,340)	(36,054)	(28,714)	Mainly due to rechargeable works income
28,959	Net Cost	0	(4,840)	3,199	8,039	
25,809	TOTAL COST OF DIRECTOR 1 DEPARTMENT RECHARGED TO SERVICES	0	(90,180)	5,798	95,978	

HOLDING ACCOUNTS - CM for RESOURCES

APPENDIX 10

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
Director 2 & Secretarial Support						
0	Recharges	0	0	(74,096)	(74,096)	
0	Revenue Expenditure	0	70,890	74,096	3,206	
0	Revenue Income	0	0	0	0	
0	Net Cost	0	70,890	0	(70,890)	
EH Legal & Democratic Services						
(802,800)	Recharges	(778,500)	(778,500)	(757,124)	21,376	Savings on employee costs (Cr. £2k) Savings on minutes/notices (Cr. £7k) Savings on legal fees (Cr. £13k) Reduction in Support Service Recharges (Cr. £4k)
807,801	Revenue Expenditure	803,090	778,306	771,951	(6,355)	Overspends on legal books & publications (Dr. £12k) Overspend on software maintenance (Dr. £9k)
(51,496)	Revenue Income	(24,590)	(24,590)	(15,101)	9,489	Reduced expenditure on legal fees (above) resulted in lower recovery of legal fees (Dr. £9k)
(46,495)	Net Cost	0	(24,784)	(274)	24,510	
EH Customer Services						
(1,057,960)	Recharges	(381,990)	(381,990)	(313,880)	68,110	
1,064,906	Revenue Expenditure	381,990	356,940	316,175	(40,765)	Vacancy provision exceeded (Cr. £41k).
(40)	Revenue Income			(150)	(150)	
6,906	Net Cost	0	(25,050)	2,145	27,195	
EH of Recycling & Waste Management						
(551,900)	Recharges	(578,270)	(578,270)	(524,584)	53,686	Due to reduced cleaning costs (Cr. 13k) and Support Service Recharges (Cr. £9k)
579,076	Revenue Expenditure	596,160	568,600	542,412	(26,188)	
(19,138)	Revenue Income	(17,890)	(17,890)	(17,802)	88	
8,038		0	(27,560)	26	27,586	
TOTAL COST OF DIRECTOR 2						
(31,551)	DEPARTMENT RECHARGED TO SERVICES	0	(6,504)	1,897	8,401	

HOLDING ACCOUNTS - CM for RESOURCES

APPENDIX 10

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
Director 3 & Secretarial Support						
(151,150)	Recharges	(153,180)	(153,180)	(96,780)	56,400	
154,094	Revenue Expenditure	153,180	95,220	98,671	3,451	
(75)	Revenue Income			(25)	(25)	
2,869	Net Cost	0	(57,960)	1,866	59,826	
EH Housing, Health & Community Safety						
(1,727,731)	Recharges	(1,753,300)	(1,753,300)	(1,627,110)	126,190	
1,645,464	Revenue Expenditure	1,753,300	1,759,940	1,640,478	(119,462)	Salary costs underspend (Cr. £96k). Underspend on miscellaneous office expenses (Cr. £16k). Reduction in Support Service Recharges (Cr. £8k).
(183)	Revenue Income	0	0	(5,161)	(5,161)	
(82,450)	Net Cost	0	6,640	8,207	1,567	
EH Leisure & Cultural Services						
(1,557,930)	Recharges	(1,687,270)	(1,687,270)	(1,693,900)	(6,630)	
1,668,871	Revenue Expenditure	1,800,910	1,802,270	1,839,901	37,631	Due to overspends in salaries (Dr. £45k) and supplies and services (Dr. £15k) partly offset by savings on transport (Cr. £5k) and reduction in Support Service Recharges (Cr. £17k)
(135,735)	Revenue Income	(113,640)	(113,640)	(145,023)	(31,383)	Additional credit card commission income
(24,794)	Net Cost	0	1,360	978	(382)	
EH Planning, Regeneration & Well-being						
(1,888,250)	Recharges	(1,016,990)	(1,016,990)	(869,117)	147,873	Variation due to net reduction of Support Service Recharges
2,178,646	Revenue Expenditure	1,050,610	984,900	1,008,087	23,187	Salaries underspent: Building Control (Cr. £16k), Strategic Planning (Cr. £26k) and Community Planning (Cr. £28k). Planning did not use any of the budget allocated for software maintenance (Cr. £26k). These underspends are off-set by the Planning Delivery Grant (PDG) expenditure that is funded from the PDG reserve.
(314,626)	Revenue Income	(33,620)	(18,490)	(137,723)	(119,233)	Transfer of the balance of PDG expenditure incurred in the year to offset expenditure in PDG holding accounts
(24,230)	Net Cost	0	(50,580)	1,247	51,827	
TOTAL COST OF DIRECTOR 3						
(128,605)	DEPARTMENT RECHARGED TO SERVICES	0	(100,540)	12,298	112,838	

