

Adur
District
Council



Worthing
Borough
Council



2014-2015

Adur &
Worthing
Councils



BUDGET BOOK

CIVIC BUDGET 2014/2015

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INTRODUCTION

BUDGET BOOK FORMAT

The Budget Book is presented in line with the operational service block structure of the three 'organisations'; Adur, Worthing and Joint. The colour of the page identifies the organisation.

Each service budget is identified by Cabinet Member Portfolio for Adur and Worthing Councils within the service blocks.

The budget reports submitted to Adur and Worthing Cabinets and the Joint Committee are reproduced on pages 5-224 of this Budget Book.

At the time of publishing this Budget Book the new "Catching the Wave" organisational structure has not been finalised, however, a small provisional "Catching the Wave" section has been added before the "Budget by Existing Service Block" section, showing the current services in one of the four new "Catching the Wave" directorates.

BUDGET STRATEGY FOR 2014/15

Detailed budget strategies for Adur and Worthing Councils were agreed in July, to underpin the budget process:

Revenue Budget Strategy

- The Councils will aim to keep Council Tax increases to a minimum;
- Growth in expenditure is to be restricted to unavoidable expenditure to satisfy the delivery of the Councils' Key Priorities and other legislative requirements. The key items of growth identified to date have been included in the outline 5-year forecast;
- Any other growth to be accompanied by proposals for equivalent ongoing savings and not to be funded from reserves;
- Income is to be increased in line with the inflationary pressures upon the Councils (2.0%) or such higher increase as the individual markets can bear;
- Expenditure is to be increased by: 1% for pay (but an allowance has been made for increments which are a contractual commitment) and 2.0% for all other expenditure (except for inflation arising from contractual indexation provisions and energy for which an appropriate provision is to be made);
- The Councils aim to set a balanced budget. Any proposed use of reserves is to have regard to the adequacy of such reserves and any such policy must be sustainable in the longer term. In addition, the Councils aim not to have any planned call upon the General Fund Working Balance;

INTRODUCTION

BUDGET STRATEGY FOR 2014/15

Revenue Budget Strategy

- Officers are to identify 'cashable' efficiency savings, options for reducing non-priority services, and undertake a critical review of income.

Capital Investment Programme

- A maximum level of funding be made available per year for the next 5 years to fund new General Fund schemes as follows:

Adur District Council: £1m (plus £3.1m for the Housing Investment Programme)

Worthing Borough Council: £1.5m

- The funding of the programme is to be comprised of prudential borrowing and capital receipts. This reflects concerns about affordability; however Members need to be aware that the number, age and condition of the Council's assets continue to be a cause for concern.
- Additional capital expenditure to be only agreed where additional funding from capital grants, contributions, earmarked receipts approved additional prudential borrowing or use of reserves has been secured.

JOINT SHARED SERVICES (JSC)

In July 2007, both Adur District and Worthing Borough Councils took the decision to work in partnership and to create a single officer structure and provide shared services to their two communities.

This partnership of shared services sits within a non-legal entity of a joint committee. The joint committee has to meet all the accounting requirements of a public sector body. For budget purposes the following key processes apply:-

- The joint committee has a separate general ledger.
- As each service moves across to the joint committee their respective budgets are pooled.
- The pooled joint budgets are recharged back to Adur and Worthing Councils as part of the cost allocation recharge process.

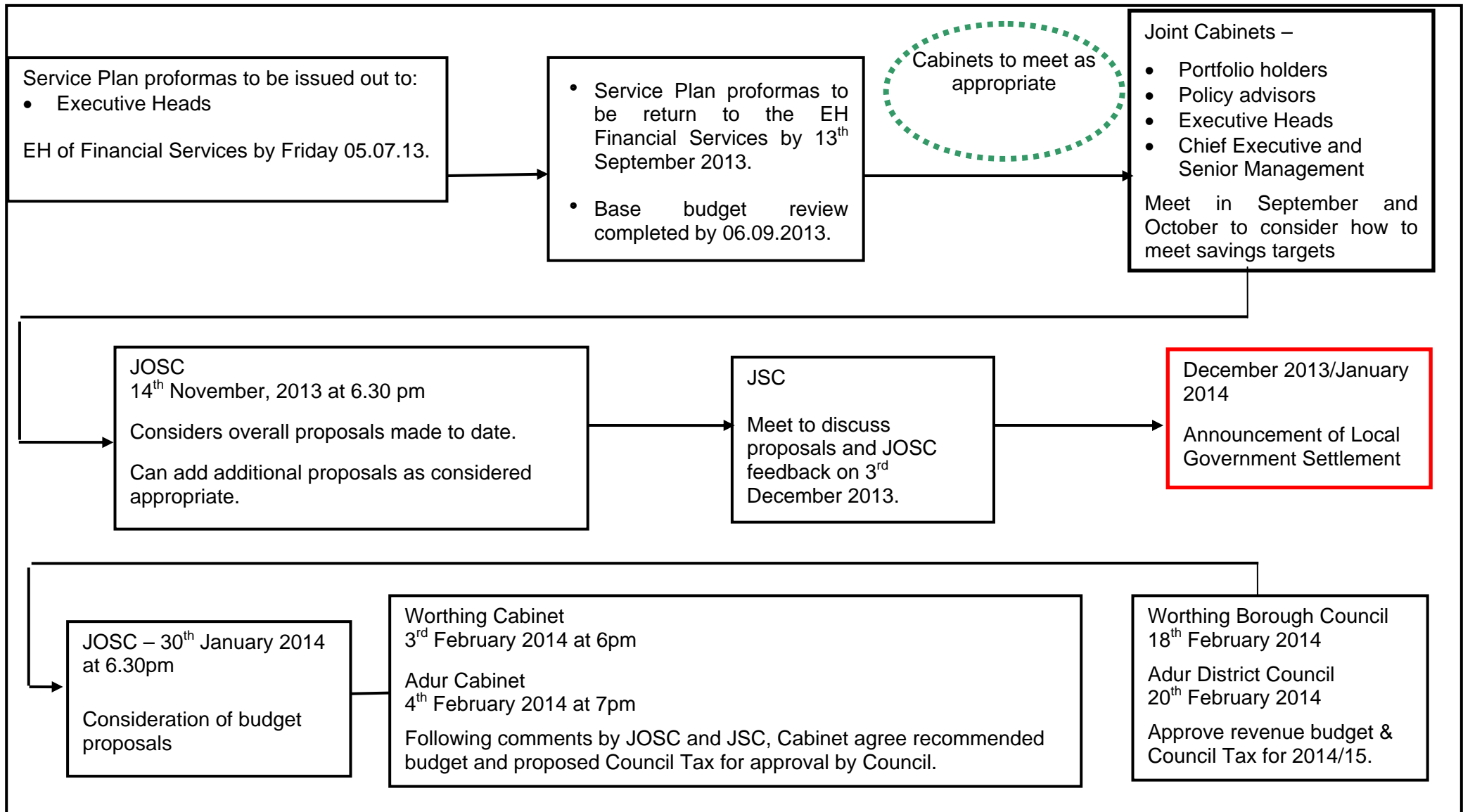
INTRODUCTION

RECHARGES

The concept of recharging central support and departmental management support, 'back office functions' to 'front line services' is based on the CIPFA Service Reporting Code of Practice for Local Authorities. The accounting principle is that the 'total cost' for a service should follow a consistent approach across local authorities and that the definition of 'total cost' includes direct costs related to services and 'back office functions.'

INTRODUCTION

BUDGET REPORTING FLOWCHART 2014/15





TITLE: JOINT OVERALL BUDGET ESTIMATES 2014/15

REPORT BY: SARAH GOBEY, EXECUTIVE HEAD (FINANCIAL SERVICES)

1.0 SUMMARY

1.1 This report represents the culmination of the annual budget exercise and asks members to consider the following:

- The final revenue estimates for 2014/15;
- An updated outline 5-year forecast;

These budgets reflect the decisions taken by Members to date in relation to agreed savings proposals and reflect the decisions made at both Councils, together with some minor changes which are detailed below.

1.2 The budget is analysed by Executive Head. In addition, the draft estimates for 2014/15 have been prepared, as always, in accordance with the requirements of the Service Reporting Code of Practice for Local Authorities 2014/15 (except in relation to pension costs adjustments that do not impact either on the Budget Requirement or the Council Tax Requirement).

1.3 The respective Adur and Worthing 2014/15 Estimate and Council Tax setting reports will be approved by the Worthing Cabinet on Monday 3rd February 2014 and the Adur Cabinet on Tuesday 4th February 2014. Both the Estimates for Adur District Council and Worthing Borough Council will include their respective share of the cost of the Joint Strategic Committee.

2.0 BACKGROUND

2.1 The Medium Term Financial Plan (MTFP) report, considered on 4 July 2013, identified an initial likely budget shortfall of £1,191,000 in 2014/15 for this committee. Both Councils noted the updated financial context and the key budget pressures outlined in this report. The councils have previously been aware of the challenges facing them and agreed a budget strategy which progresses the three major work streams:

2.0 BACKGROUND

1. Major Service Reviews;
 2. Efficiency Reviews;
 3. Base Budget Review.
- 2.2 In addition to these reviews, the July 2013 report proposed two new additional strands of work to balance the 2014/15 budget:
- Procurement review
 - Continuous Improvement Board, as a replacement to the Change Management Board which has subsequently been deferred and replaced by the 'Catching the Wave' programme of work lead by the Chief Executive
- 2.3 The subsequent report to the Joint Strategic Committee, on 3rd December 2013, outlined the options for savings and growth and updated Members as to the latest budgetary information. The 2014/15 savings proposals for the Joint Committee amounted to £1,125,600. Since this time some additional savings which impact upon the joint services have been identified and these are attached at Appendix 2.
- 2.4 Since the meeting on 3rd December, the Joint Strategic Committee budget has been finalised and the last adjustments have been included. (The 2014/15 budgets for Adur and Worthing Councils will be reported to their respective Cabinets at the beginning of February 2014.) Overall, therefore, the current financial position of the Joint Strategic Committee for 2014/15 can be summarised as:

	£'000
Original shortfall in funding	1,191
Changes identified in December 2013:	
Revised assessment of inflationary pressures and increments	57
Committed Growth	139
Removal of contingency budget	(100)
Revised assessment of shortfall	1,287
Less: Savings approved on 3rd December 2013	(1,126)
Less: Net savings to be approved identified in appendix 2	(161)
Remaining shortfall to be addressed	-

2.0 BACKGROUND

2.5 Local Government has been the subject of an extraordinary level of change over the past few years which is set to continue for the foreseeable future. The level of funding provided by Central Government has reduced by significantly over the three years 2012/13 – 2014/15 and will continue to reduce for at least the next 2 – 3 years. This will have inevitable consequences for the services of the Joint Strategic Committee which will need to reduce it's budget in line with the challenges faced by the constituent Councils.

2.6 However the Autumn Statement contained some good news for the Councils. The Chancellor commented that:

'We can therefore be confident in reducing the contingency reserve by £1 billion this year and reducing departmental budgets by a similar amount in the next two years. This will save a further £3 billion in total.....

.....We will not apply these additional savings to local government, because we expect them to freeze council tax next year'

*Chancellor of the Exchequer George Osborne,
The Autumn Statement 2013*

Contained within the detail of the settlement was some further good news about New Homes Bonus

The government will formally respond to the technical consultation on the New Homes Bonus and the Local Growth Fund in due course. The government will not include the New Homes Bonus in the Local Growth Fund, except for £70 million for the London Local Enterprise Partnership, which is chaired by the Mayor of London.

Autumn Statement

It is now unlikely that the planned transfer of New Homes Bonus monies to the Local Growth Fund will take place (other than in London) in 2015/16. This is of particular significance to both Councils and will be discussed in more detail within the budget report of each Council

2.7 Settlement was released on the 18th December 2013 in the form of a written statement and this year has been largely as expected. So whilst the likely impact of the settlement for 2014/15 and 2015/16 for the two Councils is now clear. The ongoing pressure on the budgets of the constituent Councils will inevitably have an impact on the level of funding offered to the Joint Committee particularly from 2016/17 onwards.

3.0 2013/14 BUDGET – CURRENT POSITION

- 3.1 The latest revenue monitoring report for the Joint Committee was reported on the 7th November 2013 to this committee and forecasts an underspend for the year of £517,000.
- 3.2 The anticipated underspend will give both Councils the much needed opportunity to place some funds into reserves to meet future needs. The ongoing trends that have been identified as part of regular monitoring have been built into the 2014/15 revenue budget.
- 3.3 On past evidence, spending patterns between this monitoring report and the end of the financial year have shown there is every reason to expect that the position may continue to improve as the year progresses, which will be reported when the final accounts come before the Joint Strategic Committee on 24th June 2014. Consequently, any final recommendations must be deferred until the outturn results are known.

4.0 DRAFT REVENUE ESTIMATES 2014/15

- 4.1 Detailed budgetary work for the Joint Strategic Committee is now complete (subject to any decisions arising from the Adur and Worthing Cabinets in February) and the estimate of the budget requirement (net of any proposed transfers to reserves) is £20,589,800. This includes the savings agreed by Joint Strategic Committee on 3rd December 2013 and those included in appendix 2.
- 4.2 Details of all of the main changes in the base budget from 2013/14 to 2014/15 are at Appendix 1. A breakdown of each Executive Head's summary budget is attached at Appendix 4. The changes can be summarised briefly as follows:

	£'000	£'000
2013/14 Original Estimate		20,687
Add: General Pay and Price Increases		527
Add: Contingency for unidentified items		
		21,214
Add: Committed and Unavoidable Growth:		139
Less: Compensatory Savings		
Accounting adjustments within the Joint Committee		524

4.0 DRAFT REVENUE ESTIMATES 2014/15

	£'000	£'000
Less: Savings agreed by members		
Approved 3 December 2013	(1,126)	
Restructure of Management Team	(107)	
Further redundancies	(59)	
Adjustments to savings declared in November	5	
		(1,287)
Net cost to be reallocated to the Councils		20,590
Allocated as follows:		
- Adur District Council		8,244
- Worthing Borough Council		12,346
Cost reallocated to both Councils		20,590

4.3 The Joint Strategic Committee budget will be reflected in both the Adur and Worthing Estimates, which will be approved by their respective Cabinets on 4th and 5th February 2013. The allocation of the costs of joint services under the remit of the JSC has again been reviewed this year. The swing of costs between the two Councils has changed by 0.75% between the two Councils.

4.4 The initial report to members about the creation of the partnership discussed at the Simultaneous Executive Meeting on 12th July 2007 emphasised the need for stability of costs between the Councils, and it is not proposed to take action until a firm trend has established. There are several reasons for this as previously reported to the Joint Strategic Committee:

- Many of the allocations for the joint services are based on broad estimates which will be confirmed as the services mature;
- Some of the joint services have only been in operation for a relatively short-time and so it is impossible to identify whether there is a long-term trend in the allocation of costs; and
- Some of the swings in costs may be temporary in nature.

However, the overall no detriment element of the budget now stands at just £19,000 with a relatively stable average allocation between the two councils of 39.29% to Adur and 60.71% to Worthing. It is proposed to remove this element of the budget as part of the 2014/15 process reducing costs to Worthing Borough Council by £19,000 and increasing the costs to Adur District Council by a similar amount.

4.0 DRAFT REVENUE ESTIMATES 2014/15

4.5 However, as part of the review of the allocation of support services there have been some changes for individual services which are reflected in the detailed budgets. It is important to note that this does not change the overall cost of the support services to each Council, but that it does influence the size of the share that each service takes, and the proportion borne by the General Fund and the Capital Investment Programme.

Further details can be provided by request from the Jo-Anne Chang-Rogers (Finance Manager) or Sarah Gobey {Executive Head (Financial Services)}.

5.0 IMPACT ON FUTURE YEARS

5.1 The impact of the proposed changes on the overall revenue budget for the next 5 years is shown at Appendix 1. The reinstatement of the New Homes Bonus coupled with other changes means that the JSC is able to reduce the level of saving required from the Joint Strategic Committee going forward. However, there is a general election in 2015 and so some caution must be exercised when considering the 2016/17 shortfall and beyond. The Joint Strategic Committee is likely to show the following shortfalls:

	Expected shortfall (Cumulative)				
	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000
Cumulative budget shortfall as per July forecast	1,191	2,070	3,686	4,768	5,873
Add:					
Growth items identified in December	139	297	995	1,005	1,015
Final adjustment to inflation figures	57	57	57	57	57
Less:					
Savings agreed in December	(1,126)	(1,126)	(1,126)	(1,126)	(1,126)
Removal of contingency	(100)	(100)	(100)	(100)	(100)
Further savings to be agreed - see appendix 2	(161)	(161)	(161)	(161)	(161)
Increase to funding levels from the constituent Councils following settlement and the Autumn Statement	-	(607)	(1,324)	(1,261)	(1,239)
Adjusted cumulative budget shortfall	-	430	2,027	3,182	4,319
Savings required each year	-	430	1,597	1,155	1,137

5.0 IMPACT ON FUTURE YEARS

- 5.2 To ensure that the Joint Strategic Committee continues to balance the budget there will need to be a continuing emphasis on efficiency and value for money in the annual savings exercise.

6.0 SIGNIFICANT RISKS

- 6.1 Members will be aware that there are several risks to the Joint Strategic Committee's overall budget. These can be summarised as follows:-

(i) **Income**

The Committee receives income from a number of services which will be affected by demand. Whilst known reductions in income have been built into the proposed budgets for 2014/15, income may fall further than expected.

(ii) **Withdrawal of funding by partners**

All budgets within the public sector continue to come under intense scrutiny which may lead to partners reassessing priorities and withdrawing funding for partnership schemes. Consequently, either council might lose funding for key priorities, which would leave the Joint Committee with unfunded expenditure together with the dilemma about whether to replace the funding from internal resources.

(iii) **Inflation**

A provision for 2.0% inflation has been built into non-pay budgets together with an allowance for additional inflation on fuel. Pay budgets include an inflationary allowance of 1%. Our Treasury advisors agree with the Bank forecast that inflation is likely to stay near the target rate of 2%. Each 1% increase in inflation is equivalent to the following amount:

	1% increase
	£'000
Pay	193
Non-pay	66

- 6.2 To help manage these risks, both councils have working balances and other earmarked reserves.

7.0 GROWTH

- 7.1 Attached at Appendix 3 are the non-committed growth items which total £210,200 for consideration. Members are asked to consider whether or not these items are supported. Supported growth items will then go to the individual Cabinets in February for confirmation.
- 7.2 Members attention is drawn to the growth item associated with the anti-social behaviour team. This team currently receives funding from the Police and Crime Commissioner, however the council is still waiting to hear whether this funding will continue on in to 2014/15 and so this item may not be needed.

8.0 CONSULTATION

- 8.1 Both Councils have undertaken a follow-up consultation to last year's area wide exercise entitled 'Your Chance to be the Chancellor'. This again took the form of a leaflet sent out to each home. The focus of this year's consultation was around the potential changes to the Council Tax Reduction Scheme, and the level of Council Tax increase that the public would support. Therefore it does not impact directly upon this committee. The closing date was 4th November 2013 and the results will be reported to the Adur and the Worthing Cabinets in February 2014.
- 8.2 The annual briefing with the business community will take place on 22nd January 2014.

9.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

- 9.1 Section 25 of the Local Government Act 2003 requires an authority's Chief Finance Officer - the Executive Head (Financial Services) - to make a report to the authority when it is considering its budget and council tax. The report must deal with the robustness of the estimates and the adequacy of the reserves allowed for in the budget proposals, so Members will have authoritative advice available to them when they make their decisions. The Section requires Members to have regard to the report when making their decisions.
- 9.2 As Members are aware, the Joint Strategic Committee must set its Estimates in advance of the start of the financial year. This is because both Councils must decide every year how much they are going to raise from council tax. They base their decision on a budget that sets out estimates of what they plan to spend on each of their services. This includes a share of the cost of the Joint Strategic Committee. Because they decide on the council tax in advance of the financial year in question, and are unable to increase it during the year, they have to consider risks and uncertainties that might force them to spend more on their services than they planned. Allowance is made for these risks by:

9.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

- making prudent allowance in the estimates for each of the services, and in addition;
- ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.

9.3 Overall view on the robustness of the estimates:

Subject to the important reservations below, a reasonable degree of assurance can be given about the robustness of the estimates. The exceptions relate to:

- (1) The provision of estimates for items outside of the direct control of the Council:
 - Income from fees and charges in volatile markets, and income from grants.
 - External competition and declining markets, particularly during a recession.
- (2) Cost pressures not identified at the time of setting the budget. This would include items such as excess inflation.
- (3) Initiatives and risks not specifically budgeted for.

It will therefore be important for members to maintain a diligent budget monitoring regime during 2014/15.

9.4 The Executive Head (Financial Services) and Section 151 Officer's overall view of the robustness of the estimates is, therefore, as follows:

The processes followed are sound and well established and identical to those that produced robust estimates in the past. The Joint Strategic Committee has also demonstrated that it has a sound system of financial management in place.

10.0 CONCLUSION

10.1 The past few have been very difficult for the Committee. Overall the Committee has successfully identified savings of over £1,287,000 to meet the current year's financial challenges. This year's savings show the reward for a continued focus on: the economy (through increased business rates); house building (though increasing levels of New Homes Bonus); robust approach to budgeting (through the removal of unneeded budgets); and the efficiency agenda which has reaped significant savings in the current year.

10.0 CONCLUSION

- 10.2 However, this has not been without pain. The workforce has been reduced again, with the inevitable pressure of additional work falling on the shoulders of the remaining staff. This will continue as requirement to reduce costs is set to be a feature of the organisation for the next few years. But we have to date continued to protect front-line services.
- 10.3 Looking further ahead, the Chancellor has signalled that the austerity programme will continue until at least 2015/16, so difficult times lie ahead. However, the Councils are in a strong position to meet this immediate challenge.
- 10.4 Nevertheless, it is difficult to be certain what the future will bring post the general election, although most commentators believe that funding will continue to be withdrawn from local government for the next 3- 5 years. Consequently, there is a real need for the Councils to developing a strategy for the next 2 – 5 years and the Chief Executive's 'Catching the Wave' project will help form the foundation of the strategy.
- 10.3 In preparing the strategy and forecast for 2013/14 an assessment was carried out of the significant risks and factors which may have an impact on the Committee's budget. Where quantifiable, the budget has been adjusted accordingly but it is important to acknowledge that there are still some risks to the overall position which may have to be funded from reserves. Members will continue to receive regular budget monitoring reports and updates to the Joint Strategic Committee's 5-year Medium Term Financial Plan, to ensure that the financial challenges ahead are effectively met.
- 10.4 The annual preparation of the budget is a huge exercise involving the co-operation and support of countless officers in all departments of both Councils. Most of the work, of course, falls on the Financial Services team and has to be completed within tight time constraints at a difficult time of year.

11.0 RECOMMENDATION

- 11.1 The Joint Strategic Committee is recommended to:
- Approve the savings set out in Appendix 2
 - Consider the non-committed growth items outlined in Appendix 3 and indicate which items will be supported when the overall budgets for each Council are considered;
 - Agree the budgets for 2014/15 at Appendix 4 to be adjusted by any agreed growth items.

JOINT:
Revenue Budget Report



SARAH GOBEY
Executive Head
(Financial Services) & Section 151 Officer

ANDREW GARDINER
Strategic Director

Local Government Act 1972
Background Papers:

Reports to the Joint Strategic Committee

Local Authority Finance (England) Settlement Revenue Support Grant for 2014/15 and Related Matters: DCLG Letters and associated papers of 18th December 2013.

The Autumn Statement 2013. HM Treasury

Local Government Act 2003 and Explanatory Note

“Guidance Note on Local Authority Reserves and Balances” – LAAP Bulletin No. 77 - CIPFA -published in November 2008

Statement of Accounts 2012/13

Report to Joint Strategic Committee 7th November 2013 – “2nd Capital, Revenue Budget and Performance Monitoring 2013/14

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SCHEDULE OF OTHER MATTERS

1.0 COUNCIL PRIORITY

1.1 The budget supports the Council's achievement of all its priorities.

2.0 SPECIFIC ACTION PLANS

2.1 The report details how the Council proposes to meet the financial targets initially outlined in the 3-year outline forecast considered in July 2010.

3.0 SUSTAINABILITY ISSUES

3.1 Matter considered and no issues identified

4.0 EQUALITY ISSUES

4.1 The majority of the proposals included in the report will have no impact on equality issues as there are no proposed changes to the way in which services are delivered.

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

8.0 CONSULTATIONS

8.1 Consultations are detailed in Section 9 of the main report

9.0 RISK ASSESSMENT

9.1 The overall risks to the budget are detailed in Section 8 of the main report.

10.0 HEALTH AND SAFETY ISSUES

10.1 Matter considered and no issues identified

11.0 PROCUREMENT STRATEGY

11.1 Matter considered and no issues identified

12.0 PARTNERSHIP WORKING

12.1 The report considers the impact that partnership working has on the overall revenue budget.

JOINT STRATEGIC COMMITTEE						
Revenue Budget Summary Statement 2013/14 - 2018/19						
	2013/14 Base	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation						
Base budget	24,712	24,712	24,712	24,712	24,712	24,712
(a) Annual Inflation						
Estimated inflation		507	985	1,676	2,372	3,100
(b) Committed Growth						
Changes to National Insurance Contributions		-	-	532	532	532
Impact of Pension contribution increase		-	158	324	330	337
Net Committed & unavoidable changes approved Dec 2013		139	139	139	139	139
(c) Agreed Savings						
Savings approved 3 December 2013		(1,126)	(1,126)	(1,126)	(1,126)	(1,126)
Adjustments to savings declared in December 2013		25	25	25	25	25
Restructure of Management Team		(107)	(107)	(107)	(107)	(107)
Further redundancies in Service Departments		(59)	(59)	(59)	(59)	(59)
(d) Accounting adjustments						
Reclassification of income as recharge income		524	524	524	524	524
Reduction of recharges within the Joint Committee		(681)	(681)	(681)	(681)	(681)
Total Budget Requirements	24,712	23,934	24,570	25,959	26,661	27,396
Less: Recharges within the Joint Strategic Committee	(4,025)	(3,344)	(3,344)	(3,344)	(3,344)	(3,344)
Net cost to be reallocated to the Councils	20,687	20,590	21,226	22,615	23,317	24,052
Adur District Council	8,129	8,244	8,326	8,243	8,062	7,901
Worthing Borough Council	12,558	12,346	12,469	12,345	12,073	11,832
Total income for services provided to the constituent councils	20,687	20,590	20,796	20,588	20,135	19,732
(Surplus) / Shortfall in Resources	-	-	430	2,027	3,182	4,319

JOINT:
Revenue Budget Report



APPENDIX 2

Saving	Notes	When / Value?		
		2014/15	2015/16	Beyond
		£'000	£'000	£'000
Savings from efficiency measures or base budget review:				
Corporate initiatives Restructure of management team	Impact is detailed in the report elsewhere on the agenda	107.1	107.1	107.1
Corporate and Cultural Services <i>Legal Services</i> Restructure	The saving is created by making 3 posts redundant and replacing one of the posts on a lower grade and also making one post full time.	37.0	37.0	37.0
Housing, Health and Community Safety <i>Environmental Health</i> Deletion of Team Leader (Health and Safety) Less: Investment in structure		56.7 -41.5		
Net saving arising from vacancy		15.2	15.2	15.2

APPENDIX 2

Saving	Notes	When / Value?		
		2014/15	2015/16	Beyond
		£'000	£'000	£'000
Housing, Health and Community Safety				
<i>Housing Services Management</i>				
Deletion of lettings and support officer	VR of post 4056	9.9		
Less: Pension strain		-3.5		
Net saving from redundancy		6.4	6.4	6.4
<u>Total Efficiency Savings</u>		165.7	165.7	165.7
Adjustments to savings declared in November	Overstatement of salary saving	-25.1	-25.1	-25.1
Overall total savings		140.6	140.6	140.6

JOINT:
Revenue Budget Report

APPENDIX 3

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Corporate and Cultural Services							
<i>Legal Services:</i>							
Increase in hours of Senior Information Officer	23.5	23.5	23.5	9.4	0.0	14.1	23.5
In 2008 the Census Partnership highlighted the lack of information security standards, procedures and practice to the Census Joint Steering Group who agreed for a Project Team to develop a suite of Information Security Policies. The policy was agreed by Joint Strategic Committee on 27 th March 2012 and a suite of 12 policies have been developed and adopted by Management Team which set out the role and responsibilities of the Information Security Manager. These roles and responsibilities are new areas of work arising from the policies adopted by the Council. The work has been allocated to the Council's Senior Information Officer, who does not have the capacity to absorb this work into her current post.							
The duties of the role are to take day-to-day responsibility for developing, monitoring and overseeing the implementation of the Corporate Information and Records Management Policies, procedures and guidelines and proving the mechanisms for supporting Access to Information compliance.							

APPENDIX 3

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<p>The policy approved by Joint Strategic Committee commits the Councils to putting in place policies, procedures, guidelines and mechanisms for improving good information management, information security and record keeping. The role and responsibilities assigned to the Information Security Manager are essential to the successful implementation and continued commitment to the laudable aims and objectives of the policy.</p> <p>Benefit/deliverables (outputs, impact on financial savings)</p> <p>i) Safeguarding the Councils and avoiding breaches of statutory data protection rules.</p> <p>Implication of unsuccessful bid</p> <p>There will be insufficient resources to carry out the role of Information Security Manager</p> <p><i>Human Resources</i></p> <p>Computerisation of recruitment process Part of an on-going project to improve the efficiency of HR and Payroll processes through the use of IT.</p>							
	6.0	6.0	6.0	2.4		3.6	6.0

JOINT:
Revenue Budget Report

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<p>Benefit/deliverables (outputs, impact on financial savings)</p> <p>i) Non cashable efficiency savings as staff have less direct involvement in an on-line process. This is part of a Council wide initiative to reduce administration burden.</p> <p>Implication of unsuccessful bid</p> <p>Unable to implement this system and progress the “channel shift” in recruitment</p> <p>Museum and art gallery</p> <p>Annual valuation of Museum Collection</p> <p>The Council is now required to regularly value it's collection for audit purposes. This will also have the benefit of making sure that this is not undervalued for insurance purposes.</p> <p>Benefit/deliverables (outputs, impact on financial savings)</p> <p>The revaluation of the collection is a requirement for the statement of accounts. Museum curatorial team will not have to withdraw from income generating activities to carry out this task</p> <p>Implication of unsuccessful bid</p> <p>The museum collections may be under insured and the assessment of heritage assets may not be accurate if a full valuation is not carried out.</p>	21.3	21.3	21.3	0.0	0.0	21.3	21.3

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<p>Health, Housing and Community Safety</p> <p><i>ASB - Safer Communities Team</i></p> <p>PCC funding for team may cease. The request is to mainstream the cost of the ASB co-ordinator and 1 officer.</p> <p>Benefit/deliverables (outputs, impact on financial savings)</p> <p>i) Continued low levels of anti-social behaviour through co-ordinated multi agency work.</p> <p>Implication of unsuccessful bid</p> <p>Loss of qualified experienced ASB officer and likely consequent increase in ASB levels and less corporate ability to respond and work with Early Intervention with police.</p>	51.0	85.0	85.0	20.4	0.0	30.6	51.0
<p>Technical Services</p> <p><i>Estates</i></p> <p>Additional Senior Estates Surveyor for two years to move forward the large number of simultaneous major sales being expected at the moment.</p> <p>Benefit/deliverables (outputs, impact on financial savings)</p> <p>i) Lever in capital receipts to the benefit of both Councils as part of major projects such as NWoW and the new swimming pool.</p> <p>Implication of unsuccessful bid</p> <p>Unable to progress sales of sites as quickly as expected</p>	25.0	25.0	0.0	10.0	0.0	15.0	25.0

JOINT:
Revenue Budget Report



APPENDIX 3

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Technical Services							
<i>Engineers</i> Additional engineer to support a variety of revenue projects including the Adur River Walls project, and Brooklands lake options.	40.0	40.0	40.0	16.0	0.0	24.0	40.0
Implication of unsuccessful bid Unable to progress a number of projects as quickly as expected							
<i>Economic Regeneration</i> Events Coordinator Lack of co-ordinated approach to the delivery of events across the council. The responsibility is divided across several departments which lead to inefficiency and confusion internally and externally.	43.4	43.4	43.4	17.4	0.0	26.0	43.4
	210.2	244.2	219.2	75.6	0.0	134.6	210.2

**JOINT SERVICE BLOCK ACTIVITY RECHARGED
TO ADUR AND WORTHING COUNCILS**



APPENDIX 4

SERVICE BLOCKS	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
Chief Executive, Strategic Directors & Corporate Centre	1,067,860	1,182,700
Adur Homes	110,490	111,900
Corporate and Cultural Services	2,220,700	2,247,720
Customer Services & Waste Management	6,069,420	5,290,340
Financial Services & ICT	3,379,480	3,193,730
Housing Health & Community Safety	3,184,430	3,046,980
Planning Regeneration & Wellbeing	3,543,040	3,526,420
Technical Services	5,136,160	5,333,540
TOTAL SERVICES	24,711,580	23,933,330
ALLOCATION OF COSTS		
Recharged to other joint services	(4,024,800)	(3,343,530)
	20,686,780	20,589,800
Adur District Council	(8,128,430)	(8,243,940)
Worthing Borough Council	(12,558,350)	(12,345,860)
TOTAL SERVICE BLOCK ALLOCATIONS	(20,686,780)	(20,589,800)

**JOINT SUMMARY SERVICE BLOCK:
Chief Executive, Strategic Directors & Corporate C'tre**



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Chief Executive & Strategic Directors		
Executive Office	484,300	481,780
Corporate Centre	583,560	700,920
TOTAL CHIEF EXECUTIVE, STRATEGIC DIRECTORS & CORPORATE CENTRE	1,067,860	1,182,700
ALLOCATION OF COSTS		
Recharged to other joint services	136,880	133,830
Adur District Council	422,540	482,420
Worthing Borough Council	508,440	566,450
	1,067,860	1,182,700

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14	ESTIMATE 2014/15
	£
ORIGINAL ESTIMATE 2013/2014	1,067,860
INFLATION	16,880
Agreed Savings	
Review of performance and scrutiny budgets	(11,400)
Review of training budgets	(12,600)
Review of Chief Executive and Strategic Director budgets	(8,800)
Review of Communications budgets	(4,400)
BUDGET TRANSFERS	
Transfer Web Developers posts to Communications	116,810
Changes in allocation of recharge from other services	18,350
APPROVED ESTIMATE 2014/2015	(1,182,700)

JOINT CE, SD & CORPORATE CENTRE 2014/2015 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£
Executive Office		436,370		100	12,750			449,220	32,560	481,780
Corporate Centre		580,720		420	67,940			649,080	51,840	700,920
TOTAL STAFF	9.81									
TOTAL COST OF CHIEF EXECUTIVE STRATEGIC DIRECTORS		1,017,090	-	520	80,690	-	-	1,098,300	84,400	1,182,700
Percentage Direct Costs		93%	0%	0%	7%	0%				

An explanation of the changes to the budget since last year is provided on the previous page - the Variation page

JOINT SUMMARY SERVICE BLOCK:
Adur Homes



SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
Adur Homes		
Executive Office	110,490	111,900
TOTAL ADUR HOMES	110,490	111,900
ALLOCATION OF COSTS		
Recharged to other joint services	-	-
Adur District Council	110,490	111,900
Worthing Borough Council	-	-
	110,490	111,900

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ORIGINAL ESTIMATE 2014/2015
ORIGINAL ESTIMATE 2013/2014	£ 110,490
INFLATION	1,160
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE None	-
BUDGET TRANSFERS Virements - Reallocation of Print Room Recharges Changes in allocation of recharge from other services	- 250
APPROVED ESTIMATE 2014/2015	111,900

JOINT ADUR HOMES 2014/2015 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Sub-Total	Support	Notional Asset Hire Charges	TOTAL
Executive Office	1	£ 94,500	£ -	£ -	£ 10,780	£ -	£ -	£ 105,280	£ 6,620	£ -	£ 111,900
TOTAL STAFF	1										
TOTAL COST OF JOINT ADUR HOMES		94,500	-	-	10,780	-	-	105,280	6,620	-	111,900
Percentage of Direct Costs		90%	-	-	10%	-					

An explanation of the changes to the budget since last year is provided on the previous page - the Variation page
 Staff FTE = Number of staff based on full time equivalent



**JOINT SUMMARY SERVICE BLOCK:
Corporate and Cultural Services**


SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Corporate and Cultural Services		
Executive Office	143,950	143,110
Leisure & Cultural Services	19,990	25,330
Elections	181,440	184,450
Democratic Services	309,140	320,690
Land Charges	126,170	129,730
Legal	980,860	984,420
Human Resources	459,150	459,990
TOTAL CORPORATE AND CULTURAL SERVICES	2,220,700	2,247,720
ALLOCATION OF COSTS		
Recharges to other joint services	239,730	240,490
Adur District Council	814,370	767,360
Worthing Borough Council	1,166,600	1,239,870
	2,220,700	2,247,720

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	2,220,700
INFLATION	42,840
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Leisure & Cultural Services - Slight increase in staff hours	2,970
Legal Services - Upgrade for debt management module	1,500
Agreed Savings	
Land Charges - Deletion of post	(4,610)
Legal Services - Deletion of post	(10,000)
Legal Services - Termination of temporary additional contractual hours	(5,000)
Legal Services - Increased income through provision of services to other local authority	(4,000)
Legal Services - Making 3 posts redundant, replacing one post on a lower grade and making one post full time.	(37,000)
BUDGET TRANSFERS	
Virements in 2013/14	
Land Charges - Income budget transferred to Adur and Worthing	4,320
Democratic Services - Advertising budget transferred to Adur and Worthing	(4,130)
Human Resources - Staff expenses budget moved to Adur	(2,520)
Payroll changes	18,190
Changes in allocation of recharge from other services	24,470
OTHER MINOR VARIATIONS	(10)
APPROVED ESTIMATE 2014/2015	2,247,720

JOINT CORPORATE & CULTURAL SERVICES 2014/2015 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£
Executive Office	2	124,580	-	-	4,800	-	(20)	129,360	13,750	143,110
Executive Office (Leisure & Cultural Services)	0.68	17,600	-	300	4,610	-	-	22,510	2,820	25,330
Elections	5	140,030	-	480	3,710	-	-	144,220	40,230	184,450
Democratic Services	6	245,180	-	170	30,320	-	-	275,670	45,020	320,690
Land Charges	3.4	95,220	-	-	8,490	-	-	103,710	26,020	129,730
Legal	20	806,290	-	3,280	56,050	-	(31,810)	833,810	150,610	984,420
Human Resources	9.2	376,110	-	310	14,500	-	-	390,920	69,070	459,990
TOTAL STAFF	46.28									
TOTAL COST OF JOINT CORPORATE & CULTURAL SERVICES		1,805,010	-	4,540	122,480	-	(31,830)	1,900,200	347,520	2,247,720
Percentage of Direct Cost		93%	0%	0%	6%	0%				

An explanation of the changes to the budget since last year is provided on the previous page - the Variation Page
Staff FTE = Number of staff based on full time equivalent



JOINT SUMMARY SERVICE BLOCK:
Customer Services



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Customer Services & Waste Management		
Executive Office	101,880	102,640
Business Support	151,140	164,270
Technology & Business Solutions	364,620	260,470
Central Postage	(2,160)	(620)
Clinical Waste Collection	24,480	(2,670)
Commerce Way Depot	111,170	112,430
Customer Services	1,060,900	1,090,770
Recycling	(326,830)	(672,310)
Refuse Collection	1,960,140	1,661,060
Street Sweeping & Cleansing	1,508,500	1,538,540
Trade Refuse Collection	465,180	428,980
Vehicle Workshop	486,480	620,410
Graffiti: Visual Quality Initiative	42,560	41,800
Waste Management	325,830	321,940
Waste Strategy	279,850	243,710
	6,553,740	5,911,420
Less: Vehicle Works Trading Account - recharged to services per job	(486,480)	(621,080)
TOTAL CUSTOMER SERVICES AND WASTE MANAGEMENT SERVICES	6,067,260	5,290,340
ALLOCATION OF COSTS		
Recharged to other joint services	1,006,710	525,200
Adur District Council	1,800,150	1,871,960
Worthing Borough Council	3,260,400	2,893,180
	6,067,260	5,290,340

JOINT VARIATIONS SERVICE BLOCK:
Customer Services

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	6,067,260
CHANGES TO BASE	18,670
Transfer of Web team to Corporate Strategic Team	(116,810)
INFLATION	128,430
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Recycling – Reduction in Recycling payment from WSCC	80,000
Agreed Savings	
Salary savings from changes in staffing	(30,000)
Recycling - Garden waste increase over and above inflation plus increase in take-up	(97,900)
Cleansing - Vehicle lease cost reduction	(82,000)
Refuse - Reduction in Multiple Occupation service	(154,880)
Notional Interest budget saving	(257,850)
Customer Services - Uniform & Accreditation budgets	(4,000)
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	(260,580)
Other minor transfers	
APPROVED ESTIMATE 2014/2015	5,290,340

JOINT CUSTOMER SERVICES 2014/2015 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£
Executive Office	1	94,990	-	-	250	-	-	95,240	7,400	102,640
Technology & Business Solutions	5.2	231,760	-	490	4,040	-	-	236,290	24,180	260,470
Central Postage					78,360		(78,980)	(620)	-	(620)
Clinical Waste	1	24,400	-	8,320	11,150	-	(50,150)	(6,280)	3,610	(2,670)
Commerce Way	0	6,080	134,570	60	19,380	-	(55,490)	104,600	7,830	112,430
Customer Services	32.5	807,080	-	50	16,880	-	-	824,010	266,760	1,090,770
Business Support	8.4	154,190	-	-	1,190	-	(2,080)	153,300	10,970	164,270
Recycling	27	639,520	7,700	186,870	115,560	-	(1,694,960)	(745,310)	73,000	(672,310)
Refuse Collection	47	1,232,870	12,920	393,020	34,970	50	(88,840)	1,584,990	76,070	1,661,060
Street Cleansing	46.8	1,170,210	6,640	274,840	61,340	(10)	(37,370)	1,475,650	62,890	1,538,540
Trade Refuse	9	254,380	-	118,130	28,100	-	(4,810)	395,800	33,180	428,980
Vehicle Workshop	8	274,860	970	8,250	320,700	-	(621,080)	(16,300)	15,630	(670)
Visual Quality Initiative	2	44,820	-	5,830	8,500	-	(19,160)	39,990	1,810	41,800
Waste Management	6	260,910	100	4,170	40,970	-	(17,900)	288,250	33,690	321,940
Waste Strategy	7.3	221,460	-	10,640	-	-	-	232,100	11,610	243,710
TOTAL STAFF	201.2									
TOTAL COST OF JOINT CUSTOMER SERVICES		5,417,530	162,900	1,010,670	741,390	40	(2,670,820)	4,661,710	628,630	5,290,340
Percentage Direct Cost		74%	2%	14%	10%	0%				

An explanation of the changes to the budget since last year is provided on the previous page - the Variation page
Staff FTE = Number of staff based on full time equivalent

**JOINT SUMMARY SERVICE BLOCK:
Financial Services & ICT**

SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Financial Services		
Executive Office	163,060	71,880
Exchequer & Investigations	958,470	852,210
Corporate Management (includes External Audit)	23,250	23,720
Accountancy	1,083,970	1,089,130
ICT	1,150,730	1,156,790
TOTAL FINANCIAL SERVICES	3,379,480	3,193,730
ALLOCATION OF COSTS		
Recharged to other joint services	1,030,070	1,036,650
Adur District Council	966,470	899,060
Worthing Borough Council	1,382,940	1,258,020
	3,379,480	3,193,730


JOINT VARIATIONS SERVICE BLOCK:
Financial Services and ICT

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	3,379,480
INFLATION	52,130
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Potential impact of Job Evaluations	20,000
ICT - PSN accreditation for increased maintenance costs	18,000
Agreed Savings	
Secretarial Services - Reduction in staff working hours	(7,000)
Restructure of Management team	(107,100)
Payroll - Reduction in staff working hours due to automation of admin tasks	(8,000)
Insurance - Reduction in staff working hours due to restructure	(22,000)
Corporate - Introduction of credit card charges for customers	(20,000)
BUDGET TRANSFERS	
Virements	(6,500)
Changes in allocation of recharge from other services	(95,760)
Payroll changes from other services held as a corporate item	(9,520)
APPROVED ESTIMATE 2014/2015	3,193,730

JOINT FINANCIAL SERVICES 2014/2015 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£
Executive Office	2.0	41,910	-	520	10,510	-	(30)	52,910	18,970	71,880
Exchequer & Investigations	18.3	565,830	-	90	71,240	-	(18,640)	618,520	233,690	852,210
External Audit	0	-	-	-	23,720	-	-	23,720	-	23,720
Accountancy	18.5	879,780	-	610	57,920	-	(28,020)	910,290	178,840	1,089,130
ICT	0.0	25,090	-	-	198,990	931,090	-	1,155,170	1,620	1,156,790
TOTAL STAFF	38.8									
TOTAL COST OF JOINT FINANCIAL SERVICES		1,512,610	-	1,220	362,380	931,090	(46,690)	2,760,610	433,120	3,193,730
Percentage of Direct Cost		54%	0%	0%	13%	33%				