HOLDING ACCOUNTS - CM for RESOURCES

APPENDIX 10

2007/08 Actual	SERVICE/ACTIVITY	2008/09 Original Budget	2008/09 Original Budget with virements	2008/09 Outturn	Variation (Fav)/Adv	Comment
OFFICE ACCOMMODATION HOLDING ACCOUNT						
PORTLAND HOUSE						
(243,530)	Recharges	(231,680)	(231,680)	(231,680)	0	
239,691	Revenue Expenditure	231,680	231,680	240,095	8,415	Overspend on Reactive Repairs etc. (Dr. £17k), underspend on gas (Cr. £3k), reduction in Support Service Recharges (Cr. £4k).
(3,839)	Net Cost	0	0	8,415	8,415	
TOWN HALL						
(861,240)	Recharges	(913,240)	(913,240)	(873,766)	39,474	
857,806	Revenue Expenditure	920,860	920,860	868,967	(51,893)	(Dr. £18k) overspend on Repairs/Maintenance etc. (Dr. £12k) overspend on general property costs (Dr. £12k) overspend on employee costs (Cr. £88k) underspend on new cleaning contract, with shift of emphasis to public convenience cleaning
(8,502)	Revenue Income	(7,620)	(7,620)	(3,615)	4,005	(Cr. £6k) reduction in Support Service Recharges
(11,936)	Net Cost	0	0	(8,414)	(8,414)	
TOTAL COST OF ACCOMMODATION HOLDING ACCOUNT						
(15,775)		0	0	1	1	
(189,681)		0	(324,784)	12,156	336,940	

-12,479 Variance in Capital Charges due to revaluation of assets
-111,824 Variance in Support Service Costs
461,243 Service Variance

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
CABINET MEMBER FOR BUSINESS MODERNISATION Information and Communications Technology Financial Information System The Joint Strategic Committee approved this scheme April 2009. Legal are checking and re-negotiating the contract. Project Accountant to be recruited May 2009. Scheme anticipated to be implemented March 2010.	(10,000)	10,000					10,000		10,000
Miscellaneous Minor Variations	(9,257)	9,140			4,340		4,800		9,140
TOTAL - Business Modernisation	(19,257)	19,140	-	-	4,340	-	14,800	-	19,140
Slippage C/f to 2009/10	20,220								
Budget B/f from 2009/10	(1,080)								
Net (Underspend)/Overspend	(117)								

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
CABINET MEMBER FOR CLEAN AND GREEN ENVIRONMENT Crematorium Improvement Scheme Main works complete. Slippage requested for floral tribute area and Muntham Chapel refurbishment. These works were delayed pending the receipt of the final account for the main works to ensure the total scheme did not overspend. Estimated completion date June 2009.	(29,016)	29,010			29,010				29,010
Crematorium Rebricking of Cremators 2008/09 works as identified by inspections completed, but unfortunately exceeded budget by more than the permitted overspend parameters. See appendix 13.	14,731								-
Highways W.S.C.C. Transport Schemes Grants to WSCC for junction schemes paid on schedule. Grants for Bus Quality Real-Time Screens were anticipated to be paid in 2009/10, but the scheme completed in 2008/09.	87,833	(87,830)	(87,830)						(87,830)