An explanation of the changes to the budget since last year is provided on the previous page - the Variation page
Staff FTE = Number of staff based on full time equivalent



JOINT SUMMARY SERVICE BLOCK:
Housing, Health and Community Safety



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Housing Health & Community Safety		
Executive Office	99,540	99,700
Community Safety	191,700	182,470
Environmental Health	1,962,920	1,930,590
Housing Services	860,280	763,010
Housing Strategy	69,990	71,210
TOTAL HOUSING, HEALTH & COMMUNITY SAFETY	3,184,430	3,046,980
ALLOCATION OF COSTS		
Recharged to other joint services	-	-
Adur District Council	1,324,650	1,260,380
Worthing Borough Council	1,859,780	1,786,600
	3,184,430	3,046,980

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	3,184,430
INFLATION	72,900
CHANGES TO BASE	
Pest control chemicals budget transfer to Joint Strategic Committee	3,480
Licensing Team cash collection budget transfer to Joint Strategic Committee	500
 APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Agreed Savings	
Reduction in overtime budgets	(27,070)
Review of departmental salary budets	(50,700)
Base budget review - miscellaneous supplies and services budgets	(23,500)
Replacement of Environemental Health H&S Team Leader post with Senior Environmental Health Technical Officer post	(15,230)
Deletion of Lettings and Support Officer post	(6,410)
 BUDGET TRANSFERS	
Payroll changes	(910)
Changes in allocation of recharge from other services	(90,510)
 APPROVED ESTIMATE 2014/2015	3,046,980

JOINT HOUSING, HEALTH AND COMMUNITY SAFETY 2014/2015 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Notional Asset Hire Charges	TOTAL BUDGET
		£	£	£	£	£	£	£		£	£
Executive Office	1	92,390		1,240	1,660			95,290	4,410	-	99,700
Community Safety	16.9	455,990		1,990	22,930		(316,830)	164,080	18,390	-	182,470
Environmental Health	40.7	1,596,270	500	53,750	85,420		(52,920)	1,683,020	247,570	-	1,930,590
Housing Services	21.2	834,740		11,840	15,030		(182,810)	678,800	84,210	-	763,010
Housing Strategy	1	51,930		720	11,940			64,590	6,620	-	71,210
TOTAL STAFF	80.8										
TOTAL COST OF JOINT HOUSING HEALTH & COMMUNITY SAFETY SERVICES		3,031,320	500	69,540	136,980	-	(552,560)	2,685,780	361,200	-	3,046,980
Percentage of Direct Costs		94%	0%	2%	4%	0%					

An explanation of the changes to the budget since last year is provided on the previous page - the Variation page
 Staff FTE = Number of staff based on full time equivalent



**JOINT SUMMARY SERVICE BLOCK:
Planning, Regeneration and Wellbeing**

SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Planning, Regeneration & Wellbeing Services		
Executive Office	109,470	105,680
Building Control	683,420	688,650
Community Wellbeing	532,670	489,520
Development Control	1,260,450	1,234,150
Economic Regeneration	567,140	621,540
Planning Policy	389,890	386,880
TOTAL PLANNING, REGENERATION AND WELLBEING SERVICES	3,543,040	3,526,420
ALLOCATION OF COSTS		
Recharged to other joint services	-	6,350
Adur District Council	1,444,430	1,439,170
Worthing Borough Council	2,098,610	2,080,900
	3,543,040	3,526,420

JOINT VARIATIONS:
Planning, Regeneration and Wellbeing

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	3,543,040
CHANGES TO BASE	
Virements planning policy	2,250
INFLATION	77,360
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Agreed Savings	
Reduction in Economic Regeneration computing & printing budgets	(3,000)
Community Wellbeing ahead of the game removal of Olympics initiative	(5,200)
Community Wellbeing and planning miscellaneous and printing reductions	(15,000)
Removal of vacant post within Development Control	(40,000)
Reduction in Development Control computing and printing costs	(25,000)
Removal of administrative post in Planning Policy	(13,000)
Agreed Growth	
Tourism Information Centre seasonal staffing	15,000
BUDGET TRANSFERS	
Payroll Changes	(9,500)
Changes in allocation of recharge from other services	(530)
APPROVED ESTIMATE 2014/15	3,526,420

JOINT PLANNING, REGENERATION & WELLBEING SERVICES 2014/2015 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
Executive Office	1.0	93,030	-	-	350	4,900	-	-	98,280	7,400	-	105,680
Building Control	12.7	552,210	-	2,730	4,040	62,980	-	(15,610)	606,350	82,300	-	688,650
Community Wellbeing	10.4	386,420	-	-	3,450	37,040	-	(4,260)	422,650	66,870	-	489,520
Development Control	24.8	951,870	-	-	5,190	96,140	-	-	1,053,200	180,950	-	1,234,150
Economic Regeneration	12.7	571,480	-	-	5,810	19,100	-	(61,390)	535,000	86,540	-	621,540
Planning Policy	6.7	334,170	-	-	3,200	3,270	-	-	340,640	46,240	-	386,880
TOTAL STAFF	68.3											
TOTAL COST OF JOINT PLANNING, REGENERATION & WELLBEING SERVICES		2,889,180	-	2,730	22,040	223,430	-	(81,260)	3,056,120	470,300	-	3,526,420

Percentage of Direct Costs

92% 0% 0% 1% 7% 0%

An explanation of the changes to the budget since last year is provided on the previous page - the Variation page
Staff FTE = Number of staff based on full time equivalent

JOINT SUMMARY SERVICE BLOCK:
Technical Services

SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Technical Services		
Executive Office	123,030	121,420
Business Services	509,650	501,380
Survey & Design Services	466,930	470,690
Properties Management	1,861,210	1,753,340
Engineers *	566,080	528,560
Corporate Information	295,740	201,670
Car Parks Management *	263,690	278,340
Technical Support Services	331,210	330,830
Parks Foreshore & Cemeteries Administration	162,240	106,140
Parks	572,450	1,066,610
Less: Reprographics - recharged to services per job	(16,070)	(25,440)
TOTAL TECHNICAL SERVICES	5,136,160	5,333,540
ALLOCATION OF COSTS		
Recharged to other joint services	2,201,200	1,401,010
Adur District Council	976,870	1,411,690
Worthing Borough Council	1,958,090	2,520,840
	5,136,160	5,333,540


JOINT VARIATIONS SERVICE BLOCK:
Technical Services

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	5,138,320
CHANGES TO BASE	
Property Management	(4,000)
Parks & Foreshore	411,660
INFLATION	131,710
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Technical Support Services PAT Testing	2,000
Agreed Savings	
Technical Support Services Computer Costs	(5,000)
Reprographics - P/T Printing post	(9,700)
Business Services Computer Costs	(5,000)
Engineers - EA contribution for regional / national work	(25,000)
Engineers - WSCC drainage agents	(12,000)
Health & Safety post	(27,100)
Corporation Information Service review	(89,900)
BUDGET TRANSFERS	
Virements in 2013/2014	
From Town Hall cleaning to Portland House, Musuem, TIC, and Theatres	(7,360)
Joint Parks Management & Foreshore	(28,000)
Payroll changes	13,360
Changes in allocation of recharge from other services	(150,450)
APPROVED ESTIMATE 2014/2015	5,333,540

JOINT TECHNICAL SERVICES 2014/2015 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party*	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£
Executive Office	1	93,670	-	-	-	-	-	93,670	27,750	121,420
Business Services	13.14	330,690	2,230	4,980	94,650	-	(107,660)	324,890	151,050	475,940
Surveying and design services	7	330,390	-	8,110	-	-	-	338,500	132,190	470,690
Properties management	6	371,520	801,640	3,370	174,630	-	(43,550)	1,307,610	445,730	1,753,340
Engineers	11.5	443,900	-	10,720	-	-	(37,000)	417,620	110,940	528,560
Corporate Information	5	145,210	-	1,000	47,650	-	(40,300)	153,560	48,110	201,670
Car Parks Management	6.5	234,260	-	-	-	-	-	234,260	44,080	278,340
Technical Support Services	7.4	220,330	3,770	250	85,640	-	(10,000)	299,990	30,840	330,830
Parks Foreshore & Cemeteries Administration	3	80,820	-	2,470	10,490	-	(20)	93,760	12,380	106,140
Parks	62.61	1,686,180	-	325,820	261,050	-	(1,297,650)	975,400	91,210	1,066,610
TOTAL STAFF	123.2									
TOTAL COST OF JOINT TECHNICAL SERVICES		3,936,970	807,640	356,720	674,110	-	(1,536,180)	4,239,260	1,094,280	5,333,540
Percentage of Direct Costs		68%	14%	6%	12%	0%				

An explanation of the changes to the budget since last year is provided on the previous page - the Variation page
Staff FTE = Number of staff based on full time equivalent





TITLE: ADUR OVERALL BUDGET ESTIMATES 2014/15 AND SETTING OF 2014/15 COUNCIL TAX

REPORT BY: SARAH GOBEY, EXECUTIVE HEAD (FINANCIAL SERVICES)

1.0 SUMMARY

1.1 This report represents the culmination of the annual budget exercise and asks members to consider the following:

- The final revenue estimates for 2014/15;
- An updated outline 5-year forecast; and
- The provisional level of Council Tax for 2014/15, prior to its submission to the Council for approval on the 20th February 2014. This will be subject to any proposals to change the draft revenue budget following the consideration of the budget proposals by Cabinet.

1.2 These budgets reflect the decisions taken by Members to date in relation to agreed savings proposals. The report also updates members about the impact of the draft 2014/15 settlement.

1.3 The major points raised within the report include:

- The Council will benefit from surplus business rates in 2014/15 of £142,000 (paragraph 3.9.7);
- The Council expects to receive £198,000 more in New Homes Bonus in 2015/16 due to principally the removal of the top-slice to the New Homes Bonus (paragraph 3.10.3);
- The referendum criterion has yet to be announced. Speculation within the press suggests that this will be set at a rate lower than 2%. Consequently, the maximum Council Tax increase that the Council can approve without triggering a referendum is likely to reduce and for planning purposes this is judged to be 1.5% (paragraph 3.11);
- The cabinet will need to consider whether to increase Council Tax by 1.5% or to freeze Council Tax for the fourth successive year and accept the Council Tax freeze grant (paragraph 5.12); and, finally
- The Cabinet needs to consider the growth items in appendix 2

1.0 SUMMARY

- 1.4 The budget is analysed by Cabinet Member portfolio. In addition, the draft estimates for 2014/15 have been prepared, as always, in accordance with the requirements of the Service Reporting Code of Practice for Local Authorities 2014/15 (except in relation to pension costs adjustments that do not impact either on the Budget Requirement or the Council Tax Requirement).
- 1.5 The Police and Crime Commissioner has consulted on an increase to the Council Tax for 2014/15 of 3.6% and the proposed 2014/15 budget is due to be considered by the Sussex Police and Crime Panel (PCP) on 24th January 2014. If the proposals are vetoed by the PCP, revised proposals will be considered by the Panel on the 21st February 2014 at which point the Commissioner will be in a position to confirm the Council Tax for 2014/15. If the proposals for the PCC's share of the Council Tax are not confirmed until 21st February, then the planned Council date of the 20th February will be rearranged to the 27th February 2014.
- 1.6 The precept for West Sussex County Council has not yet been finalised and will not be confirmed until 14th February 2014. Therefore the formal detailed resolution setting the overall Council Tax for next year will be presented direct to the Council Meeting on 20th February 2014.

2.0 BACKGROUND

2.1 The outline forecast report to Joint Strategic Committee on 4th July 2013 identified an initial likely budget shortfall of £630,000 for 2014/15. The Council agreed a budget strategy to meet this challenge through three major work streams:

1. Major Service Reviews;
2. Efficiency Reviews;
3. Base Budget Review.

In addition to these reviews, the July 2013 report proposed two new additional strands of work to balance the 2014/15 budget:

- Procurement review
- Continuous Improvement Board, as a replacement to the Change Management Board which has subsequently been deferred and replaced by the 'Catching the Wave' programme of work lead by the Chief Executive.

2.0 BACKGROUND

2.2 The report to the Joint Strategic Committee in September updated Members about the likely impact of the changes to the Councils' financial prospects following the Comprehensive Spending Review and to consider the Councils' responses to the consultations that have been released over the summer months. This revealed a slightly improved position for 2014/15, but a deteriorating position from 2015/16 onwards due to the then proposed changes to the New Homes Bonus and Revenue Support Grant.

Adur District Council	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000
Overall shortfall - July forecast	630	1,005	1,740	2,102	2,616
Overall shortfall - September forecast	626	1,251	1,958	2,281	2,725
Increase / (Decrease) in shortfall	(4)	246	218	179	109

2.3 The subsequent report to the Joint Strategic Committee, on 3rd December 2013, outlined the options for savings and growth and updated Members as to the latest budgetary information. The 2014/15 savings proposals for the Council amounted to £665,000. Since this time some additional savings of £53,600 have been identified and were considered by the Joint Committee on the 7th January 2014. These are attached at appendix 2 for information.

2.4 Since the meeting on 3rd December, the Adur District Council budget has been finalised and the last adjustments have been included subject to the final considerations about the level of Council Tax and any non-committed growth items. Overall, therefore, the current financial position of the Joint Strategic Committee for 2014/15 can be summarised as:

	£'000
Original shortfall as identified in September	626
Changes identified in December 2013	
Impact of revised projection of New Homes Bonus for 2014/15	52
Impact of 2014 pension valuation	67
Impact of job evaluation	8
Net committed growth items identified by Executive Heads	135
Removal of contingency budget	-200
Budget shortfall as at 3 rd December 2013 carried forward	688

2.0 BACKGROUND

	£'000
Budget shortfall as at 3 rd December 2013 brought forward	688
Main changes to the revenue budget:	
Impact of Settlement:	
Draft allocation of New Homes Bonus	-6
Final Revenue Support Grant and NNDR baseline funding is marginally lower than expected	2
Final adjustment to Council Tax Freeze Grant	-1
Changes to Council Tax :	
Estimated surplus on the Collection Fund	-60
Decrease Council Tax income resulting from changes to the tax base	9
Decrease in Council Tax income resulting from a possible change in the referendum criteria from 2% to 1.5%	27
Budget shortfall carried forward	<hr/> 659
Changes in business rate forecasts :	
Estimated surplus in the Collection Fund	-63
Additional retained business rates	-79
Removal of business rate shortfall	-119
Other changes identified:	
Revised assessment for the cost of increments, inflation, and the capital programme.	23
Reduction in charges to HRA following savings exercise.	89
Revised budget shortfall	<hr/> 510
Less: Savings identified in December	-665
Savings identified in January	-54
Adjustment to allocations between the councils	6
Removal of no detriment	19
BUDGET SURPLUS TO BE PLACED IN RESERVES (BEFORE ANY FURTHER ACTION AGREED)	<hr/> -184 <hr/> <hr/>

2.5 Local Government has seen an unparalleled reduction in funding over recent years. The Comprehensive Spending Review in 2010 detailed reductions in support of 28% in real terms over the four years 2011/12 – 2014/15.

2.0 BACKGROUND

Local Government – Departmental Expenditure Limit (DEL)					
Departmental Expenditure Limit	£Billion				
	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015
Overall Total	28.5	26.1	24.4	24.2	22.9
Formula Grant Element	28.0	25.0	23.4	23.2	21.9
Council Tax Freeze	0	0.7	0.7	0.7	0.7
Other	0.5	0.5	0.4	0.4	0.4
Annual percentage reduction in Formula Grant		10.7%	6.4%	0.9%	5.6%
Overall reduction in Formula Grant Nationally overall funding available for all Councils will fall by 28% over the 4 years					21.8%

- 2.6 This trend of reducing Government support was further reinforced by the Comprehensive Spending Review announced on 26th June 2013 for 2014/15 and 2015/16

	2014-15 (£bn)	2015-16 (£bn)	Cash reduction (-)/ increase	Real terms growth
LG Resource DEL	25.6	23.5	-9.2%	-10.0%
Localised business rates	11.2	11.6	3.6%	1.7%
Total Government Funding	36.8	35.1	-4.6%	-6.5%

- 2.7 The review also announced that:

- 2011-12 and 2013-14 Council Tax freeze funding would be incorporated into Revenue Support Grant until at least 2015/16;
- a Council Tax freeze grant of 1% would be available for both 2014/15 and 2015/16;
- £300m to support the transformation of local services of which:
 - £200m was for an extension of Troubled Families programme to +400,000 families; and
 - £100m to enable efficiencies in service delivery.

These funding streams are subject to a bidding process

2.0 BACKGROUND

2.8 Consequently, Adur District Council has seen a significant reduction in support from Central Government via Revenue Support Grant and, now, baseline funding:

Adur District Council	2010/11 (adjusted)	2011/12	2012/13	2013/14	2014/15	2015/16
	£m	£m	£m	£m	£m	£m
Revenue Support Grant and 'baseline funding' *	4.132	3.470	3.094	2.803	2.287	1.772
Council Tax Freeze Grant 2011/12		0.153	0.153	0.154	0.154	0.154
Council Tax Freeze Grant 2013/14					0.062	0.062
Homelessness grant				0.057	0.056	0.056
Council Tax Support Grant **				0.850	0.850	0.850
		3.623	3.247	3.864	3.409	2.894
Annual reduction		0.662	0.376	0.291	0.516	0.515
Annual percentage reduction		16.02%	10.84%	9.41%	18.41%	22.51%
Cumulative total			1.038	1.329	1.845	2.360
			25.12%	32.16%	44.65%	57.11%

* Excluding 2011/12 Council Tax freeze grant of £154k which was consolidated into the total in 2012/13; and Council Tax Support Grant of £850k and homelessness grant of £57k which will form part of government funding in 2013/14. The 2013/14 Council Tax freeze grant of £62k was consolidated in 2014/15.

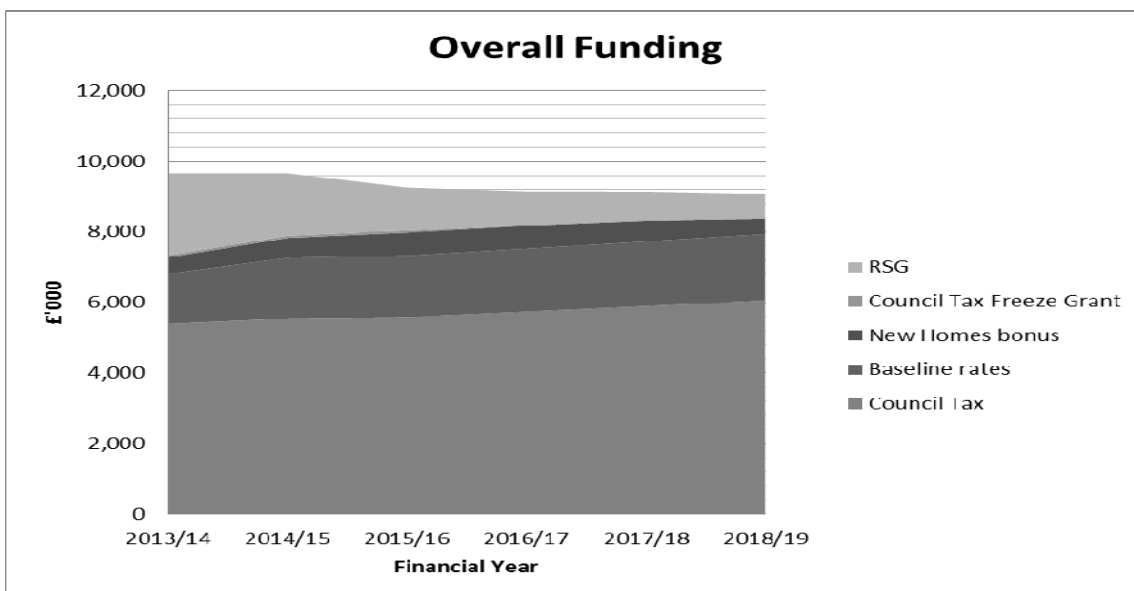
** The Council Tax Support Grant will form part of Revenue Support Grant and Baseline Funding from 2014/15 onwards.

2.9 One of the implications behind the reducing level of revenue support grant combined with the introduction of the business rate retention scheme and the New Homes Bonus is that over time these elements together with Council Tax form a more significant proportion of the council's overall income and consequently have a greater strategic importance. This means that decisions about whether or not to increase Council Tax become even more significant as they will influence not only income in the coming year but will also protect the income streams for future years providing a controllable and sustainable income source to the Council assisting the council in addressing unavoidable inflationary pressures.

2.0 BACKGROUND

Breakdown of general income to the Council	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax	5,389	5,544	5,580	5,734	5,892	6,055
Baseline rates	1,428	1,716	1,746	1,790	1,835	1,880
RSG	2,320	1,771	1,213	970	825	701
New Homes bonus	459	566	653	653	591	438
Council Tax Freeze Grant 2013/14	62	63	63	0	0	0
	9,658	9,660	9,255	9,147	9,143	9,074

Breakdown of general income to the Council	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	%	%	%	%	%	%
Council Tax	55.80%	57.40%	60.28%	62.69%	64.45%	66.72%
Baseline rates	14.79%	17.76%	18.87%	19.57%	20.07%	20.72%
RSG	24.02%	18.33%	13.11%	10.60%	9.02%	7.73%
New Homes bonus	4.75%	5.86%	7.06%	7.14%	6.46%	4.83%
Council Tax Freeze Grant	0.64%	0.65%	0.68%	0.00%	0.00%	0.00%



Consequently, it is now clear that we cannot expect any easing of the financial pressure in the next 2 – 3 years.

- 2.10 The likely impact of the autumn statement and settlement for 2014/15 and 2015/16 is now known and this is discussed in detail in the next section of the report.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.1 The Autumn Statement contained some good news for the Council. The Chancellor commented that:

'We can therefore be confident in reducing the contingency reserve by £1 billion this year and reducing departmental budgets by a similar amount in the next two years. This will save a further £3 billion in total.....

We will not apply these additional savings to local government, because we expect them to freeze Council Tax next year'

*Chancellor of the Exchequer George Osborne,
The Autumn Statement 2013*

Contained within the detail of the statement was some further good news about New Homes Bonus

The government will formally respond to the technical consultation on the New Homes Bonus and the Local Growth Fund in due course. The government will not include the New Homes Bonus in the Local Growth Fund, except for £70 million for the London Local Enterprise Partnership, which is chaired by the Mayor of London.

Autumn Statement

It is now unlikely that the planned transfer of New Homes Bonus monies to the Local Growth Fund will take place (other than in London) in 2015/16. This is of particular significance to Adur District Council and will be discussed in more detail later in the report.

3.2 The settlement was released on the 18th December 2013 in the form of a written statement and this year has been largely as expected. So the likely impact of the settlement for 2014/15 and 2015/16 for the Council is now clear. The settlement included the following highlights:

- Efficiency Support for Sparse Areas grant worth £9.5 million so that the most rural local authorities can continue to drive forward efficiencies in their area. This is an increase on the grant paid for this purpose in 2013 to 2014 and we intend that the grant will be rolled in to the settlement in 2014 to 2015, offering further protection for the most rural authorities. Adur District Council will not benefit from this additional funding.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

- The Government is providing up to £550 million of extra funding to local authorities so they can freeze Council Tax for the next 2 years. The Secretary of State has agreed with the Chancellor that the funding for the next 2 freeze years will also be built into the spending review baseline and so the support will continue on until at least 2016-2017. The Local Government Minister wrote:

We hope this will give maximum possible certainty for councils that the extra funding for freezing Council Tax will remain available, and there will not be a 'cliff edge' effect from the freeze grant disappearing in due course. We have done our part – we now expect councils to do theirs in helping hard-working people with the cost of living.

Written ministerial statement by Local Government Minister Brandon Lewis on the provisional local government finance settlement 2014/2015

- The Council Tax referendum threshold principles are to be announced separately later in the New Year. Interestingly, the Government are:

'open to representations suggesting that some lower threshold be applied to all or some categories of authorities, given the strong need to protect taxpayers wherever possible from unreasonable increases in bills, and given next year's elections on 22 May across the country allow for referendums to be held at minimal cost'

Local Government Minister, Brandon Lewis

The issue the Council will face is that, statutorily, it needs to set its Councils Tax by 11th March but the referendum referred to, if needed, is proposed to coincide with the Local Government elections in May. This will mean that the Council would incur significant rebilling costs if the referendum overturned the Council's Council Tax proposals.

Logistically, it would be far more helpful if the Government announced the criteria at an earlier stage to enable all Councils to more effectively plan any Council Tax increase. Without knowing the criteria – it will be difficult to know what level of increase is 'safe' and avoids the need for a referendum.

- ### **3.3**
- Helpfully the government has also provided illustrative grant figures for 2015-16 which will give the council some certainty for the coming year. Although with a general election on 7th May 2015, it is difficult to be certain about the level of Local Government funding in the future beyond 2015-16. However, given the tenor of the Chancellor's speech on the 6th January which announced a further £25 billion cuts in 2016/17 and 2017/18 of which £12 billion will be in welfare, it is inevitable that the Council will face further reductions in funding in the future.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

- 3.4 In overall terms, the settlement revealed that District and Borough Councils were the most heavily affected class of authority by an overall cut in funding of just under 13.5%.

YEAR-ON-YEAR CHANGE FOR THE 2014-15 SETTLEMENT

Class of Local Authority	2013-14	2014-15	Overall
	Adjusted settlement funding	Settlement funding	Reduction in funding
	£million	£million	%
England	26,256.42	23,782.51	9.42%
London Area	6,023.71	5,510.29	8.52%
Metropolitan Areas	7,088.74	6,381.37	9.98%
Shire Areas	13,140.63	11,887.55	9.54%
Isles of Scilly	3.35	3.30	1.29%
London Area			
London Boroughs	4,859.199	4,354.84	10.38%
GLA – all functions	1,164.507	1,155.45	0.78%
Metropolitan Areas			
Metropolitan Districts	6,778.289	6,094.487	10.09%
Metropolitan Fire Authorities	310.447	286.884	7.59%
Shire Areas			
Shire unitaries with fire	473.009	426.120	9.91%
Shire unitaries without fire	4,998.291	4,503.665	9.90%
Shire counties with fire	2,391.602	2,193.651	8.28%
Shire counties without fire	3,520.281	3,213.572	8.71%
Shire districts	1,263.788	1,093.588	13.47%
Combined fire authorities	493.660	456.949	7.44%

- 3.5 Members should be aware that the settlement figures quoted above are provisional only. The consultation period ended on 15th January 2014 with final settlement expected in early February 2014.

- 3.6 It is unlikely that there will be any significant change at this late stage. If there are any significant changes arising from the final information members will be briefed before Council.

- 3.7 The local government finance settlement fundamentally changed in 2014-15. There are four different strands to local government funding which the Council needs to fully understand when setting the 2014-15 budget. These can be broken down into 4 topics, which are dealt with in more detail below:

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

1. Overall Government Funding
2. Business Rate Retention Scheme
3. New Homes Bonus
4. Council Tax referendum

3.8 Overall Government Funding

The total overall funding to the Council has reduced by 11.9%. The total funding from Government is then split into two components:

1. Baseline Funding
2. Revenue Support Grant

This split is based on a national calculation which has determined that the Baseline Funding will be 46.17% of the total funding. For Adur this means that the overall funding will be split as follows:

Adur District Council	£'000
Overall funding	3,409*
Split as follows:	
Baseline Funding (46.17%)	1,574
Revenue Support Grant (53.83%)	1,835

* From 2014/15 onwards, revenue support grant includes the 2013/14 Council Tax freeze grant.

The Baseline Funding then forms one of the components of the new business rate retention scheme discussed in further detail below.

3.9 Business Rate Retention Scheme

3.9.1 The new business rate retention scheme has now been in place for a year. There are two key features which members are reminded of

- There is a 'safety net' in place for any Council whose actual business rates income falls short of the target income for business rates. The safety net arrangements will be of 7.5% of Baseline Funding which is equivalent to a maximum below baseline funding of £118,040.
- A 'levy' is in place for any Council whose business rates exceed the target set. The levy will mean that the Council can keep 50p of every additional £1 generated over it's share of the business rate target.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.9 Business Rate Retention Scheme

For each additional £100,000 raised the Council will keep the following amounts:

	Share of additional income	Additional Levy paid to Treasury	Kept locally
	£'000	£'000	£'000
HM Treasury	50		
County Council	10	5	5
Borough Council	40	20	20
	100	25	25

3.9.2 Under the Business Rate Retention Scheme, the Council will be given a target income level for business rates. For 2014/15 this will be £16,495,230, of which 50% will be paid over to HM Treasury and 10% is paid to the County Council as follows:

	£
Business Rate target	16,495,230
Split as follows:	
HM Treasury (50%)	8,247,620
County Council (10%)	1,649,520
District Council (40%)	6,598,090

The monies paid over to the HM Treasury will be redistributed back to local government as Revenue Support Grant.

3.9.3 Those Councils whose share of business rate income target exceeds their baseline funding are known as 'tariff' Councils and will have to pay over business rate income to the Government equivalent to the surplus. Those Councils whose business rate income is less than their baseline will receive additional funding from the Government and are known as 'top-up' Councils. Adur District Council is a 'tariff' Council as follows:

Tariff calculation	£
Business Rate Target income	6,598,090
Less: Baseline funding	-1,534,830
Tariff payment to government	<u>5,063,260</u>

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.9 Business Rate Retention Scheme

3.9.4 The new business rates system operates in a similar manner to the Council Tax. At the start of the year, the Council estimates how much business rates will be generated allowing for appeals, write-offs and administrative costs. The Council can then transfer its share of this estimated amount to the general fund. This is similar how Council Tax is dealt with.

3.9.5 At the end of the financial year, any surplus or deficit associated with business rates is assessed and this will benefit the Council in the following financial year.

3.9.6 However, any adjustment to the levy or safety net due to the government must be repaid to the government at the end of the current financial year (2013/14) despite the fact that the Council will benefit from this in the following financial year (2014/15).

3.9.7 The preliminary forecast for business rates for 2013/14 outturn and 2014/15 is as follows:

	2013/14 Original Estimate	2013/14 Updated Estimate	2014/15 Estimate
	£'000	£'000	£'000
Net Rates Payable (A)	16,813	16,613	17,186
Less Accounting Adjustments:			
Movement in the bad debt provision and write-offs (B)	159	194	220
Losses on Appeal			
Provision for appeals in year	317	309	883
Full Provision for backdated appeal decisions	476	464	0
Total losses on appeal (C)	793	773	488
Collectable Rates (D=A-B-C)	15,861	15,646	16,478
Net Transitional Protection Payments - Paid by the government (E)	71	-584	-596
Allowable charge for administration costs (F)	85	85	86
Non Domestic Rating Income (D-E-F)	15,705	16,145	16,988

Table continues on next page

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.9 Business Rate Retention Scheme

	2013/14 Original Estimate	2013/14 Updated Estimate	2014/15 Estimate
	£'000	£'000	£'000
2013/14 Original Estimate		15,705	
Change from original estimate - increase (+) / decrease (-)		511	
Surplus/(Deficit): Adur District Council			
Business rates Baseline Target	6,510	6,510	6,637
Less: Tariff/Top-Up	-4,966	-4,966	-5,063
Baseline funding Target (A)	1,544	1,544	1,574
40% share of actual business rate income	6,282	6,458	6,795
Less: Tariff/Top-Up	-4,966	-4,966	-5,063
Baseline funding Retained (B)	1,316	1,492	1,732
Surplus/(deficit) (B-A)	-228	-52	158
50% Levy payable to Government in 2013/14	0	0	-79
Safety net payment	113	0	0
(Surplus) / Deficit to be retained by Council	115	-52	79
Less: Original 2013/14 deficit payment in current year		115	
Additional surplus to benefit the Council in 2014/15		63	

3.9.8 It should be appreciated that, when the 2013/14 original estimate was calculated, the Council had very little information about the outstanding level of appeals, consequently a 5% allowance for appeals was built into the estimate of business rate income (£793,000) together with an assumed level of write-offs of £159,000. However, since that time, the Valuation Office has improved the information supplied and the Council now receives a quarterly report on the level of outstanding appeals which has been used to update the current forecast for 2013/14.

3.9.9 The Council will fully provide for any known backdated business rates appeals at the 2013/14 year end, consequently the level of provision for new and outstanding appeals will reduce in 2014/15. This together with the business rates generated by the new football training facility will mean that the business rate income should exceed the government target set and benefit the overall revenue budget.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.9 Business Rate Retention Scheme

3.9.10 The Council is also working on a county wide project to improve the forecasting of appeals using some specialist software which, as time progresses, will ensure the forecast of the impact of appeals is more robust.

3.9.11 The forecast is currently being finalised. The government released the guidance for the 2014/15 NNDR return which underpins this forecast on the 6th January. The return is due to be submitted by the 31st January and any substantial changes resulting from the final assessment of the business rate income will be reported verbally to members at the meeting.

3.9.12 Looking further ahead, the generation of additional business rates may become one of the solutions to the Council's ongoing financial pressures. Members will be aware that there are several schemes progressing within the Borough which will create employment space. For example, a significant new business in the area may bring financial benefits to the Council as follows:

Assumed rateable value £1m

Estimated Rates income: £462,000

	Additional income £'000	Levy paid to Treasury £'000	Kept locally £'000
Split as follows:			
HM Treasury	231,000		
County Council	46,200	23,100	23,100
District Council	184,800	92,400	92,400
	462,000	115,500	115,500

3.9.13 Finally, it should be appreciated that there are a number of risks associated with the business rate forecast:

- It is difficult to establish the number of appeals which are likely to come forward in any given year. There is no time limit on when an appeal might be lodged.
- There is a specific risk associated with schools becoming academies. At the moment it is not expected that any of the schools will become academies in 2014/15. However, if a school assumes academy status then it will become eligible of mandatory rate relief which will reduce the Council's business rate income.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.9 Business Rate Retention Scheme

- Major redevelopments will temporarily reduce business rate income whilst the site is being redeveloped.

3.9.14 Consequently there could be significant swings in the amount of business rate income in any one year. However this will be tempered by the safety net. The maximum possible swing for 2014/15 would be:

	£'000
Loss of share of surplus	79
Maximum loss of baseline funding due to the safety net	118
	197

3.9.15 However, to help manage this risk it is proposed that at the end of 2013/14 a reserve is created specifically to manage this risk using any underspend. This reserve could also be used to manage any timing differences between when the Council is obliged to pay the government its share of any levy and when the Council will benefit from that surplus.

3.10 New Homes Bonus

3.10.1 The New Homes Bonus is assuming a greater level of importance as source of funding. By 2015/16 the Council is expecting to receive £0.6m:

	2014/ 15	2015/ 16	2016/ 17	2017/ 18	2018/ 19
	£'000	£'000	£'000	£'000	£'000
New homes bonus (2011/12 - 2016/17)	62	62	62	0	0
New homes bonus (2012/13 - 2017/18)	153	153	153	153	0
New homes bonus (2013/14 - 2018/19)	244	244	244	244	244
New homes bonus (2014/15 - 2019/20)	107	107	107	107	107
New homes bonus (2015/16 - 2020/21)	0	58	58	58	58
Total New Homes Bonus	566	624	624	562	409

3.10.2 The final level of new homes bonus due to be received in 2014/15 is higher than expected by some £6,000. This is due to an increase in the amount of bonus awarded for affordable dwellings.

3.10.3 Looking further ahead, the announcement that New Homes Bonus would no longer be top sliced has significantly benefitted the Council in 2015/16 by £252,000.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.10 New Homes Bonus

3.10.4 Within Adur, between 50 – 100 dwellings are constructed each year, although due to the development at the Southlands hospital site, over 200 were finished in 2012/13. For the purposes of forecasting the 2015/16 new homes bonus, it is assumed that 75 new dwellings will be completed by August 2014.

3.10.5 The future of New Homes Bonus from 2016/17 onwards is uncertain. The commitment to New Homes Bonus is until 2015/16 only and so it is assumed that there will be no new bonus from 2016/17 onwards.

3.11 Council Tax Referendum

3.11.1 Finally, as part of settlement, the Minister announced the referendum criteria would be announced after Christmas. It is unclear whether this relates to the 2014/15 criteria or the 2015/16 criteria, however it is suspected that this refers to 2014/15.

3.11.2 This overturned the criteria previously announced by the Chancellor in June which stated that:

The Council Tax referendum limit will be 2% in both 14/15 and 15/16. The Government will offer a Council Tax Freeze grant in both 2014/15 and 2015/16. This is likely to be allocated as a 1% grant for two years for those that freeze in 2014/15 and separately as a 1% grant for two years for those that freeze in 2015/16.

3.11.3 There has been some speculation in the press recently that the referendum limit will be reduced to 1.5%. The current budget forecast assumes a 2% increase. Clearly this 0.5% reduction would impact upon the Council's potential income from Council Tax by some £27,000. The late announcement of the referendum criteria introduces a degree of uncertainty into the budget process.

3.11.4 However, given that the original criteria announced is due to be changed, and the Secretary of State's often expressed view that Councils should accept the Council Tax Freeze grant; it seems unlikely that the limit will increase. Consequently, the budget forecast now assumes a maximum increase of 1.5%. Members will be briefed on the referendum criteria at the meeting if known.

3.11.5 Options for the Council Tax increase are discussed in detail later in the report.

4.0 2013/14 BUDGET – CURRENT POSITION

4.1 The revenue monitoring report to Joint Strategic Committee on 7th November 2013 showed a forecast underspend for the year of £169,000 due to the following major factors:

	Forecast Over/(Under) spend
	£'000
Homelessness	
Private sector lease rental income in excess of the budget.	-50
Investment Properties	
Lower income due to empty properties.	60
Refuse and Recycling Collection	
Budget not required following change in accounting for MRP & Interest	-103
Cross-Cutting savings	
Reduction in energy costs across a variety of budgets.	-67
Net other over/(under) spends	-9
Underspend as at 7th November 2013	-169

4.2 The anticipated underspend of £169,000 will give the Council the much needed opportunity to place some funds into reserves to meet future needs as discussed elsewhere within this report. The ongoing trends that have been identified as part of this monitoring have been built into the 2014/15 revenue budget.

4.3 On past evidence, spending patterns between the November monitoring and the end of the financial year have shown there is every reason to expect that the position may continue to improve as the year progresses, which will be reported when the outturn report comes before the Joint Strategic Committee in June 2014. Consequently, any final recommendations regarding this underspend must be deferred until the outturn results are known.

5.0 DRAFT REVENUE ESTIMATES 2014/15

5.1 Detailed budgetary work is now complete and the estimate of the budget requirement (net of any proposed transfers to reserves) is £5,483,550. This includes the savings agreed at Joint Strategic Committee in December and January.

5.0 DRAFT REVENUE ESTIMATES 2014/15

- 5.2 The final budget will be dependent on Members consideration of the non-committed growth proposals, and the Council Tax increase that Members are prepared to support.
- 5.3 The key question of how the net budget requirement of £5.484m translates into the Council Tax charge can now be determined as the proposed details of the Local Government Finance Settlement have been received. Any final changes arising from settlement will be dealt with through the reserves. However, if there is a significant reduction in government resources, in-year action will be needed to reduce the final impact on the reserves.
- 5.4 Details of all of the main changes in the base budget from 2013/14 to 2014/15 are at Appendix 1. A breakdown of each Cabinet Member's summary budget is attached at Appendix 7. The changes can be summarised briefly as follows:

	£'000	£'000
2013/14 Original Estimate		9,634
Add: General Pay and Price Increases		218
Add: Committed and Unavoidable Growth:		
Increased Expenditure as per 3 year forecast (net of any proposed use of reserves)	242	
Reduced Income as per 3 year forecast	81	
Impact of Capital Investment Programme	-2	321
		10,173
Less: Compensatory savings/Additional Income:		
Compensatory savings	-40	
Additional income	-	-40
2013/14 budget prior to agreed savings		10,133
Less: Savings agreed by members		
Approved in 2013/14	-52	
Approved in December	-659	
Approved in January	-54	
Removal of 'no detriment' adjustment	19	
Adjustment of allocations to the HRA	89	-657
Cabinet member requirements		9,476
Potential contribution to reserves*		184
Potential budget requirement before external support		9,660
Collection fund surplus		-60
2014/15 BUDGET REQUIREMENT		9,600

*The planned contributions to and from the reserves are analysed in Appendix 3. The final amount will depend on the decisions made about the non-committed growth items and the Council Tax increase.

5.0 DRAFT REVENUE ESTIMATES 2014/15

5.5 The estimates reflect the Council's share of the Joint Strategic Committee budget which was considered on 7th January 2014. The allocation of the costs of joint services under the remit of the JSC has been the subject of an annual review this year. The swing of costs between the two Councils has changed by 0.75% between the two Councils resulting in an overall 'no detriment' adjustment of around £19,000.

5.6 The initial report to members about the creation of the partnership discussed at the Simultaneous Executive Meeting on 12th July 2007 emphasised the need for stability of costs between the Councils, and it was not proposed to take action until a firm trend has established. There were several reasons for this:

- Any of the allocations for the newly created joint services are based on broad estimates which will be confirmed as the services mature;
- Some of the joint services have only been in operation for a relatively short-time and so it is impossible to identify whether there is a long-term trend in the allocation of costs.
- Some of the swings in costs may be temporary in nature.

5.7 Given the small amount of overall 'no detriment' adjustment within the accounts of the two Councils, it is now proposed to remove this adjustment from the revenue budgets of both Councils. The implication for the future is that there will be an annual adjustment between the two Councils for any swing in the overall costs from the Joint Strategic Committee.

5.8 As part of the review of the allocation of support services there have been some changes for individual services which are reflected in the detailed budgets. It is important to note that this does not change the overall cost of the support services to each Council, but that it does influence the size of the share that each service takes, the proportion allocated to the HRA, and the proportion borne by the General Fund and the Capital Investment Programme.

Further details can be provided by request from Jo-Anne Chang-Rogers (Finance Manager) or Sarah Gobey {Executive Head (Financial Services)}.

5.9 The current net estimated 2014/15 spend is less than previously predicted and is mainly due to the following factors:

5.0 DRAFT REVENUE ESTIMATES 2014/15

	£'000
Impact of settlement (see paragraph 2.5 and section 3 above)	
Increase in grant arising from settlement (including the Council Tax Freeze Grant)	1
Expected increase in New Homes Bonus	-6
Additional income from business rates (see section 3.8)	-261
Final adjustments in respect of inflation and salary increments	23

5.10 In addition to the above, the projected surplus on the Collection Fund is now estimated to be £327,350, of which £60,130 is the District Council share. This is a minor surplus in light of the overall income due which exceeds £31.6m, and is due to an improved level of income to the collection fund.

5.11 Members are now faced with two questions:

- What level of Council Tax to set?
- Which of the growth items at appendix 2 to accept?

The decisions made today will be reflected in the budget papers presented to Council.

5.12 The Council Tax increase:

5.12.1 The budget forecast currently assumes that Council Tax will increase by 1.5% in 2014/15. This is a reduction from the previous forecast increase of 2% and reflects uncertainty about the referendum level.

5.12.2 In the recent consultation 58.8% of residents supported an increase in Council Tax and a 1.5% uplift would be a modest increase in the District council share of the bill for 2014/15 as follows:

Adur District Council	£
Average Band D Council Tax	274.27
Annual impact of 1.5% increase	4.11
Amount per week	0.08

5.12.3 Members should also be aware that the Police and Crime Commissioner has been consulting on a 3.6% increase for the Police Authority share of the overall bill. There are indications that the County Council will set a 0% increase. Consequently, the total overall increase in the Council Tax bill for an average band D property would be just over 0.5%:

5.0 DRAFT REVENUE ESTIMATES 2014/15

5.12 The Council Tax increase:

	2013/14	2014/15	
	£	£	
Adur District Council	274.27	278.38	1.50%
West Sussex District Council	1,161.99	1,161.99	0.00%
Sussex Police and Crime Commissioner	138.42	143.37	3.60%
	<u>1,574.68</u>	<u>1,583.74</u>	<u>0.58%</u>

5.12.4 Members should also be aware that there may long term consequences to accepting the Council Tax Freeze Grant and setting a 0% Council Tax increase:

Adur District Council	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000
Council Tax income if Council Tax is increased by 1.5%	5,484	5,580	5,734	5,892	6,055
Council Tax income if Council Tax is frozen	5,402	5,497	5,649	5,805	5,965
Net fall in income	82	83	85	87	90
Less: Grant from government	64	64	0	0	0
Increase/decrease (-) in income per annum if Council Tax is increased	18	19	85	87	90

5.12.5 Members are asked to consider which level of Council Tax increase that they support. Increasing Council Tax by 1.5% will protect the longer term financial interests of the Council and build some much need capacity in the next financial year to invest in priority initiatives. However, given the current economic climate, and the very small financial benefit in the first two years, Members may want to freeze Council Tax to protect the local community and accept the Council Tax freeze grant.

5.13 Uncommitted Growth Items:

5.13.1 Attached at Appendix 2 is a listing of the new uncommitted growth items which total £61,200. These have already been considered at the Joint Strategic Committee on 7th January 2014 and those items which had support from both Adur and Worthing members are included in the appendix. Members are now asked to confirm which of the items should be included within the revenue estimates for 2014/15.