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
Parks Resurfacing and Repair of Hard Surfaces Scheme at Broadwater Green delayed by W.S.C.C. Safety Audit on adjacent scheme which has required certain elements of this scheme to be redesigned. Anticipated completion date December 2009.	(15,875)	15,880				15,880			15,880
Parks Play Areas - Brooklands "We Play Too" Scheme approved March 2009 and costs anticipated to be incurred in 2008/09 have slipped to 2009/10 where the main budget was profiled. Anticipated completion July 2009.	(10,000)	10,000			10,000				10,000
Public Conveniences Refurbishment Works 2008/09 Improvement works completed at Sea Lane, Marine Gardens and the Pier ahead of original schedule requiring budget to be b/f.	24,549	(21,340)			(21,340)				(21,340)
Miscellaneous Minor Variations	(6,245)	(13,570)			(13,570)				(13,570)
TOTAL - Clean and Green Environment	65,978	(67,850)	(87,830)	-	4,100	15,880	-	-	(67,850)
Slippage C/f to 2009/10	54,950								
Budget B/f from 2009/10	(122,800)								
Net (Underspend)/Overspend	(1,872)								

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
CABINET MEMBER FOR HEALTH, SAFETY AND WELL-BEING Coast Protection Works Timber Groyne Head Works Contractor staffing issues have delayed the project which is now anticipated to complete September 2009.	(12,729)	12,730		12,730					12,730
Foreshore Management Boating Pool - Fill In/Grass Over Adverse weather conditions prevented the scheme being completed in 2008/09. Scheme now complete.	(20,000)	20,000						20,000	20,000
Foreshore Management Seafront Enhancements 2008/09 £16,500 allocated to replacing the seafront bollards and kerbs. Scheme in progress awaiting delivery of additional kerb stones. Anticipated completion May 2009. Remainder of budget requested to be carried forward for seafront improvements in conjunction with the cycling trial.	(38,500)	38,500			38,500				38,500

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
Miscellaneous Minor Variations	(28,506)	14,270			14,270				14,270
TOTAL - Health, Safety & Well-Being	(99,735)	85,500	-	12,730	52,770	-	-	20,000	85,500
Slippage C/f to 2009/10	86,950								
Budget B/f from 2009/10	(1,450)								
Net (Underspend)/Overspend	(14,235)								

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
CABINET MEMBER FOR IMPROVED CUSTOMER SERVICES									
Aquarena Flume Replacement Scheme complete. The flume was refurbished rather than replaced resulting in a saving of £25,700.	(25,700)								-
Assembly Hall Replace Chandelier Light Units Scheme delayed by a dispute with the manufacturer of the light bulbs. Anticipated completion May 09.	(19,760)	19,760		19,760					19,760
Assembly Hall Structural Repairs and Associated Window Repairs Main works completed. Ancillary works outstanding, estimated to complete June 09.	(57,024)	4,480			4,480				4,480
Worthing Leisure Centre Replacement of Steam Room There were initial problems finding a contractor, followed by problems with the supply of the unit. Order placed March 2009, and scheme is anticipated to complete May 2009.	(17,500)	17,500		17,500					17,500

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
Reprovision of Leisure Facilities Consultancy Following approval of the appointment of architects for the new swimming pool, the remainder of this budget will be required for the selection process.	(18,248)	18,250			18,250				18,250
Miscellaneous Minor Variations	(20,479)	12,160	5,010		7,150				12,160
TOTAL - Improved Customer Services	(158,711)	72,150	5,010	37,260	29,880	-	-	-	72,150
Slippage C/f to 2009/10	72,980								
Budget B/f from 2009/10	(830)								
Net (Underspend)/Overspend	(86,561)								

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
<p>CABINET MEMBER FOR REGENERATION Housing Renewal Assistance Discretionary Grants</p> <p>Grant approvals are for 3 - 12 months and £22,670 is requested to be carried forward to fund outstanding commitments (Staying Put Grants £9,260 and Energy Efficiency Grants £13,410).</p> <p>An additional grant of £10,000 was received from British Gas towards Energy Efficiency Grants, reducing the capital receipts funding requirement. This, together with a reduced demand for renovation/repair assistance, has resulted in an underspend on the discretionary housing renewal assistance budget, and £37,198 is requested to be vired to the Mandatory Disabled Facilities Grants Budget to fund the overspend.</p>	(75,132)	22,670	22,670						22,670