5.0 DRAFT REVENUE ESTIMATES 2014/15

5.14 Depending on the choices made regarding the Council Tax increase and the new growth items; the overall budget position will be:

	£'000	£'000
Net budget requirement		9,517
Less: Government grant	-1,773	
Baseline Funding	-1,574	
Share of additional Business Rate income	-142	
Council Tax (1.5% increase)	-5,484	
2013/14 Council Tax Freeze Grant	-62	
Council Tax reduction scheme administration grant	-40	
New Homes Bonus	-566	
Collection Fund surplus	-60	-9,701
Estimated budget surplus based on 1.5% Council Tax increase		-184
Estimated impact of freezing Council Tax and accepting the Council Tax freeze grant		18
Maximum impact of accepting the growth items		61
		-105
Maximum contribution to reserves		105
		-

5.15 The budget could support a 0% Council Tax increase and support some priority projects for the coming year from the planned contribution to reserves. Looking further ahead to 2015/16, the surplus savings identified in 2014/15 will help the council address its future budget shortfall.

5.16 However, budgets remain extremely tight and there is little flexibility to fund new initiatives to take forward key priorities such as economic development projects designed to stimulate the economy and create new jobs.

6.0 IMPACT ON FUTURE YEARS

6.1 The impact of the proposed changes on the overall revenue budget for the next 5 years is shown at Appendix 1 (which includes an assumed 1.5% tax increase for 2014/15 which is to be considered as part of this report). The difficult settlement, together with the other agreed changes to the budget means that the Council is likely to face a minimum shortfall of:

6.0 IMPACT ON FUTURE YEARS

	Expected shortfall (Cumulative)				
	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000
Cumulative budget shortfall	421	1,062	1,899	2,240	2,735
Less:					
Net savings agreed in December and January	-605	-659	-681	-681	-681
Impact of accepting the Council Tax Freeze grant	18	19	85	87	90
Impact of accepting all the growth items at appendix 2	61	61	45	45	45
Less:					
Potential contribution from reserves to be agreed	-105	-	-	-	-
Adjusted cumulative budget shortfall	-	483	1,348	1,691	2,189
Savings required each year	-	483	865	343	498

6.2 The continuation of the 'austerity measures' has had significant consequences for the Council. Looking ahead, the stimulation of the local economy and provision of additional housing will be two of the measures which will help protect the Council's services. There are potentially four benefits which will directly improve the council's financial position:

- Increased income from business rates which is discussed fully in section 3 above;
- Reduced cost of Council Tax benefits from any new jobs created;
- Additional Council Tax income from each new home;
- New Homes bonus of £1,160 per band D home until at least 2015/16 and possibly beyond.

6.3 However, these measures are unlikely to be enough. There will need to be a continuing emphasis on efficiency and value for money in the annual savings exercise. In addition, the Council will need to focus its scarce resources on key priorities.

6.4 Members should also be aware that the future of the overall funding for Local Government continues to be a cause for concern and there remains a risk that funding levels will reduce even beyond the current pessimistic projections.

7.0 RESERVES

- 7.1 Section 26 and 27 of The Local Government Act 2003 require the Council's Chief Financial Officer to comment on the adequacy of the Council's reserves. The reserves have therefore been reviewed in accordance with the best practice as advised by the Chartered Institute of Public Finance and Accountancy (CIPFA) in LAAP 77 'Local Authority Reserves and Balances'.
- 7.2 To enable a view to be taken on the adequacy of reserves, Members need to be aware that, broadly speaking, there are two categories of revenue reserves relevant to the Council. The **General Fund Working Balance** which primarily is available to cushion the impact of uncertain cash flows and act as a contingency to meet unforeseen costs arising during a budget year (e.g. supplementary estimates); and **Earmarked Reserves** which are sums held for specific defined purposes and to meet known or predicted liabilities. Both categories of reserves can be used on a planned prudent basis to underpin the annual budget.
- 7.3 The Council's established policy is to maintain the General Fund Working Balance at between 6 – 10% of net revenue expenditure. This is even more important in the current economic climate when there are so many uncertainties. The balance as at 31st March 2013 was £857,000 which is 8.8% of net revenue expenditure.

The year-end level on the General Fund Working Balance for the foreseeable future, therefore, is estimated as follows:

		£'000	%
31.03.2014	Balance carried forward – per Final Accounts	857	8.9
31.03.2015	No planned drawdown or contribution expected	857	8.9
31.03.2016	No planned drawdown or contribution expected	857	9.3
31.03.2017	No planned drawdown or contribution expected	857	9.4

The reduction in revenue support grant and the resultant decrease in the Council's net spend means that the same level of working balance equates to a higher percentage of net revenue expenditure.

- 7.4 On the basis of the year-end figures above, and taking into account past performance and the acknowledged track record of sound financial management in this Council, I believe the working balance is adequate for its purpose. In forming this view I have considered the following potential impacts upon the Council's finances:

7.0 RESERVES

1. A further fall in interest rates of 0.5% would cost the Council in a region of £110,000 in 2014/15.
2. A pay award of 1% more than currently allowed for within the budget would cost the General Fund approximately £96,000.
3. Further adverse falls in income from such sources as development control income, car parks and land charges against a background of the recession which could result in falling income of over £100,000.
4. Demand is increasing for services such as homelessness and housing benefit which may well lead to increased (and unbudgeted) costs.
5. Other unforeseen circumstances such as the failure of a major contract
6. Any use of the working balance would be difficult to recoup in the short term. Consequently, the reserve needs to be sufficient enough to cope with at least two years of adverse impacts.

Against this background, and especially given the current economic climate, it is important that the Council has minimum reserves in 2014/15 of £580,000 or 6% of net revenue spend as laid out in the current policy. However, it is unlikely that the Council will need in excess of £966,000 in the working balance which is roughly equivalent to 10% of net revenue spend. Consequently, the current policy of holding balances of between 6% and 10% is valid and the forecast level falls within these parameters.

- 7.5 The estimated balance of earmarked reserves as at 31st March, 2014 is £3,513,000, although this will reduce to £3,074,000 if any Section 106 sums held for future environmental improvements, grants, and any specific capital resources are excluded. A detailed schedule of the earmarked reserves is attached at Appendix 3. The key risks to the overall budget and the Council's reserves are detailed below.
- 7.6 In all probability, the Council will continue to have occasional opportunities to put money into earmarked reserves rather than solely to drawdown on a planned basis. Even without this, I believe the earmarked revenue reserves are adequate for their particular purposes but the size and nature of the risks to the overall budget leaves the Council with little room for using these reserves for new on-going spending initiatives. The Council should maintain its current policy of spending its scarce earmarked reserves on:
- supporting one-off rather than recurring revenue expenditure;
 - dealing with short-term pressures in the revenue budget; and
 - managing risk to the Council's budget.

8.0 SIGNIFICANT RISKS

8.1 Members will be aware that there are several risks to the Council's overall budget. These can be summarised as follows:-

(i) **Income**

The Council receives income from a number of services which will be affected by demand. These include land charges, development control and now business rates. Whilst known reductions in income have been built into the proposed budgets for 2014/15, income may fall further than expected.

(ii) **Withdrawal of funding by partners**

All budgets within the public sector are under scrutiny which may lead to partners reassessing priorities and withdrawing funding for partnership schemes. Consequently, the council may lose funding for key priorities and be left with unfunded expenditure together with the dilemma about whether to replace the funding from internal resources.

(iii) **Inflation**

A provision for 2.0% inflation has been built into non-pay budgets together with an allowance for additional inflation on fuel. Pay budgets have a 1% inflationary increase allowed for. Whilst the Bank of England inflation forecasts expect that inflation to drop throughout 2014/15, there is a risk that inflation will run at a higher rate than allowed for within the budget. Each 1% increase in inflation is equivalent to the following amount:

	1% increase
	£'000
Pay	96
Non-pay	39

8.2 To help manage these risks, the council has a working balance of £857,000 and other earmarked reserves are also available to the Council to help mitigate these risks.

9.0 CONSULTATION

9.1 This report represents the culmination of the budget process which has involved consultation with Members, staff, members of the public and the business community.

9.0 CONSULTATION

9.2 Both Councils have undertaken a follow-up consultation to last year's area wide exercise entitled 'Your Chance to be the Chancellor'. This again took the form of a leaflet sent out to each home. The focus of this year's consultation was around the potential changes to the Council Tax Reduction Scheme in 2015/16, and the level of Council Tax increase that the public would support. 738 residents responded to the consultation and the full outcome of the consultation is attached at appendix 4.

9.3 With respect to the Council Tax increase, the Council asked and received the following response from residents:

The Councils have managed to freeze Council Tax for the past three years, despite a reduction in government grant of over 32%. Both Councils expect a further reduction in a grant for 2014-15 of around 18% which is equivalent to £520,000 for Adur District Council and £790,000 for Worthing Borough Council.

With this in mind, would you prefer...

<i>A small increase which will help the Councils to protect priority services</i>	<i>434</i>	<i>(58.8%)</i>
<i>To freeze Council Tax for the fourth year in a row and cut services</i>	<i>304</i>	<i>(41.2%)</i>

9.4 The annual briefing with the business community was held on 22nd January 2014.

10.0 UPDATE TO PRUDENTIAL INDICATORS

10.1 The Council's budget fully reflects the cost of financing the capital programme. Members have previously approved sufficient growth to accommodate the proposed capital programme including the financial impact of the acquisition of the refuse and recycling fleet and equipment which has been funded from prudential borrowing.

10.2 Under the Prudential Code of Practice and the capital finance system introduced in April 2004, the capital programme is based on the Council's assessment of affordability. This includes any new borrowing which the Council wishes to undertake. The Council has considered the revenue consequences of any proposed capital programme in agreeing the budget strategy for 2014/15. The Council has a fully funded capital programme and the associated revenue costs are built into the budget for 2014/15 and future years.

10.0 UPDATE TO PRUDENTIAL INDICATORS

- 10.3 The Prudential Code of Practice requires the Council to set a series of indicators to show that the capital programme has due regard to affordability, sustainability and prudence.
- 10.4 The full set of Prudential Indicators and Treasury Management Limits is at Appendix 5. They reflect the Capital Programme approved at the Joint Strategic Committee on 3rd December 2013.
- 10.5 Members should note that the indicator for the authorised borrowing limit is a statutory indicator requiring approval by full Council under Section 3(i) of the Local Government Act 2003.

11.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

- 11.1 Section 25 of the Local Government Act 2003 requires an authority's Chief Finance Officer - the Executive Head (Financial Services) - to make a report to the authority when it is considering its budget and Council Tax. The report must deal with the robustness of the estimates and the adequacy of the reserves allowed for in the budget proposals, so Members will have authoritative advice available to them when they make their decisions. The Section requires Members to have regard to the report in making their decisions.
- 11.2 As Members are aware, local authorities decide every year how much they are going to raise from Council Tax. They base their decision on a budget that sets out estimates of what they plan to spend on each of their services. Because they decide on the Council Tax in advance of the financial year in question, and are unable to increase it during the year, they have to consider risks and uncertainties that might force them to spend more on their services than they planned. Allowance is made for these risks by:
- making prudent allowance in the estimates for each of the services, and in addition;
 - ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.

11.3 Overall view on the robustness of the estimates:

Subject to the important reservations below, a reasonable degree of assurance can be given about the robustness of the estimates and the adequacy of reserves. The exceptions relate to:

11.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

- (1) The provision of estimates for items outside of the direct control of the Council:
 - Income from fees and charges in volatile markets, e.g. car parks and development control fees.
 - External competition and declining markets, particularly during a recession. E.g. Local land charges and building control fees.
 - Changes to business rate income due to revaluations, redevelopments and increases in mandatory rate relief.
- (2) Cost pressures not identified at the time of setting the budget. This would include items such as excess inflation.
- (3) Initiatives and risks not specifically budgeted for.

It will therefore be important for members to maintain a diligent budget monitoring regime during 2014/15.

- 11.4 The Executive Head (Financial Services) and Section 151 Officer's overall view of the robustness of the estimates is, therefore, as follows:

The processes followed are sound and well established and identical to those that produced robust estimates in the past. The Council has also demonstrated that it has a sound system of financial management in place.

12.0 COUNCIL TAX SETTING

- 12.1 The Council is obliged to raise the balance of its resources after grant to finance the General Fund Revenue Budget from its local Council Taxpayers. The Adur District Council Tax will be added to the Precepts from the West Sussex County Council and the Sussex Police and Crime Commissioner to form a combined Council Tax to levy on the taxpayers of Adur District.
- 12.2 Once the Cabinet has reached a decision on the Total Budget Requirement it wishes to recommend to the Council for the 2014/15 Budget, the resulting Council Tax for the District can be set. This takes into account the Total Aggregate External Finance (Revenue Support Grant and Business Rates contributions) and any contribution to or from the local Collection Fund.

12.0 COUNCIL TAX SETTING

12.3 Adur District Council:

- (a) The following table shows the net sum to be raised from local Council Taxpayers in 2014/15 prior to the consideration of the budget proposals. This is based on 1.5% Council Tax increase:

	£	£
Net 2014/15 Budget *		9,700,430
Plus:		
Contribution from the Collection Fund surplus (as per paragraph 5.10)		-60,130
Net Budget requirement - (see Appendix 7)		9,640,300
Less:		
Aggregate External Finance:		
Revenue Support Grant	-1,834,780	
Baseline Funding	-1,573,830	
Business Rate income	-142,540	
Council Tax Reduction Scheme administration grant	-40,000	
New Homes Bonus	-565,600	
		-4,156,750
Balance to be raised from Council Tax		5,483,550

* 2014/15 budget requirement after any contribution to reserves required to balance the budget.

However, within section 5 of the report, Members are given the option of freezing the Council Tax and approving the non-committed growth items. Any reduction in income would be funded from the budget surplus.

(b) Council Tax Base

The Council's Tax base for 2014/15 is 19,697.80 Band D equivalent properties. There is an increase in the current year base of 19,680.70 is due to an increasing number of homes. The full calculation of the tax base is shown in Appendix 6.

12.0 COUNCIL TAX SETTING

12.3 Adur District Council:

(b) Council Tax Base

	2013/14 Tax Base	2014/15 Tax Base
Lancing	5,818.90	5,860.30
Sompting	2,601.00	2,622.00
Unparished	11,260.80	11,215.50
TOTAL	19,680.70	19,697.80

(c) Special expenses

At the extraordinary meeting of Council held on 10th January 1995, Maintenance of recreation grounds and provision of community buildings were agreed as special expenses not chargeable in the Lancing area under the terms of Section 35 of the Local Government Finance Act 1992. In 2014/15 expenditure of £243,399 (£239,040 in 2013/14) falls under the resolution and will need to be financed by a Band D Council Tax of £17.55, to be charged in all areas of the District except Lancing, which is 1.56% higher than the previous year's charge of £17.28.

(d) Adur District Council Band D Council Tax

In order to raise the required sum, and after allowing for special expenses, it is recommended that the Council Tax at Band D be increased by an average of 1.5% or 0% as follows:

Area	2013/14	2014/15 (0% increase)	2015/16 (1.5% increase)
Lancing	£ 262.08	£ 261.90	£ 265.95
Shoreham, Southwick, Sompting and Coombes			
Basic Council Tax	262.08	261.90	265.95
Special Expenses	17.28	17.55	17.55
TOTAL in Shoreham, Southwick, Sompting and Coombes	279.36	279.45	283.50

12.0 COUNCIL TAX SETTING

12.4 West Sussex County Council and Sussex Police Authority

- (a) The County Council requirements are expected to be confirmed on 14th February, 2014. The Police and Crime Commissioner's proposed increase of around 3.6% is due to be considered by the Police and Crime Panel on 24th January. The latest date that any increase by the Police and Crime Commission will be confirmed is the 21st February 2014.

	2013/14 £	2014/15 £
West Sussex County Council	1,161.99	t.b.a.
Sussex Police Authority	138.42	t.b.a.
TOTAL	1,300.41	t.b.a.

12.5 Lancing and Sompting Parish Precepts

- (a) Lancing Parish Council precept has been set at £282,170 at its meeting on 13th November 2013. In 2013/14 it was £278,000.
- (b) Sompting Parish Council is due to set its precept on 14th February 2013 preliminary indications are that this will remain unchanged from the previous year. In 2013/14 it was £82,693.

12.6 Overall Council Tax

The final figures for all authorities will be incorporated into the formal Council Tax setting resolution to be presented to the District Council at its meeting on 20th February 2014.

13.0 CONCLUSION

- 13.1 The past few years have been very difficult for the Council. The withdrawal of a significant amount of government grant has been challenging to address. Overall the Council has successfully identified further savings of over £1.4m to meet the current year's financial challenges. However, this has not been without pain. The council has reduced its workforce, with the inevitable pressure of additional work falling on the shoulders of the remaining staff. But we have largely, to date, protected the Council's front-line services.
- 13.2 Looking further ahead, 2015-16 will be equally as challenging as the Government continues deals with the national deficit. Whilst developing both the local economy to increase employment space and local jobs together with the provision of new homes will be one of the strategic measures that the Council can take to protect its longer term financial interests, there will be inevitably be some difficult days ahead as the Council seeks to address the remaining budget shortfall.

13.0 CONCLUSION

- 13.3 It is difficult to be certain what the future will hold for the Council post the next general election, other than to plan for further reductions in funding.
- 13.4 But we must not forget that the Council is in good financial health with strong reserves, which will help us deal with this whilst the Council revisits its priorities and strives for further efficiencies.
- 13.5 In preparing the strategy and forecast for 2014/15 an assessment was carried out of the significant risks and factors which may have an impact on the Council's budget. Where quantifiable, the budget has been adjusted accordingly but it is important to acknowledge that there are still some risks to the overall position which may have to be funded from reserves. Members will continue to receive regular budget monitoring reports and updates to the Council's 5-year Medium Term Financial Plan, to ensure that the financial challenges ahead are effectively met.
- 13.6 The annual preparation of the budget is a huge exercise involving the co-operation and support of countless officers in all departments of the Council. Most of the work, of course, falls on the Financial Services team and has to be completed within tight time constraints at a difficult time of year.

14.0 RECOMMENDATIONS

14.1 The Cabinet is recommended to:

- (a) Consider which of the growth items detailed at appendix 2 should be included within the revenue budget and funded from the budget surplus in 2014/15.**
- (b) Agree to recommend to Council the draft budgets for 2014/15 at Appendix 7 as submitted in Cabinet Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £9,700,430, subject to any amendments above; and**
- (c) Consider which band D Council Tax to recommend to Council for Adur District Council's requirements in 2014/15 as set out in paragraph 12.3; and**
- (d) Agree to recommend to Council the special expenses of £17.55 per band D equivalent charged in all areas of the District except Lancing;**

SARAH GOBEY
Executive Head
(Financial Services) & Section 151 Officer

ANDREW GARDINER
Strategic Director

Local Government Act 1972

Background Papers :

Report to the Joint Strategic Committee 3rd July, 2013 Outline forecast 2014/15 to 2018/19 and Budget Strategy

Report to the Joint Strategic Committee 3rd September 2013 Update to outline forecast 2014/15 – 2018/19 following the Comprehensive Spending Review.

Report to the Joint Strategic Committee 3rd December 2013 Outline 5 year forecast and savings proposals.

Report to the Joint Strategic Committee 7th January 2014 Joint Overall Budget Estimates.

Local Authority Finance (England) Settlement Revenue Support Grant for 2014/15 and Related Matters: DCLG Letters and associated papers of 18th December 2013.

The Autumn Statement 2013. HM Treasury

Local Government Act 2003 and Explanatory Note

“Guidance Note on Local Authority Reserves and Balances” – LAAP Bulletin No. 77 - CIPFA -published in November 2008

Statement of Accounts 2012/13

Report to Joint Strategic Committee 7th November 2013 – “2nd Capital, Revenue Budget and Performance Monitoring 2013/14

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SCHEDULE OF OTHER MATTERS

1.0 COUNCIL PRIORITY

1.1 The budget supports the Council's achievement of all its priorities.

2.0 SPECIFIC ACTION PLANS

2.1 The report details how the Council proposes to meet the financial targets initially outlined in the 3-year outline forecast considered in July 2010.

3.0 SUSTAINABILITY ISSUES

3.1 Matter considered and no issues identified

4.0 EQUALITY ISSUES

4.1 The majority of the proposals included in the report will have no impact on equality issues as there are no proposed changes to the way in which services are delivered.

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

8.0 CONSULTATIONS

8.1 Consultations are detailed in Section 9 of the main report

9.0 RISK ASSESSMENT

9.1 The overall risks to the budget are detailed in Section 8 of the main report.

10.0 HEALTH AND SAFETY ISSUES

10.1 Matter considered and no issues identified

11.0 PROCUREMENT STRATEGY

11.1 Matter considered and no issues identified

12.0 PARTNERSHIP WORKING

12.1 The report considers the impact that partnership working has on the overall revenue budget.

ADUR DISTRICT COUNCIL						
Revenue Budget Summary Statement 2013/14 - 2018/19						
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	Base					
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation						
Base budget	9,634	9,634	9,634	9,634	9,634	9,634
Annual Inflation						
Estimated inflation		218	415	717	1,020	1,340
One -off / non-recurring items						
Local Elections (held every other year)		32		33		34
Committed Growth						
Changes to National Insurance Contributions		-	-	246	246	246
Impact of Pension contribution increase		67	136	228	233	238
Provision for job evaluation		8	8	8	8	8
Items identified by Executive Heads as reported in December		135	135	135	135	135
Contribution to Gypsy and Traveller site		-	15	15	15	15
Compensatory savings						
Fall out of early retirement costs		(40)	(65)	(65)	(65)	(65)
Impact of capital programme						
Financing costs		(2)	126	242	364	492
Additional income						
Investment income		81	(35)	(95)	(155)	(215)
Accommodation strategy (tbc)		(52)	(52)	(52)	(52)	(52)
Total Cabinet Member Requirements	9,634	10,081	10,317	11,046	11,383	11,810
Baseline funding	1,544	1,574	1,617	1,657	1,699	1,741
Less: Safety net payment / business rate shortfall	(116)	-	-	-	-	-
Add: Retained additional business rates		79	129	132	136	139
Add: Share of 2013/14 surplus		63				
Adjusted Baseline funding	1,428	1,716	1,746	1,790	1,835	1,880
Revenue Support Grant	2,320	1,771	1,213	970	825	701
Council Tax						
Adjusted Council Tax income	5,398	5,484	5,580	5,734	5,892	6,055
Other grants						
Council Tax Freeze grant 2013/14	62	63	63	-	-	-
New homes bonus (2011/12 - 2016/17)	62	62	62	62	-	-
New homes bonus (2012/13 - 2017/18)	153	153	153	153	153	-
New homes bonus (2013/14 - 2018/19)	244	244	244	244	244	244
New homes bonus (2014/15 - 2019/20)	-	107	107	107	107	107
New homes bonus (2015/16 - 2020/21)	-	-	87	87	87	87
Collection fund surplus/deficit (-)	(9)	60	-	-	-	-
Total other grants and contributions	512	689	716	653	591	438
Total Income from Grants and Taxation	9,658	9,660	9,255	9,147	9,143	9,074

ADUR DISTRICT COUNCIL Revenue Budget Summary Statement 2013/14 - 2018/19						
	2013/14 Base	2014/15	2015/16	2016/17	2017/18	2018/19
(Surplus) / Shortfall in Resources	(24)	421	1,062	1,899	2,240	2,735
Contribution to (-) / Use of Reserves to Balance						
Capacity issues reserve	(24)	-	-	-	-	-
Total Income from Reserves	(24)	-	-	-	-	-
AMOUNT REQUIRED TO BALANCE BUDGET	-	421	1,062	1,899	2,240	2,735
Savings agreed in November		665	719	741	741	741
Savings agreed in January		54	54	54	54	54
Final adjustments to the allocation of the December joint savings between the two Councils		(6)	(6)	(6)	(6)	(6)
Removal of no detriment		(19)	(19)	(19)	(19)	(19)
Allocation of savings to the HRA		(89)	(89)	(89)	(89)	(89)
Total savings identified		605	659	681	681	681
Savings still to be found/ (surplus)		(184)	403	1,218	1,559	2,054
Council Tax increase		1.50%	1.50%	2.50%	2.50%	2.50%

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Corporate and Cultural Services							
<i>Legal Services:</i>							
Increase in hours of Senior Information Officer	23.5	23.5	23.5	9.4	0.0	14.1	23.5
In 2008 the Census Partnership highlighted the lack of information security standards, procedures and practice to the Census Joint Steering Group who agreed for a Project Team to develop a suite of Information Security Policies. The policy was agreed by Joint Strategic Committee on 27 th March 2012 and a suite of 12 policies have been developed and adopted by Management Team which set out the role and responsibilities of the Information Security Manager. These roles and responsibilities are new areas of work arising from the policies adopted by the Council. The work has been allocated to the Council's Senior Information Officer, who does not have the capacity to absorb this work into her current post.							
The duties of the role are to take day-to-day responsibility for developing, monitoring and overseeing the implementation of the Corporate Information and Records Management Policies, procedures and guidelines and proving the mechanisms for supporting Access to Information compliance.							

ADUR:
Revenue Budget Report

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<p>Corporate and Cultural Services</p> <p><i>Legal Services:</i></p> <p>The policy approved by Joint Strategic Committee commits the Councils to putting in place policies, procedures, guidelines and mechanisms for improving good information management, information security and record keeping. The role and responsibilities assigned to the Information Security Manager are essential to the successful implementation and continued commitment to the laudable aims and objectives of the policy.</p> <p>Benefit/deliverables (outputs, impact on financial savings)</p> <p>i) Safeguarding the Councils and avoiding breaches of statutory data protection rules.</p> <p>Implication of unsuccessful bid</p> <p>There will be insufficient resources to carry out the role of Information Security Manager</p> <p><i>Human Resources</i></p> <p>Computerisation of recruitment process</p> <p>Part of an on-going project to improve the efficiency of HR and Payroll processes through the use of IT. In 2013/14, the continued investment in this project levered in a annual saving of £8,000 in payroll administration costs.</p>							
	6.0	6.0	6.0	2.4	0.0	3.6	6.0

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<p>Benefit/deliverables (outputs, impact on financial savings) i) Non cashable efficiency savings as staff have less direct involvement in an on-line process. This is part of a Council wide initiative to reduce administration burden.</p> <p>Implication of unsuccessful bid Unable to implement this system and progress the “channel shift” in recruitment</p> <p><i>Museum and art gallery</i></p> <p>Annual valuation of Museum Collection The Council is now required to regularly value it's collection for audit purposes. This will also have the benefit of making sure that this is not undervalued for insurance purposes.</p> <p>Benefit/deliverables (outputs, impact on financial savings) The revaluation of the collection is a requirement for the statement of accounts. Museum curatorial team will not have to withdraw from income generating activities to carry out this task</p> <p>Implication of unsuccessful bid The museum collections may be under insured and the assessment of heritage assets may not be accurate if a full valuation is not carried out.</p>	21.3	21.3	21.3	0.0	0.0	21.3	21.3

ADUR:
Revenue Budget Report

APPENDIX 2

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Technical Services							
<i>Estates</i>							
Additional Senior Estates Surveyor for two years to move forward the large number of simultaneous major sales being expected at the moment.	40.0	40.0	0.0	16.0	0.0	24.0	40.0
Benefit/deliverables (outputs, impact on financial savings)							
i) Lever in capital receipts to the benefit of both Councils as part of major projects such as NWoW and the new swimming pool.							
Implication of unsuccessful bid							
Unable to progress sales of sites as quickly as expected							
<i>Engineers</i>							
Additional engineer to support a variety of revenue projects including the Adur River Walls project, and Brooklands lake options.	40.0	40.0	40.0	16.0	0.0	24.0	40.0
Implication of unsuccessful bid							
Unable to progress a number of projects as quickly as expected							

APPENDIX 2

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Planning Regeneration and Wellbeing							
<i>Economic Regeneration</i>							
Events Coordinator	43.4	43.4	43.4	17.4	0.0	26.0	43.4
Lack of co-ordinated approach to the delivery of events across the council. The responsibility is divided across several departments which lead to inefficiency and confusion internally and externally.							
Final release of this funding is subject to a report to the Joint Strategic Committee outlining the remit of the role and confirming the salary level.							
	174.2	174.2	134.2	61.2	0.0	113.0	174.2

**ADUR:
Revenue Budget Report**


APPENDIX 3

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.13 per note 8 of 12/13 SoA	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.14	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1. CAPACITY ISSUES FUND Purpose: To enable the Council to fund one-off initiatives. Now includes Carry Forward Reserve.	2,057	24 *see below	(869)	1,212	184 **see below	(569)	827
2. PARTNERSHIP DEVELOPMENT FUND Purpose: To fund the initial set up costs of the partnership.	67	- *see below	(15)	52	-	-	52
3. INSURANCE FUND Purpose: To offset the costs of insurance excesses and fund insurance risk management initiatives.	127	30	(9)	148	-	-	148

* To be confirmed at year end

** Includes £184k surplus from revenue budget to be considered as part of this report.

C – Withdrawal to support the Capital Programme, R – Withdrawal to support the Revenue Budget

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.13	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.14	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
4. INVESTMENT PROPERTY MAINTENANCE FUND Purpose: To offset future maintenance costs of investment properties.	68	-	(68)	0	-	-	0
5. BUILDING MAINTENANCE FUND Purpose: To offset the future maintenance costs of the Council's operation buildings.	151	-	-	151	-	-	151
6. PERFORMANCE REWARD GRANT Purpose: Balance of unspent grant earmarked for spending on projects to achieve agreed LAA outcomes.	26	-	-	26	-	-	26

* Contribution to be confirmed at the year end

C – Withdrawal to support the Capital Programme, R – Withdrawal to support the Revenue Budget

APPENDIX 3

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.13	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.14	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
7. NEW TECHNOLOGY FUND Purpose: To fund additional IT equipment.	37	-	(15)	22	-	-	22
8. HEALTH AND SAFETY FUND Purpose: To offset unexpected costs arising from health and safety issues.	33	-	-	33	-	-	33
9. LOCAL PLAN RESERVE To fund consultation and preparation of Adur Local Plan	192	-	(94)	98	-	(37)	61
10. SPECIAL & OTHER EMERGENCY RESERVE	250	-	-	250	-	-	250
11. VEHICLE REPAIR AND RENEWAL To fund future maintenance	29	-	-	29	-	-	29

* Contribution to be confirmed at the year end

C – Withdrawal to support the Capital Programme, R – Withdrawal to support the Revenue Budget

SCHEDULE OF EARMARKED RESERVES							
Reserve	Balance as at 01.04.13	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.14	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
12. OTHER SMALL RESERVES (under £20,000)	36	-	(11)	25	-	-	25
All other reserves held with a balance under £20,000							
13. GRANTS & CONTRIBUTIONS HELD IN RESERVES	441	-	-	441	-	-	441
14. RESIDUAL PROJECTED UNDERSPEND	-	169	-	169	-	-	169
Reserves to be identified at outturn.		*see below					
15. GENERAL FUND WORKING BALANCE	857	-	-	857	-	-	857
TOTAL	4,371	223	(1,081)	3,513	184	(606)	3,091

* Contribution to be confirmed at the year end
C – Withdrawal to support the Capital Programme, R – Withdrawal to support the Revenue Budget

**ADUR DISTRICT COUNCIL SURVEY
YOUR CHANCE TO BE THE CHANCELLOR –
BUDGET CONSULTATION 2013 – CHANGES TO THE BENEFIT SYSTEM**

Before you start the survey please be aware that you are required to give an answer for all the multiple choice questions.

In order for us to be able to analyse the results in the best way possible, please could you tell us the following:

ABOUT YOU:

1. Do you live in:

Adur District Council	738	(100.0%)
Adur District Council	0	(0.0%)

2. Do you currently claim Council Tax Benefit?

Yes	79	(10.7%)
No	659	(89.3%)

We have come up with five ideas of how we could make changes to our current scheme. Please could you answer all the questions:

IDEA 1

3. All working age claimants should pay something?

Strongly Agree	330	(44.7%)
Agree	298	(40.4%)
Disagree	64	(8.7%)
Strongly Disagree	46	(6.2%)

4. Some claimants currently have no Council Tax to pay because they receive the maximum level of Council Tax support. After Council Tax support has been awarded to these working age claimants, should they be asked to pay?

Nothing	111	(15.0%)
At least £2.50 per week	196	(26.6%)
At least £5.00 per week	257	(34.8%)
More than £5.00 per week	174	(23.6%)

**ADUR DISTRICT COUNCIL SURVEY
YOUR CHANCE TO BE THE CHANCELLOR –
BUDGET CONSULTATION 2013 – CHANGES TO THE BENEFIT SYSTEM**

IDEA 2

5. **Working age claimants living in larger properties should pay proportionately more than claimants living in smaller properties?**

Strongly Agree	265	(35.9%)
Agree	295	(40.0%)
Disagree	115	(15.6%)
Strongly Disagree	63	(8.5%)

6. **Do you think the maximum support a claimant is entitled to should be higher or lower than the average Council Tax Band C (equivalent to £1,404.32 per year)?**

More than Band C	67	(9.1%)
Same as Band C	302	(40.9%)

IDEA 3

7. **Some people can afford to pay their Council Tax, but they pay a lower amount because a family member or friend (who is on a low income) lives with them. Do you think these awards should stop for working age claimants?**

Strongly Agree	346	(46.9%)
Agree	287	(38.9%)
Disagree	65	(8.8%)
Strongly Disagree	40	(5.4%)

IDEA 4

8. **Working age claimants with savings should pay more than those with little or no savings? (The current savings cap set by the government is £16,000).**

Strongly Agree	136	(18.4%)
Agree	224	(30.4%)
Disagree	238	(32.2%)
Strongly Disagree	140	(19.0%)

**ADUR DISTRICT COUNCIL SURVEY
YOUR CHANCE TO BE THE CHANCELLOR –
BUDGET CONSULTATION 2013 – CHANGES TO THE BENEFIT SYSTEM**

IDEA 4

9. What is the level of savings people can have and still be able to claim benefit?

None	126	(17.1%)
£6,000	211	(28.6%)
£10,000	184	(24.9%)
More than £10,000	217	(29.4%)

10. If these ideas go ahead, what level of impact do you think this would have on your household?

High Impact	20	(2.7%)
Medium Impact	81	(11.0%)
Low Impact	145	(19.6%)
No Impact	377	(51.1%)
I don't know	115	(15.6%)

IDEA 5

11. Before someone of working age is allowed to claim for Council Tax support do you think they should have lived in the area for a certain length of time?

0 Years	145	(19.6%)
2 Years	325	(44.0%)
5 Years	268	(36.3%)

COUNCIL TAX FOR NEXT YEAR

The Councils have managed to freeze Council Tax for the past three years, despite a reduction in government grant of over 32%. Both Councils expect a further reduction in a grant for 2014-15 of around 18% which is equivalent to £520,000 for Adur District Council and £790,000 for Adur District Council.

12. With this in mind, would you prefer...

A small increase which will help the Councils to protect priority services	434	(58.8%)
--	-----	---------

**ADUR DISTRICT COUNCIL SURVEY
YOUR CHANCE TO BE THE CHANCELLOR –
BUDGET CONSULTATION 2013 – CHANGES TO THE BENEFIT SYSTEM**

COUNCIL TAX FOR NEXT YEAR

12. With this in mind, would you prefer...

To freeze Council Tax for the fourth year in a row and cut services	304	(41.2%)
---	-----	---------

13. If you would like to freeze Council Tax for another year, please could you give us an idea of which services you would be prepared to have reduced or cut.

301 (100.0%)

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

1 BACKGROUND

There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators. Under the prudential system, individual authorities are responsible for deciding their own level of borrowing, having regard to CIPFA's Code. The essence of the code is that borrowing for capital investment purposes should be affordable, sustainable and prudent.

2. NET BORROWING AND THE CAPITAL FINANCING REQUIREMENT

This is a key indicator of prudence. Net external borrowing is the difference between gross investments and borrowing. The capital financing requirement (CFR) is a separate estimate of the underlying need to borrow, and is shown at Paragraph 5 below.

In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that the net external borrowing does not, except in the short term, exceed the total of the capital financing requirement (CFR) in the preceding year plus the estimates of any additional (CFR) for the current and next two financial years.

The Executive Head (Financial Services) reports that the Council had no difficulty meeting this requirement in 2012/13, nor are there any difficulties envisaged for the current or future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

3. ESTIMATES OF CAPITAL EXPENDITURE

3.1 This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax - and in the case of the Housing Revenue Account (HRA), housing rent levels.

No. 1	Capital Expenditure	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
	Non-HRA	3.838	4.753	3.557	1.674	2.772
	HRA	4.852	4.646	3.526	3.205	3.285
	TOTAL	8.690	9.399	7.083	4.879	6.057

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

3. ESTIMATES OF CAPITAL EXPENDITURE

3.2 Capital expenditure will be financed as follows:

Capital Financing	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
Capital receipts	0.435	0.203	0.373	0.123	0.123
Government Grants	1.191	0.381	1.161	0.242	0.242
Revenue contributions	1.962	1.841	0.035	0.036	0.036
Revenue reserves	2.055	2.567	3.261	2.481	2.481
Unsupported borrowing *	2.808	4.313	1.916	1.997	3.175
Other Contributions	0.239	0.094	0.337	-	-
TOTAL	8.690	9.399	7.083	4.879	6.057

**Note: the element to be financed from unsupported borrowing impacts on the movement in the Capital Financing Requirement (CFR).*

4. RATIO OF FINANCING COSTS TO NET REVENUE STREAM

4.1 This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the Council's net revenue streams required to meet borrowing costs. The definition of financing costs is set out at paragraph 69 of the Prudential Code (2011) and mainly comprises interest payable and revenue provisions for repayment of debt.

4.2 The ratio is based on costs net of investment income.

The ratio is positive as the cost of borrowing exceeds interest receipts from investment income.

No. 2	Ratio of Financing Costs to Net Revenue Stream	2013/14 Approved %	2013/14 Revised %	2014/15 Estimate %	2015/16 Estimate %	2016/17 Estimate %
	Non-HRA	13.71	14.51	12.47	13.50	13.54
	HRA	41.99	44.08	40.88	39.43	36.68
	TOTAL	55.70	58.59	53.35	52.93	50.22

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

4. RATIO OF FINANCING COSTS TO NET REVENUE STREAM

4.3 The General Fund ratio is relatively constant due to the financing costs of long term debt being at fixed rates of interest. Also the movement reflects in year changes to borrowing costs relative to the interest receivable from investments. For the HRA the ratio is reducing as the element of total debt relating to Self-Financing is being repaid on an equal instalments of principal basis resulting in an annual reduction of interest costs.

5. CAPITAL FINANCING REQUIREMENT

5.1 The Capital Financing Requirement (CFR) measures the Councils' underlying need to borrow for capital purposes. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and financing. It is an aggregation of the amounts shown for non-Current Assets, Long-term debtors for capital transactions, the Revaluation Reserve, the Capital Adjustment Account, Donated Assets Reserve and any other balances treated as capital expenditure.

No. 3	Capital Financing Requirement	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
	Non-HRA	12.892	14.076	15.108	15.361	16.713
	HRA	66.078	65.562	63.994	63.284	62.655
	TOTAL	78.970	79.638	79.102	78.645	79.368

5.2 The year-on-year change in the CFR is due to the following

Capital Financing Requirement	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
BALANCE B/F	78.988	77.779	79.638	79.102	78.645
Capital expenditure financed from unsupported borrowing (per 3.2)	2.529	4.313	1.916	1.997	3.175
Revenue provision for debt Redemption.	(2.547)	(2.454)	(2.452)	(2.454)	(2.452)
BALANCE C/F	78.970	79.638	79.102	78.645	79.368

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

6. ACTUAL EXTERNAL DEBT

- 6.1 This indicator is obtained directly from the Council's balance sheet. It is the closing balance for actual gross borrowing plus other long-term liabilities. This indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit.

No. 4	Actual External Debt as at 31/03/2013	£m
	BORROWING	
	HRA	66.869
	General Fund	13.185
	Total Borrowing	80.054
	Other Long-term Liabilities	-
	TOTAL DEBT	80.054

7. INCREMENTAL IMPACT OF CAPITAL INVESTMENT DECISIONS

- 7.1 This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

No. 5	Incremental Impact of Capital Investment Decisions	2013/14 Approved £	2013/14 Revised £	2014/15 Estimate £	2015/16 Estimate £	2016/17 Estimate £
	Increase in Band D Council Tax	5.98	0.29	1.21	11.55	9.77
	Increase in Average Weekly Housing Rents	-0.02	-0.10	-0.69	-0.21	-0.04

- 7.2 The 2013/14 General Fund revised amount is lower than the original estimate due to slippage in capital expenditure during 2012/13 and the deferral of borrowing, which impacts on MRP applied in the following year. The movement in HRA values reflects the changes in capital programme and incidental borrowing costs.

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

8. AUTHORISED LIMIT AND OPERATIONAL BOUNDARY FOR EXTERNAL DEBT

- 8.1 The Council has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Council and not just those arising from capital spending reflected in the CFR.
- 8.2 The **Authorised Limit** sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities). This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.
- 8.3 The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.
- 8.4 The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).

No. 6	Authorised Limit for External Debt	2013/14 Approved £	2013/14 Revised £	2014/15 Estimate £	2015/16 Estimate £	2016/17 Estimate £
	Borrowing	99.0	99.0	99.0	99.0	99.0
	Other Long-term Liabilities	1.0	1.0	1.0	1.0	1.0
	TOTAL	100.0	100.0	100.0	100.0	100.0

The **Operational Boundary** links directly to the Council's estimate of the CFR and other cash flow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

8. AUTHORISED LIMIT AND OPERATIONAL BOUNDARY FOR EXTERNAL DEBT

8.5 The Executive Head (Financial Services) has delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next meeting of the Cabinet at the earliest opportunity.

No. 7	Operational Boundary for External Debt	2013/14 Approved £	2013/14 Revised £	2014/15 Estimate £	2015/16 Estimate £	2016/17 Estimate £
	Borrowing	93.0	93.0	93.0	93.0	93.0
	Other Long-term Liabilities	1.0	1.0	1.0	1.0	1.0
	TOTAL	94.0	94.0	94.0	94.0	94.0

9. ADOPTION OF THE CIPFA TREASURY MANAGEMENT CODE

9.1 This indicator demonstrates that the Council has adopted the principles of best practice.

No. 8	Adoption of the CIPFA Code of Practice in Treasury Management
	Adur Council approved the adoption of the CIPFA Treasury Management Code at its meeting on 21 March 2002.

10. UPPER LIMITS FOR FIXED INTEREST RATE EXPOSURE AND VARIABLE INTEREST RATE EXPOSURE

10.1 These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. The Council calculate these limits on net principal outstanding sums, (i.e. total debt net of total investments).

APPENDIX 5

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

10. UPPER LIMITS FOR FIXED INTEREST RATE EXPOSURE AND VARIABLE INTEREST RATE EXPOSURE

10.2 The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could adversely impact on the revenue budget.

No. 9	Upper Limit for Fixed Interest Rate Exposure:	2013/14 Approved %	2013/14 Revised %	2014/15 Estimate %	2015/16 Estimate %	2016/17 Estimate %
	Investments only	-73	-100	-100	-100	-100
	Borrowing only	65	100	100	100	100
	Limit Based on Net debt	83	83	82	81	80

No. 10	Upper Limit for Variable Interest Rate Exposure :	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
	Investments only	-35	-35	-35	-35	-35
	Borrowing only	27	50	50	50	50
	Limit Based on Net Debt	18	18	19	20	21

10.3 The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Council's treasury management strategy.

11. MATURITY STRUCTURE OF FIXED RATE BORROWING

11.1 This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

11. MATURITY STRUCTURE OF FIXED RATE BORROWING

- 11.2 It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

No. 11	Maturity structure of fixed rate borrowing	Lower Limit %	Upper Limit %
	under 12 months	3	16
	12 months and within 24 months	3	16
	24 months and within 5 years	6	21
	5 years and within 10 years	11	22
	10 years and within 20 years	24	48
	20 years and within 30 years	18	58
	30 years and within 40 years	1	41
	40 years and within 50 years	12	73
	50 years and above	23	100

12. UPPER LIMIT FOR TOTAL PRINCIPAL SUMS INVESTED OVER 364 DAYS

- 12.1 The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Councils having to seek early repayment of the sums invested.

No. 12	Upper Limit for total principal sums invested over 364 days	2013/14 Approved %	2013/14 Revised %	2014/15 Estimate %	2015/16 Estimate %	2016/17 Estimate %
		50.0	50.0	50.0	50.0	50.0

13. GROSS DEBT AND THE CAPITAL FINANCING REQUIREMENT(CFR)

- 13.1 This indicator was introduced by CIPFA in December 2012. It requires the comparison of actual Gross Debt with CFR (the underlying need to borrow), as it is a requirement to keep Gross Debt below CFR, except for short term variations. For this purpose CFR is taken as the amount in the preceding year, plus estimates of any additional CFR for the current and next two financial years.

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

13. GROSS DEBT AND THE CAPITAL FINANCING REQUIREMENT (CFR)

No. 13	Gross Debt and CFR	2013/14 Estimate £000	2014/15 Estimate £000	2015/16 Estimate £000	2016/17 Estimate £000
	Actual Gross Debt	(78.167)	(77.878)	(78.168)	(79.637)
	CFR	79.638	79.102	78.645	79.368
	Under/(over) Borrowing	1.471	1.224	0.477	(0.269)

13.2 This comparison is a key indicator of prudence, and is aimed to ensure that debt is only entered into for capital expenditure. Where the comparison highlights variations, the reasons are to be explained.