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
Housing Renewal Assistance Mandatory Disabled Facilities Grants These grants are mandatory and the Council has to approve eligible grants. As approvals are for a 12 month period and works can be undertaken at any time in this period, it is difficult to forecast demand. £50,000 was reprofiled to 2009/10 in line with anticipated expenditure, but a late flurry of works in February and March 2009 resulted in an overspend of £87,198. Request to b/f £50,000 from 2009/10 and a virement for £37,198 from the Discretionary Housing Renewal Assistance Budget to fund the overspend.	87,198	(50,000)	(50,000)						(50,000)
Economic Development Master Plan Contribution to the W.S.C.C. Chapel Road Safety Scheme paid. Seafront/café conversion works, Town Hall Street Furniture and 2008/09 Public Art works complete. Slippage requested for the Suncloud Art Works at Splash Point, which is on hold for the paving to be completed (£60,310), for further Public Art and Public Realm Projects (£37,200), and for the consultants report on the retail core (£10,000).	(107,509)	107,510			107,510				107,510

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
Miscellaneous Minor Variations	(5,005)	5,000					5,000		5,000
TOTAL - Regeneration	(100,448)	85,180	(27,330)	-	107,510	-	5,000	-	85,180
Slippage C/f to 2009/10	135,180								
Budget B/f from 2009/10	(50,000)								
Net (Underspend)/Overspend	(15,268)								

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
CABINET MEMBER FOR RESOURCES									
Council Accommodation Town Hall - Replace Pipework and Lagging External lagging works completed at competitive prices due to current economic climate. Scheme transferred to revenue as below the capital deminimis of £10,000. Request for slippage to provide a provision for the Civic Centre Car park Barrier; report to Cabinet 19.1.09 deferred this scheme 3 months pending a review of the car park and a Green Travel Plan.	(14,000)	12,500			12,500				12,500
Council Accommodation Joint Accommodation Alteration Schemes - Commerce Way Partnership scheme with Adur. £40,000 approved for Commerce Way alterations. Completed April 2009.	(14,417)	14,420					14,420		14,420

FINAL ACCOUNTS 2008/2009
CAPITAL OUTTURN - DETAILS OF MAJOR VARIATIONS TO BUDGET AND ANALYSIS OF SLIPPAGE

Scheme	Variations		Analysis of Slippage Carried Forward to and Brought Forward From 2009/2010						
	(Under-spend)/ Overspend £	Slippage C/F (Budget B/F) £	1 Schemes Outside The Council's Control £	2 Supplier/ Contractor Problems £	3 Internal Delays £	4 Third Party Involve- ment £	5 Partner- ship Working with Adur £	6 Adverse Weather Conditions £	7 TOTAL £
Properties									
23 Eirene Road Late inclusion in 2008/09 capital investment programme to bring property up to the decent homes standard. Discussions being held with tenant prior to works being undertaken. Works must be completed prior to December 2009.	(20,000)	20,000			20,000				20,000
Miscellaneous Minor Variations	(7,012)								
TOTAL - Resources	(55,429)	46,920	-	-	32,500	-	14,420	-	46,920
Slippage C/f to 2009/10	46,920								
Budget B/f from 2009/10	-								
Net (Underspend)/Overspend	(8,509)								
TOTALS - ALL CABINETS	(367,602)	241,040	(110,150)	49,990	231,100	15,880	34,220	20,000	241,040
Slippage C/f to 2009/10	417,200								
Budget B/f from 2009/10	(176,160)								
Net (Underspend)/Overspend	(126,562)								

FINAL ACCOUNTS 2008/09		
Analysis of Capital Receipts		
A. General Fund	£	£
1. Sales:		
Land and Other Assets *	-	
2. Repayment of Discount:		
Right to Buy Clawback	-	
		-
B. Housing Receipts (Ringfenced)		
1. Loan Repayments:		
Council House Mortgages	8,060	
Housing Act Advances	380	
2. Grant Repayments:		
Housing Renewal Grants	-	
		8,440
TOTAL CAPITAL RECEIPTS		8,440
<p>* Sale of Land and Other Assets:</p> <p>The Council's property disposal programme has been affected by the current economic climate and the likelihood of reduced capital receipts resulting from property sales.</p>		