13.3 The table above shows the overall position for Adur combining the General Fund and HRA. The Council is under borrowed up to 2016/17, when it would be approximately £269k over borrowed if all the council's borrowing plans to finance the capital programme in the intervening years are realised. In accordance with the approved Treasury Management Strategy, the council will manage the position to ensure that actual gross debt does not exceed CFR other than temporarily for the short term.

14. HRA SELF-FINANCING SETTLEMENT

14.1 This indicator arises from the revision to the CIPFA Treasury Management Code of Practice in November 2011. It requires the Housing Authority to report the limit imposed on indebtedness by the Department for Communities and Local Government (DCLG) in regard to the HRA Self-financing arrangements, and to compare this limit with the HRA Capital Financing Requirement.

No. 14	HRA Debt Limit Compared to the Capital Financing Requirement	2013/14 Estimate £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
	HRA Debt Limit	68.912	68.912	68.912	68.912
	HRA CFR	65.562	63.994	63.284	62.655
	CFR Below Debt Limit by :	3.350	4.918	5.628	6.257

PROPERTY ANALYSIS AND CALCULATION OF TAX BASE										
Properties	Band A -	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Number of Dwellings	0.00	2,688.00	4,945.00	11,303.00	6,088.00	1,887.00	700.00	302.00	10.00	27,923.00
Less: Exemptions	0.00	-50.00	-46.00	-90.00	-54.00	-19.00	-2.00	-4.00	0.00	-265.00
	0.00	2,638.00	4,899.00	11,213.00	6,034.00	1,868.00	698.00	298.00	10.00	27,658.00
Disabled Relief Adjustment (net)	7.00	12.00	27.00	1.00	-25.00	-13.00	1.00	-3.00	-7.00	0.00
Chargeable Dwellings	7.00	2,650.00	4,926.00	11,214.00	6,009.00	1,855.00	699.00	295.00	3.00	27,658.00
Broken down as follows:										
Full Charge	3.00	814.00	2,583.00	7,494.00	4,281.00	1,476.00	581.00	242.00	1.00	17,475.00
25% Discount (including adj for SP Dis)	4.00	1,761.00	2,252.00	3,546.00	1,638.00	357.00	102.00	41.00	1.00	9,702.00
50% Discount	0.00	22.00	30.00	74.00	46.00	14.00	13.00	11.00	0.00	210.00
0% Discount (Long Term Empty Homes)	0.00	53.00	61.00	100.00	44.00	8.00	3.00	1.00	1.00	271.00
Total Equivalent Number of Dwellings	6.00	2,145.75	4,287.00	10,190.50	5,532.50	1,750.75	664.00	278.25	1.75	24,856.50
Reduction in tax base due to Council Tax Support	10.56	783.66	1,160.45	1,441.08	380.89	62.65	8.97	3.10	0.00	3,851.35
Adjusted equivalent total dwellings	-4.56	1,362.09	3,126.55	8,749.42	5,151.61	1,688.10	655.03	275.15	1.75	21,005.15
<u>Band D Equivalents</u>										
Revenue Support Settlement	-2.50	908.10	2,431.90	7,777.30	5,151.70	2,063.20	946.20	458.60	3.50	19,738.00
Add: Forecast new homes	0.00	1.90	6.10	17.00	12.90	5.70	2.60	1.30	0.00	47.50
Add: Second Homes	0.00	10.70	16.70	44.00	33.00	10.40	5.80	1.70	0.00	122.30
Less: Adjustments for Losses on Collection, and Void Properties	0.00	0.00	0.00	0.00	210.00	0.00	0.00	0.00	0.00	210.00
COUNCIL TAX BASE	-2.50	908.10	2,431.90	7,777.30	5,361.70	2,063.20	946.20	458.60	3.50	19,697.80

APPENDIX 7
CIVIC BUDGET TABLE 2014/2015
Summary of Cabinet Member Requirements

INDIVIDUAL MEMBER PORTFOLIOS
Summary and Variance Pages

DECISION OF THE CABINET

The following appendices have been updated to reflect the recommendations from Cabinet as laid out in the Record of Decisions.

The Cabinet Member for Resources spoke on the level of Council Tax making a recommendation that the Council tax increase be 0% for a Band D property the rate to remain at the same as in 2013/14

Decision by the Cabinet

- i) Considered which of the growth items detailed at appendix 2 should be included within the revenue budget and funded from the budget surplus in 2014/15.

Supported:

Human Resources – computerisation of recruitment process

Legal Services – increase in hours of Senior Information Officer

Supported and starred items for which a further report to the Executive, with more details was required:

Estates – internal or external appointment; details of monitoring of the output of the appointment

Engineers - details of monitoring of the output of the appointment

Event Co-ordinator – details of the duties and salary

- ii) Agreed to recommend to Council for approval the following:
- a) the draft budgets for 2014/15 at Appendix 7 as submitted in Cabinet Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £9,700,430, subject to any changes arising from the inclusion of the supported items in (i) above and the approved Council Tax increase;
 - b) the Band D Council Tax for Adur District Council's requirements in 2014/15 be as required in 2013/14 as set out in paragraph 12.3 of the report amounting to a 0% Council Tax increase;
 - c) the special expenses of £17.55 per band D equivalent charged in all areas of the District except Lancing;

Reason for Decision

Statutory requirement to set a budget

DECISION OF THE COUNCIL

At its meeting on 20th February 2014, the Adur Council Leader moved a reduction in Council Tax of 1% for 2014/15.

The amended Council Tax proposal was carried.

The Council agreed the following:

- i) The draft budgets for 2014/15 at Appendix 7 as submitted in Cabinet Member Portfolio order and the transfer to Reserves leading to a net budget requirement of £9,692,140.
- ii) The basic part of Adur Council's requirements in 2014/15 to be £259.20 for a Band D equivalent property.
- iii) The special expenses part of Adur Council's requirements in 2014/15 to be £17.55 for a Band D equivalent property
- iv) The average Band D equivalent for Adur per paragraph 3(f), to be £271.51

ADUR BUDGET 2014/15

Summary of Cabinet Member Portfolios



CABINET PORTFOLIO	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
Leader	556,480	543,470
Environment	3,377,650	3,150,480
Health and Wellbeing	989,420	1,011,480
Customer Services	1,059,200	1,179,930
Regeneration	1,803,590	1,804,090
Resources	2,116,660	1,992,040
Support Services Depreciation Not Charged To Services	389,890	607,620
NET SERVICE EXPENDITURE	10,292,890	10,289,110
Credit Back Depreciation / Impairments	(1,499,980)	(1,366,190)
Minimum Revenue Provision	847,280	963,680
	9,640,190	9,886,600
Transfer to / from Reserves	(5,940)	(308,520)
Potential contribution to Reserves	24,170	51,060
Total budget requirement before external support from government	9,658,420	9,629,140
Potential under achievement of business rate target	115,790	(142,540)
Baseline Funding	(1,543,810)	(1,573,830)
Revenue Support Grant	(2,320,560)	(1,834,780)
Council Tax Freeze Grant	(61,980)	(63,720)
Council Tax reduction scheme administration grant	-	(40,000)
New Homes Bonus	(458,670)	(565,600)
Contribution to/(from) Collection Fund	8,640	(60,130)
Amount required from Council Tax - Adur District	5,397,830	5,348,540
Council Tax Base (See paragraph 12.3)	19680.7	19697.8
Average Band D Council Tax - Adur District	274.27	271.51
<i>* effect of 1 percent reduction</i>	0%	-1.0%

LEADER PORTFOLIO



SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
CORPORATE AND CULTURAL SERVICES		
Elections	159,440	191,500
Members' Expenses and Allowances	362,090	319,510
	521,530	511,010
CHIEF EXECUTIVE		
Corporate Management - Executive Office	34,950	32,460
TOTAL LEADER PORTFOLIO	556,480	543,470

LEADER SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14

SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	BUDGET ESTIMATE 2014/15
	£	£	£	£	£	£	£	£	£	£	£
Corporate & Cultural Services											
Elections	159,440	1,030	32,000	-	-	-	-	-	-	(970)	191,500
Members Expenses & Allowances	362,090	3,770	-	-	-	-	-	-	(3,000)	(43,350)	319,510
	521,530	4,800	32,000	-	-	-	-	-	(3,000)	(44,320)	511,010
Chief Executive											
Corporate Management - Executive Office	34,950	100	-	-	-	-	-	-	-	(2,590)	32,460
APPROVED ESTIMATE 2013/2014	556,480	4,900	32,000	-	-	-	-	-	(3,000)	(46,910)	543,470

ADUR LEADER PORTFOLIO 2014/15 - SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Corporate & Cultural Services											
Elections	32,330	73,770	80	-	53,410	-	(3,160)	156,430	29,840	5,230	191,500
Members Expenses & Allowances	165,240	74,050	-	-	24,290	-	(15,860)	247,720	71,790	-	319,510
Chief Executive											
Corporate Management - Executive Office	-	9,840	-	-	-	-	-	9,840	22,620	-	32,460
	197,570	157,660	80	-	77,700	-	(19,020)	413,990	124,250	5,230	543,470
Percentage of Direct Cost	46%	36%	0%	0%	18%						

ENVIRONMENT PORTFOLIO



SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
CUSTOMER SERVICES & WASTE MANAGEMENT	£	£
Abandoned Vehicles	19,470	17,250
Refuse Collection	940,560	812,290
Recycling	38,530	(58,590)
Street Sweeping & Cleansing	560,480	577,260
Trade Refuse Collection	(53,190)	(78,660)
Clinical Waste Collection	12,440	12,650
Visual Quality Initiative	67,880	60,290
	1,586,170	1,342,490
HOUSING, HEALTH & COMMUNITY SAFETY		
Environmental Health - Domestic	320,460	295,810
Environmental Health - Commercial	85,700	84,930
Dog Warden	45,120	40,470
Pest Control	54,100	50,770
	505,380	471,980
PLANNING, REGENERATION AND WELLBEING SERVICES		
Streetscene	64,750	64,890
TECHNICAL SERVICES		
Allotments	55,630	60,600
Cemeteries & Churchyards	218,790	239,910
Parks	731,510	654,360
Recreation Grounds	0	90,430
Car Parks	(111,630)	(95,360)
Highways	21,160	23,550
Street Lighting	39,320	41,130
Transportation	63,590	59,690
Public Toilets	202,980	196,810
	1,221,350	1,271,120
TOTAL CABINET MEMBER FOR ENVIRONMENT	3,377,650	3,150,480

ENVIRONMENT SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14

SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	BUDGET ESTIMATE 2014/15
	£	£	£	£	£	£	£	£	£	£	£
Technical Services											
Allotments	55,630	-	-	-	-	-	(1,300)	-	-	6,270	60,600
Cemeteries & Churchyards	218,790	1,850	-	-	-	-	-	-	-	19,270	239,910
Parks	731,510	5,420	-	-	-	-	-	-	-	(82,570)	654,360
Recreation Grounds	-	1,770	-	-	-	-	-	-	-	88,660	90,430
Car Parks	(111,630)	(4,400)	-	-	-	-	-	-	(2,000)	22,670	(95,360)
Highways	21,160	180	-	-	-	-	-	-	-	2,210	23,550
Street Lighting	39,320	440	-	-	-	-	-	-	-	1,370	41,130
Transportation	63,590	760	-	-	-	-	-	-	(6,610)	1,950	59,690
Public Toilets	202,980	1,560	-	-	-	-	-	-	(3,160)	(4,570)	196,810
	1,221,350	7,580	-	-	-	-	(1,300)	-	(11,770)	55,260	1,271,120
Planning Regeneration & Wellbeing											
Streetscene	64,750	20	-	-	-	-	-	-	-	120	64,890
Recycling and Waste Management											
Abandoned Vehicles	19,470	20	-	-	-	-	-	-	-	(2,240)	17,250
Refuse Collection	940,560	-	-	-	-	-	-	-	-	(128,270)	812,290
Recycling	38,530	-	-	-	-	-	-	-	-	(97,120)	(58,590)
Street Sweeping & Cleansing	560,480	(2,360)	-	-	-	-	-	-	-	19,140	577,260
Trade Refuse Collection	(53,190)	(5,590)	-	-	-	-	-	-	(15,000)	(4,880)	(78,660)
Clinical Waste Collection	12,440	-	-	-	-	-	-	-	-	210	12,650
Visual Quality Initiative	67,880	-	-	-	-	-	-	-	-	(7,590)	60,290
	1,586,170	(7,930)	-	-	-	-	-	-	(15,000)	(220,750)	1,342,490

ENVIRONMENT SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14



SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	BUDGET ESTIMATE 2014/15
	£	£	£	£	£	£	£	£	£	£	£
Housing Health & Community Safety											
Environmental Health - Domestic	320,460	570	-	-	-	-	-	-	(16,600)	(8,620)	295,810
Environmental Health - Commercial	85,700	20	-	-	-	-	-	-	-	(790)	84,930
Dog Warden	45,120	-	-	-	-	-	-	-	-	(4,650)	40,470
Pest Control	54,100	-	-	-	-	-	-	-	-	(3,330)	50,770
	505,380	590	-	-	-	-	-	-	(16,600)	(17,390)	471,980
APPROVED ESTIMATE 2013/2014	3,377,650	260	-	-	-	-	(1,300)	-	(43,370)	(182,760)	3,150,480

ADUR ENVIRONMENT PORTFOLIO 2014/15 - SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Technical Services	£	£	£	£	£	£	£	£	£	£	£
Allotments	-	-	39,030	-	-	-	(39,510)	(480)	60,370	710	60,600
Cemeteries & Churchyards	-	71,920	255,200	-	-	-	(158,440)	168,680	56,230	15,000	239,910
Parks	-	43,220	315,980	-	29,830	-	(67,890)	321,140	242,430	90,790	654,360
Recreation Grounds	-	-	95,750	-	48,560	-	(53,880)	90,430	-	-	90,430
Car Parks	-	69,590	100,390	-	180,520	-	(507,790)	(157,290)	33,330	28,600	(95,360)
Highways	-	-	2,850	-	13,080	-	(6,560)	9,370	14,180	-	23,550
Street Lighting	-	-	11,980	-	10,060	-	-	22,040	9,350	9,740	41,130
Transportation	-	-	32,890	-	-	-	(980)	31,910	13,300	14,480	59,690
Public Toilets	-	-	79,680	-	120	63,480	(310)	142,970	33,240	20,600	196,810
Planning Regeneration & Wellbeing											
Streetscene	-	9,910	50	380	38,150	-	(37,180)	11,310	8,690	44,890	64,890
Recycling and Waste Management											
Abandoned Vehicles	-	10,720	-	1,060	-	4,690	-	16,470	780	-	17,250
Refuse Collection	-	604,620	-	-	-	-	-	604,620	87,390	120,280	812,290
Recycling	-	(244,720)	-	-	-	-	-	(244,720)	104,190	81,940	(58,590)
Street Sweeping & Cleansing	-	606,180	-	-	-	-	(120,490)	485,690	55,940	35,630	577,260
Trade Refuse Collection	-	158,720	-	-	186,800	-	(486,990)	(141,470)	31,550	31,260	(78,660)
Clinical Waste Collection	-	(1,060)	-	-	-	-	-	(1,060)	13,710	-	12,650
Visual Quality Initiative	-	56,350	-	-	-	-	-	56,350	2,190	1,750	60,290
Housing Health & Community Safety											
Environmental Health - Domestic	-	-	-	-	19,620	4,470	(10,930)	13,160	282,650	-	295,810
Environmental Health - Commercial	-	41,700	-	-	1,540	-	(650)	42,590	41,690	650	84,930
Dog Warden	-	38,330	-	-	-	-	-	38,330	1,030	1,110	40,470
Pest Control	-	33,300	-	-	-	-	-	33,300	16,640	830	50,770
	-	1,498,780	933,800	1,440	528,280	72,640	(1,491,600)	1,543,340	1,108,880	498,260	3,150,480
Percentage of Direct Cost	0%	49%	31%	0%	17%	2%					

HEALTH AND WELLBEING PORTFOLIO



SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
ADUR HOMES		
Community Alarm	(112,430)	(34,230)
HOUSING, HEALTH & COMMUNITY SAFETY		
Environmental Health - Commercial	127,400	120,630
Community Safety	132,230	133,390
CCTV	16,140	11,980
Licensing	62,680	64,840
	338,450	330,840
PLANNING, REGENERATION AND WELLBEING SERVICES		
Community Planning	75,600	71,610
Community & Welfare Grants	318,730	310,640
Community & Health Development	105,750	62,560
Leisure Development	90,710	105,920
	590,790	550,730
TECHNICAL SERVICES		
Land Drainage & Coastal Protection	121,260	100,560
Sustainable Development	18,670	22,310
Beaches & Amenities	(7,860)	(1,470)
Emergency Planning	40,540	42,740
	172,610	164,140
TOTAL HEALTH AND WELLBEING PORTFOLIO	989,420	1,011,480

HEALTH & WELLBEING SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14



SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	BUDGET ESTIMATE 2014/15
	£	£	£	£	£	£	£	£	£	£	£
Adur Homes											
Community Alarm	(112,430)	(3,290)	-	60,000	-	-	-	-	-	21,490	(34,230)
Housing Health & Community Safety											
Environmental Health - Commercial	127,400	220	-	-	-	-	-	-	(2,900)	(4,090)	120,630
Community Safety	132,230	330	-	-	-	-	-	-	-	830	133,390
CCTV	16,140	170	-	-	-	-	-	-	-	(4,330)	11,980
Licensing	62,680	(1,790)	-	-	-	-	-	-	-	3,950	64,840
	338,450	(1,070)	-	-	-	-	-	-	(2,900)	(3,640)	330,840
Planning Regeneration & Wellbeing											
Community Planning	75,600	-	-	-	-	-	-	-	-	(3,990)	71,610
Community & Welfare Grants	318,730	-	-	-	-	-	-	-	(5,160)	(2,930)	310,640
Community & Health Development	105,750	250	-	-	-	-	-	-	-	(43,440)	62,560
Leisure Development	90,710	-	-	-	-	-	-	-	-	15,210	105,920
	590,790	250	-	-	-	-	-	-	(5,160)	(35,150)	550,730
Technical Services											
Land Drainage & Coast Protection	121,260	520	-	-	-	-	-	-	(5,000)	(16,220)	100,560
Sustainable Development	18,670	-	-	-	-	-	-	-	-	3,640	22,310
Beaches and Amenities	(7,860)	(920)	-	-	-	-	-	-	-	7,310	(1,470)
Emergency Planning (Misc)	40,540	-	-	-	-	-	-	-	-	2,200	42,740
	172,610	(400)	-	-	-	-	-	-	(5,000)	(3,070)	164,140
APPROVED ESTIMATE 2013/2014	989,420	(4,510)	-	60,000	-	-	-	-	(13,060)	(20,370)	1,011,480

ADUR HEALTH & WELLBEING PORTFOLIO 2013/14 - SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Adur Homes											
Community Alarm	94,480	-	-	6,120	45,120	38,110	(259,380)	(75,550)	30,160	11,160	(34,230)
Planning Regeneration & Wellbeing											
Community Planning	-	66,590	-	-	-	-	-	66,590	5,020	-	71,610
Community & Welfare Grants	-	67,650	-	-	229,820	-	-	297,470	13,170	-	310,640
Community & Health Development	17,980	31,760	-	-	-	-	-	49,740	12,820	-	62,560
Leisure Development	-	104,230	-	-	-	-	-	104,230	1,690	-	105,920
Technical Services											
Land Drainage & Coast Protection	-	-	9,240	-	11,970	-	-	21,210	57,160	22,190	100,560
Sustainable Development	-	22,310	-	-	-	-	-	22,310	-	-	22,310
Beaches & Amenities	-	-	16,500	-	8,260	-	(71,220)	(46,460)	35,360	9,630	(1,470)
Emergency Planning (Misc)	-	28,630	-	-	-	-	-	28,630	14,110	-	42,740
Housing Health & Community Safety											
Environmental Health - Commercial	-	92,670	-	-	8,310	-	-	100,980	19,650	-	120,630
Community Safety	-	81,960	-	-	16,570	-	-	98,530	34,860	-	133,390
CCTV	-	1,860	1,240	-	7,780	-	-	10,880	1,100	-	11,980
Licensing	-	110,300	-	-	12,450	-	(102,900)	19,850	44,990	-	64,840
	112,460	607,960	26,980	6,120	340,280	38,110	(433,500)	698,410	270,090	42,980	1,011,480

Percentage of Direct Cost	10%	54%	2%	1%	30%	3%
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CUSTOMER SERVICES PORTFOLIO



SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
CUSTOMER SERVICES AND WASTE MANAGEMENT		
Collection of Revenues	394,690	454,580
Council Tax Benefits	(151,780)	16,870
Rent Allowances	247,880	139,500
	490,790	610,950
CORPORATE AND CULTURAL SERVICES		
Leisure Centre Management	568,410	568,980
TOTAL CUSTOMERS SERVICES PORTFOLIO	1,059,200	1,179,930

CUSTOMER SERVICES SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14

SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	BUDGET ESTIMATE 2014/15
	£	£	£	£	£	£	£	£	£	£	£
Customer Services & Waste Management											
Collection of Revenues	394,690	7,110	-	-	-	-	-	-	-	52,780	454,580
Council Tax Benefits	(151,780)	1,910	-	122,730	-	-	-	-	-	44,010	16,870
Rent Allowances	247,880	410	-	(55,340)	-	-	-	-	(80,000)	26,550	139,500
	490,790	9,430	-	67,390	-	-	-	-	(80,000)	123,340	610,950
Corporate & Cultural Services											
Leisure Centres Management	568,410	270	-	-	-	-	-	-	-	300	568,980
APPROVED ESTIMATE 2013/2014	1,059,200	9,700	-	67,390	-	-	-	-	(80,000)	123,640	1,179,930

ADUR CUSTOMER SERVICES PORTFOLIO 2014/15 - SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Customer Services & Waste Management											
Collection of Revenues	-	-	-	23,090	26,560	487,240	(243,890)	293,000	161,580	-	454,580
Council Tax Benefits	-	-	-	-	-	97,360	(156,380)	(59,020)	72,280	3,610	16,870
Rent Allowances	-	-	-	23,090	12,490	21,277,290	(21,303,910)	8,960	130,540	-	139,500
Corporate & Cultural Services											
Leisure Centres Management	-	-	45,070	-	9,010	211,790	(21,830)	244,040	16,500	308,440	568,980
	-	-	45,070	46,180	48,060	22,073,680	(21,726,010)	486,980	380,900	312,050	1,179,930
Percentage of Direct Cost	0%	0%	32%	33%	34%						