2008/09 CAPITAL SCHEME OVERSPENDS**1. CLEAN AND GREEN ENVIRONMENT****Worthing Crematorium – Re-bricking of Cremators £14,371 Overspend**

- 1.1 The re-bricking of cremators programme ensures that the crematorium provides an effective, uninterrupted service to the community and maintains a consistent revenue income to the Council. The works are essential to the operation and function of the service.
- 1.2 The Council's capital programme each year allocates funding for the re-bricking works required for the operation of the cremators. The 2008/09 budget was set at £33,000 inclusive of internal fees. It should be noted that this budget has under spent in previous years.
- 1.3 During 2008/09 it was necessary to carry out a significant amount of unavoidable works to the cremators consistent with the age and usage factors of the installation.
- 1.4 The expenditure for 2008/09 was £47,731 inclusive of internal fees, resulting in an overspend of £14,371. This overspend can be funded from the overall 2008/09 underspend in the Clean and Green Environment Portfolio, and a virement of £14,731 is requested.

2. Regeneration**Mandatory Disabled Facilities Grants – £87,198 Overspend**

- 2.1 Disabled Facilities Grants are mandatory; the Housing Authority has to approve a valid application for a grant.
- 2.2. Approvals are for a 12 month period and the works can be undertaken at any time within this period.
- 2.3. This makes budget forecasting very difficult. Experience over many years has demonstrated that the budget can be significantly over committed during the year and expenditure will still be within budget at year end, and this adds to the difficulty in forecasting outturn.
- 2.4. The original budget was £600,000 plus slippage from 2007/08 of £139,100. In December 2008 £50,000 of the original 2008/09 budget was reprofiled to 2009/10 in line with anticipated expenditure. A late flurry of works and claims in February and March 2009 resulted in expenditure of £776,298, an overspend of £87,198 on the revised budget of £689,100.
- 2.5. It is proposed that the overspend is funded by bringing forward the £50,000 re-profiled to 2009/10 and by a virement of £37,198 from underspends in the 2008/09 Discretionary Housing Renewal Assistance Budget.

COLLECTION FUND 2008/09		
Income	£	£
Income from Council Tax		48,698,533
Transfer from General Fund:- Council Tax Benefits		6,104,436
		54,802,969
Income collectable from business ratepayers		28,442,827
		83,245,796
Expenditure		
Precepts and Demands from:		
West Sussex C.C.	42,207,241	
Sussex Police Authority	4,947,242	
Worthing B.C	7,804,880	54,959,363
Business Rate:		
Payment to National Pool	28,282,150	
Cost of Collection Allowance	128,967	
Interest on Refunds	31,710	28,442,827
Contributions from Collection Fund		
West Sussex County Council	(384,290)	
Sussex Police Authority	(44,917)	
Worthing Borough Council	(71,410)	(500,617)
		82,901,573
Surplus(-)/Deficit for Year		(344,223)
Deficit at 1st April, 2008 brought forward		385,753
Deficit at 31st March, 2009 carried forward		41,530

The deficit is paid by the following authorities:

	Used to Support Council Tax		TOTAL
	Collected In 2009/10	Distributed In 2010/11	
West Sussex County Council	(133,185)	(165,079)	31,894
Sussex Police Authority	(15,611)	(19,349)	3,738
Worthing Borough Council	(24,628)	(30,526)	5,898
	(173,424)	(214,954)	41,530

Arrears and Bad Debt Provision at 31.03.2009				
	Arrears £'000		Bad Debt Provision £'000	
	Business Rates (incl. Costs)	(705,102)	1,680,509	(377,990)
Council Tax (incl. Costs)	(2,597,156)	2,814,042	(1,228,410)	1,146,270
	(3,302,258)	4,494,551	(1,606,400)	1,939,880
Note: Previous year's figures (31st March, 2008) in brackets				