REGENERATION PORTFOLIO



SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
HOUSING, HEALTH & COMMUNITY SAFETY		
Housing General District	118,930	147,420
Homelessness	603,020	570,010
	721,950	717,430
PLANNING, REGENERATION AND WELLBEING SERVICES		
Building Control	162,990	138,550
Development Control	378,260	383,090
Planning Policy & Implementation	255,170	254,220
Economic Regeneration	220,800	238,030
	1,017,220	1,013,890
ADUR HOMES		
Drain Clearing	(40)	(70)
Homelessness	64,460	72,840
	64,420	72,770
TOTAL REGENERATION PORTFOLIO	1,803,590	1,804,090

ADUR REGENERATION PORTFOLIO 2014/2015 - SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Housing Health & Community Safety											
Housing General District	-	114,430	-	-	-	1,060	(31,820)	83,670	63,750	-	147,420
Homelessness - General	-	248,220	-	-	307,460	-	(117,710)	437,970	131,240	800	570,010
Planning Regeneration & Wellbeing											
Building Control	-	273,740	-	-	-	-	(152,930)	120,810	17,740	-	138,550
Development Control	-	496,170	-	-	8,010	-	(209,570)	294,610	88,480	-	383,090
Planning Policy & Implementation	84,820	14,870	-	-	16,520	-	(83,150)	33,060	221,160	-	254,220
Economic Regeneration	-	165,930	-	-	45,810	-	-	211,740	26,290	-	238,030
Adur Homes											
Drain Clearing	-	-	-	-	-	-	(1,360)	(1,360)	-	1,290	(70)
Homelessness - Leasehold	26,190	-	464,170	410	510	-	(466,540)	24,740	48,100	-	72,840
	111,010	1,313,360	464,170	410	378,310	1,060	(1,063,080)	1,205,240	596,760	2,090	1,804,090
Percentage of Direct Cost	5%	58%	20%	0%	17%	0%					

RESOURCES PORTFOLIO



SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
FINANCIAL SERVICES		
Corporate Management	849,790	552,470
Miscellaneous	(226,310)	(241,630)
Non-Distributed Costs	941,840	943,830
Treasury Management	603,240	668,420
	2,168,560	1,923,090
CORPORATE AND CULTURAL SERVICES		
Local Land Charges	8,840	4,830
	8,840	4,830
TECHNICAL SERVICES		
Community Buildings	283,500	309,870
Property Management	(215,830)	(216,370)
Grounds Maintenance	17,210	-
	84,880	93,500
ADUR HOMES		
Building Maintenance	(145,620)	(90,580)
	(145,620)	(90,580)
TOTAL RESOURCES PORTFOLIO	2,116,660	1,930,840

RESOURCES SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14

SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	BUDGET ESTIMATE 2014/15
	£	£	£	£	£	£	£	£	£	£	£
Financial Services											
Corporate Management	849,790	5,160	-	-	-	-	-	(52,000)	-	(250,480)	552,470
Miscellaneous	(226,310)	(4,230)	-	-	-	-	-	-	(11,090)	-	(241,630)
Non-Distributed Costs	941,840	1,460	-	66,000	(40,000)	-	-	-	(22,000)	(3,470)	943,830
Treasury Management	603,240	-	-	-	-	-	(104,000)	81,000	-	88,180	668,420
	2,168,560	2,390	-	66,000	(40,000)	-	(104,000)	29,000	(33,090)	(165,770)	1,923,090
Corporate And Cultural Services											
Local Land Charges	8,840	(1,270)	-	-	-	-	-	-	-	(2,740)	4,830
Technical Services											
Community Buildings	283,500	1,230	-	7,000	-	-	-	-	-	18,140	309,870
Property Management	(215,830)	(9,690)	-	-	-	-	-	-	(440)	9,590	(216,370)
Grounds Maintenance	17,210	-	-	-	-	-	-	-	-	(17,210)	-
	84,880	(8,460)	-	7,000	-	-	-	-	(440)	10,520	93,500
Adur Homes											
Building Maintenance	(145,620)	10,200	-	-	-	-	(3,150)	-	(45,000)	92,990	(90,580)
APPROVED ESTIMATE 2013/2014	2,116,660	2,860	-	73,000	(40,000)	-	(107,150)	29,000	(78,530)	(65,000)	1,930,840

ADUR RESOURCES PORTFOLIO 2014/2015 - SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Financial Services											
Corporate Management	2,530	436,920	114,630		172,670	14,000	(401,850)	338,900	229,760	(16,190)	552,470
Miscellaneous					(240,480)	14,340	(15,490)	(241,630)			(241,630)
Non-Distributed Costs	1,244,730						(300,890)	943,840	(10)		943,830
Treasury Management							(242,110)	(242,110)	46,290	864,240	668,420
Corporate & Cultural Services											
Local Land Charges		59,290			18,750		(83,730)	(5,690)	10,520		4,830
Technical Services											
Community Buildings			77,270		3,930			81,200	75,270	153,400	309,870
Property Management	3,920		91,580		14,160		(590,850)	(481,190)	264,820		(216,370)
Grounds Maintenance								-		-	-
Adur Homes											
Building Maintenance	457,400		54,130		407,820		(1,144,650)	(225,300)	118,020	16,700	(90,580)
	1,708,580	496,210	337,610	-	376,850	28,340	(2,779,570)	168,020	744,670	1,018,150	1,930,840
Percentage of Direct Cost	58%	17%	11%	0%	13%	1%					

	2013/14 Estimate	2013/14 Revised	2014/15 Estimate
	£	£	£
COUNCIL TAX			
Payments			
Adur District Council Demand	5,758,523	5,758,523	5,348,544
WSCC Precept	22,868,777	22,868,777	22,888,647
Sussex Police & Crime Commissioner	2,724,202	2,724,202	2,779,753
Total Payments	31,351,502	31,351,502	31,016,944
Council Tax			
Amount due from residents	26,158,149	36,815,916	36,466,644
Plus: Benefits	5,320,400	(5,057,578)	(5,159,500)
Gross Amount Due	31,478,549	31,758,338	31,307,144
Less: Provision for bad debts	(127,047)	(127,047)	(290,200)
Total Council Tax	31,351,502	31,631,291	31,016,944
Deficit/(Surplus)			
Deficit/(Surplus) for year	-	(279,790)	-
Deficit/(Surplus) Brought forward	47,714	(163,000)	(327,351)
Increase in provision for Bad Debts	-	163,153	-
(Deficit)/Surplus shared to:			
ADC	(8,643)	(8,643)	60,135
WSCC	(34,912)	(34,912)	238,769
SPCC	(4,159)	(4,159)	28,447
Deficit/(Surplus) Carried Forward	-	(327,351)	0

Property Band	2013/14				2014/15				CHANGE			TOTAL
	Precepting Authorities		Adur District Council Services	TOTAL	Precepting Authorities		Adur District Council Services	TOTAL	Precepting Authorities		Adur District Council Services	
	WSCC	Police	WSCC		Police	WSCC	Police					
£	£	£	£	£	£	£	£	£	£	£	£	
A	774.66	92.28	182.85	1,049.79	774.66	94.08	181.02	1,049.76	0.00	1.80	-1.83	-0.03
B	903.77	107.66	213.32	1,224.75	903.77	109.76	211.19	1,224.72	0.00	2.10	-2.13	-0.03
C	1,032.88	123.04	243.80	1,399.72	1,032.88	125.44	241.36	1,399.68	0.00	2.40	-2.44	-0.04
D	1,161.99	138.42	274.27	1,574.68	1,161.99	141.12	271.53	1,574.64	0.00	2.70	-2.74	-0.04
E	1,420.21	169.18	335.22	1,924.61	1,420.21	172.48	331.87	1,924.56	0.00	3.30	-3.35	-0.05
F	1,678.43	199.94	396.17	2,274.54	1,678.43	203.84	392.21	2,274.48	0.00	3.90	-3.96	-0.06
G	1,936.65	230.70	457.12	2,624.47	1,936.65	235.20	452.55	2,624.40	0.00	4.50	-4.57	-0.07
H	2,323.98	276.84	548.54	3,149.36	2,323.98	282.24	543.06	3,149.28	0.00	5.40	-5.48	-0.08

ADUR:
Council Tax Breakdown 2013-2014



	Band -A £	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Shoreham, Southwick, and Coombes									
Basic Council Tax	144.00	172.80	201.60	230.40	259.20	316.80	374.40	432.00	518.40
Special Expenses	9.75	11.70	13.65	15.60	17.55	21.45	25.35	29.25	35.10
Adur District Council	153.75	184.50	215.25	246.00	276.75	338.25	399.75	461.25	553.50
West Sussex County Council Precept	645.55	774.66	903.77	1032.88	1161.99	1420.21	1678.43	1936.65	2323.98
Sussex Police Precept	78.40	94.08	109.76	125.44	141.12	172.48	203.84	235.20	282.24
Total Payable	877.70	1053.24	1228.78	1404.32	1579.86	1930.94	2282.02	2633.10	3159.72

	Band -A £	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Sompting Parish									
Basic Council Tax	144.00	172.80	201.60	230.40	259.20	316.80	374.40	432.00	518.40
Special Expenses	9.75	11.70	13.65	15.60	17.55	21.45	25.35	29.25	35.10
Adur District Council	153.75	184.50	215.25	246.00	276.75	338.25	399.75	461.25	553.50
Sompting Parish Precept	17.50	21.00	24.50	28.00	31.50	38.50	45.50	52.50	63.00
	171.25	205.50	239.75	274.00	308.25	376.75	445.25	513.75	616.50
West Sussex County Council Precept	645.55	774.66	903.77	1032.88	1161.99	1420.21	1678.43	1936.65	2323.98
Sussex Police Precept	78.40	94.08	109.76	125.44	141.12	172.48	203.84	235.20	282.24
Total Payable	895.20	1074.24	1253.28	1432.32	1611.36	1969.44	2327.52	2685.60	3222.72

	Band -A £	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Lancing Parish									
Basic Council Tax	144.00	172.80	201.60	230.40	259.20	316.80	374.40	432.00	518.40
Adur District Council	144.00	172.80	201.60	230.40	259.20	316.80	374.40	432.00	518.40
Lancing Parish Precept	26.75	32.10	37.45	42.80	48.15	58.85	69.55	80.25	96.30
	170.75	204.90	239.05	273.20	307.35	375.65	443.95	512.25	614.70
West Sussex County Council Precept	645.55	774.66	903.77	1032.88	1161.99	1420.21	1678.43	1936.65	2323.98
Sussex Police Precept	78.40	94.08	109.76	125.44	141.12	172.48	203.84	235.20	282.24
Total Payable	894.70	1073.64	1252.58	1431.52	1610.46	1968.34	2326.22	2684.10	3220.92

ADUR:
Collection Fund NNDR 2014-15

	2013/14 Estimate	2013/14 Revised	2014/15 Estimate
NNDR (BUSINESS RATES)			
Payments	£	£	£
Amount of NNDR to be paid to Central government	7,852,402	7,852,402	8,545,068
Amount to be retained by ADC under the rates retention sch'e	6,281,922	6,281,922	6,922,137
Amount to be passed to West Sussex	1,570,480	1,570,480	1,709,014
Total amount due to authorities	15,704,804	15,704,804	17,176,219
Net Rates Payable	15,940,937	16,684,079	17,412,896
Less: Movement in Bad Debt Provision	158,700	193,500	222,700
Add: Estimate of the change in receipts as a result in the change in rateable value	871,661	-	-
Less: Local Authority's estimate of adjustment due to appeal	317,399	1,116,983	663,500
Less: Full Provision for backdated appeal decisions	476,099	-	-
Net Payable by Business Sector	15,860,400	15,373,596	16,526,696
Less: Net Transitional Protection Payments - Paid by the government (E)	70,973	(586,985)	(478,369)
Less: Amount allowed to Council for - Administration costs and Interest on Repayments	84,623	84,623	86,084
Non Domestic Rating Income	15,704,804	15,875,958	16,918,981
Other Income for 2014/15			
2013/14 Original Estimate	15,704,804		
Change from original estimate - increase (+) / decrease (-)	-	171,154	
Suplus/(Deficit) distributed in 2014/15			171,154
Add: Cost of Collection allowance			86,084
Amount Due to Authorities			17,176,219
Surplus/(Deficit): Adur District Council			
Business rates Baseline Target	6,510,270	6,510,270	6,637,093
Less: Tariff/Top-Up	(4,966,463)	(4,966,463)	(5,063,263)
Baseline funding Target (A)	1,543,807	1,543,807	1,573,830
40% share of Actual business rate	6,281,922	6,350,383	6,767,592
Less: Tariff/Top-Up	(4,966,463)	(4,966,463)	(5,063,263)
Baseline funding Retained (B)	1,315,459	1,383,920	1,704,329
Surplus/(deficit) (B-A)	(228,348)	(159,887)	130,499
50% Levy payable to CG in case of Surplus	-	-	(65,250)
Safety net payment - In case of Deficit	112,562		
Surplus/(Deficit) to be retained by Council	(115,786)	(159,887)	65,249
Less: Original 2013/14 (surplus) /Deficit		115,786	
Add'al surplus/(Deficit) to benefit the Council in 2014/15		(44,101)	

NB. The above table represents the NDR Collection Fund as submitted to the DCLG. The budgeted impact on the General Fund is set out below:

Section 31 grant compensating the Council for additional cost of changes made in 2013 Autumn Statement for small businesses.	400,129
Authority share of adjustments to business rates net payable	-386,379
Budgeted Authority Surplus	79,000



Joint Overview and Scrutiny
30th January, 2014
Agenda Item No: 12

Cabinet
3rd February, 2014
Agenda Item No: 4
Ward:

**TITLE: WORTHING OVERALL BUDGET ESTIMATES 2014/15 AND
SETTING OF 2014/15 COUNCIL TAX**

REPORT BY: SARAH GOBEY, EXECUTIVE HEAD (FINANCIAL SERVICES)

1.0 SUMMARY

1.1 This report represents the culmination of the annual budget exercise and asks members to consider the following:

- The final revenue estimates for 2014/15;
- An updated outline 5-year forecast; and
- The provisional level of Council Tax for 2014/15, prior to its submission to the Council for approval on the 18th February 2014. This will be subject to any proposals to change the draft revenue budget following the consideration of the budget proposals by Cabinet.

1.2 These budgets reflect the decisions taken by Members to date in relation to agreed savings proposals. The report also updates members about the impact of the draft 2014/15 local government finance settlement.

1.3 The major points raised within the report include:

- The Council will benefit from surplus business rates in 2014/15 of £172,000 (paragraph 3.9.7);
- The Council expects to receive £566,000 more in New Homes Bonus in 2015/16 due to a combination of the removal of the top-slice to the New Homes Bonus and the considerable number of new homes that are being built within the Borough (paragraph 3.10.3 and 3.10.4);
- The referendum criterion has yet to be announced. Speculation within the press suggests that this will be set at a rate lower than 2%. Consequently, the maximum Council Tax increase that the Council can approve without triggering a referendum is likely to reduce and for planning purposes this is judged to be 1.5% (paragraph 3.11);

1.0 SUMMARY

- The cabinet will need to consider whether to increase Council tax by 1.5% or to freeze council tax for the fourth successive year and accept the council tax freeze grant (paragraph 5.11); and, finally
 - The Cabinet needs to consider the growth items in appendix 2
- 1.4 The budget is analysed by Cabinet Member portfolio. In addition, the draft estimates for 2014/15 have been prepared, as always, in accordance with the requirements of the Service Reporting Code of Practice for Local Authorities 2014/15 (except in relation to pension costs adjustments that do not impact either on the Budget Requirement or the Council Tax Requirement).
- 1.5 The Police and Crime Commissioner has consulted on an increase to the Council Tax for 2014/15 of 3.6% and the proposed 2014/15 budget is due to be considered by the Sussex Police and Crime Panel (PCP) on 24th January 2014. If the proposals are vetoed by the PCP, revised proposals will be considered by the Panel on the 21st February 2014 at which point the Commissioner will be in a position to confirm the Council Tax for 2014/15. If the proposals for the PCC's share of the Council Tax are not confirmed until 21st February, then the planned Council date of the 18th February will be rearranged to the 25th February 2014.
- 1.6 The precept for West Sussex County Council has not yet been finalised and will not be confirmed until 14th February 2014. Therefore the formal detailed resolution setting the overall Council Tax for next year will be presented direct to the Council Meeting on 18th February 2014.

2.0 BACKGROUND

- 2.1 The outline forecast report to Joint Strategic Committee on 4th July 2013 identified an initial likely budget shortfall of £1,025,000 for 2014/15. The Council agreed a budget strategy to meet this challenge through three major work streams:
1. Major Service Reviews;
 2. Efficiency Reviews;
 3. Base Budget Review.
- 2.2 In addition to these reviews, the July 2013 report proposed two new additional strands of work to balance the 2014/15 budget:
- Procurement review
 - Continuous Improvement Board, as a replacement to the Change Management Board which has subsequently been deferred and replaced by the 'Catching the Wave' programme of work lead by the Chief Executive

2.0 BACKGROUND

2.3 The report to the Joint Strategic Committee in September updated members about the likely impact of the changes to the Council's financial prospects following the Comprehensive Spending Review and to consider the Council's responses to the consultations that have been released over the summer months. This revealed a slightly improved position for 2014/15, but a deteriorating position from 2015/16 onwards due to the then proposed changes to the New Homes Bonus and Revenue Support Grant.

Worthing Borough Council	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000
Overall shortfall - July forecast	1,025	1,477	2,618	3,325	3,996
Overall shortfall - September forecast	1,019	1,887	2,984	3,575	4,160
Increase / (Decrease) in shortfall	-6	410	366	250	164

2.4 The subsequent report to the Joint Strategic Committee, on 3rd December 2013, outlined the options for savings and growth and updated Members as to the latest budgetary information. The 2014/15 savings proposals for the Council amounted to £1,341,400. Since this time some additional savings of £45,800 have been identified and were considered by the Joint Committee on the 7th January 2014. These are attached at appendix 2 for information.

2.5 Since the meeting on 3rd December, the Worthing Borough Council budget has been finalised and the last adjustments have been included subject to the final considerations about the level of Council Tax and any non-committed growth items. Overall, therefore, the current financial position of the Joint Strategic Committee for 2014/15 can be summarised as:

	£'000
Original shortfall as identified in September	1,019
Changes identified in December 2013	
Impact of revised projection of New Homes Bonus for 2014/15	82
Impact of 2014 pension valuation	133
Impact of job evaluation	12
Net committed growth items identified by Executive Heads	213
Changes in grounds maintenance saving	300
Removal of contingency budget	-250
Budget shortfall as at 3 rd December 2013 carried forward	1,509

2.0 BACKGROUND

	£'000
Budget shortfall as at 3 rd December 2013 brought forward	1,509
Main changes to the revenue budget:	
Impact of Settlement:	
Draft New Homes Bonus	-11
Additional bonus due to revision to the empty properties number	-18
Final Revenue Support Grant and NNDR baseline funding is marginally lower than expected	3
Final adjustment to Council Tax Freeze Grant	-1
Changes to Council Tax :	
Estimated surplus on the Collection Fund	-3
Decrease Council Tax income resulting from changes to the tax base	68
Decrease in Council Tax income resulting from a possible change in the referendum criteria from 2% to 1.5% (see paragraph 3.10.3)	38
Changes in business rate forecasts :	
Estimated surplus on the Collection Fund	-28
Additional retained business rates	-144
Other changes identified:	
Revised assessment for the cost of increments, inflation, and the capital programme.	35
Impact of auto-enrolment on pension costs for Leisure Services	50
Other minor adjustments	4
Revised budget shortfall	1,502
Less: Savings identified in December	-1,341
Savings identified in January	-46
Adjustment to allocations between the councils	-6
Removal of no detriment	-19
BUDGET SHORTFALL TO BE FUNDED FROM RESERVES (BEFORE ANY FURTHER ACTION AGREED)	90

2.6 Local Government has seen an unparalleled reduction in funding over recent years. The Comprehensive Spending Review in 2010 detailed reductions in support of 28% in real terms over the four years 2011/12 – 2014/15.

2.0 BACKGROUND

Local Government – Departmental Expenditure Limit (DEL)					
Departmental Expenditure Limit	£Billion				
	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015
Overall Total	28.5	26.1	24.4	24.2	22.9
Formula Grant Element	28.0	25.0	23.4	23.2	21.9
Council Tax Freeze	0	0.7	0.7	0.7	0.7
Other	0.5	0.5	0.4	0.4	0.4
Annual percentage reduction in Formula Grant		10.7%	6.4%	0.9%	5.6%
Overall cash reduction in Formula Grant Nationally overall funding for all Councils will fall by 28% over the 4 years					21.8%

- 2.7 This trend of reducing Government support was further reinforced by the Comprehensive Spending Review announced on 26th June 2013 for 2014/15 and 2015/16 which confirmed that the reductions would continue on for the next 2 years:

	2014-15 (£bn)	2015-16 (£bn)	Cash reduction (-)/ increase	Real terms growth
LG Resource DEL	25.6	23.5	-9.2%	-10.0%
Localised business rates	11.2	11.6	3.6%	1.7%
Total Government Funding	36.8	35.1	-4.6%	-6.5%

- 2.8 The review also announced that:

- 2011-12 and 2013-14 Council Tax freeze funding would be incorporated into Revenue Support Grant until at least 2015/16;
- a Council Tax freeze grant of 1% would be available for both 2014/15 and 2015/16;
- £300m to support the transformation of local services of which:
 - £200m was for an extension of Troubled Families programme to +400,000 families; and

2.0 BACKGROUND

- £100m to enable efficiencies in service delivery.

These funding streams are subject to a bidding process.

2.9 Consequently, Worthing Borough Council has seen a significant reduction in support from Central Government via Revenue Support Grant and, now, baseline funding:

Worthing Borough Council	2010/11 (adjusted)	2011/12	2012/13	2013/14	2014/15	2015/16
	£m	£m	£m	£m	£m	£m
Revenue Support Grant and 'baseline funding' *	6.821	5.720	5.046	4.582	3.798	3.020
Council Tax Freeze Grant 2011/12		0.212	0.210	0.210	0.209	0.209
Council Tax Freeze Grant 2013/14					0.087	0.087
Homelessness grant				0.149	0.147	0.146
Council Tax Support Grant **				0.947	0.947	0.947
Total government support		5.932	5.256	5.888	5.188	4.409
Annual reduction in revenue support grant and baseline funding		1.101	0.674	0.464	0.784	0.778
Annual percentage reduction		16.14%	11.78%	9.20%	17.11%	20.48%
Cumulative total			1.775	2.239	3.023	3.801
			26.02%	32.83%	44.32%	55.72%

* Excluding 2011/12 Council Tax freeze grant of £210k which was consolidated into the total in 2012/13; Council Tax Support Grant of £947k and homelessness grant of £149k which will form part of government funding in 2013/14; and the 2013/14 Council Tax freeze grant which was consolidated in 2014/15.

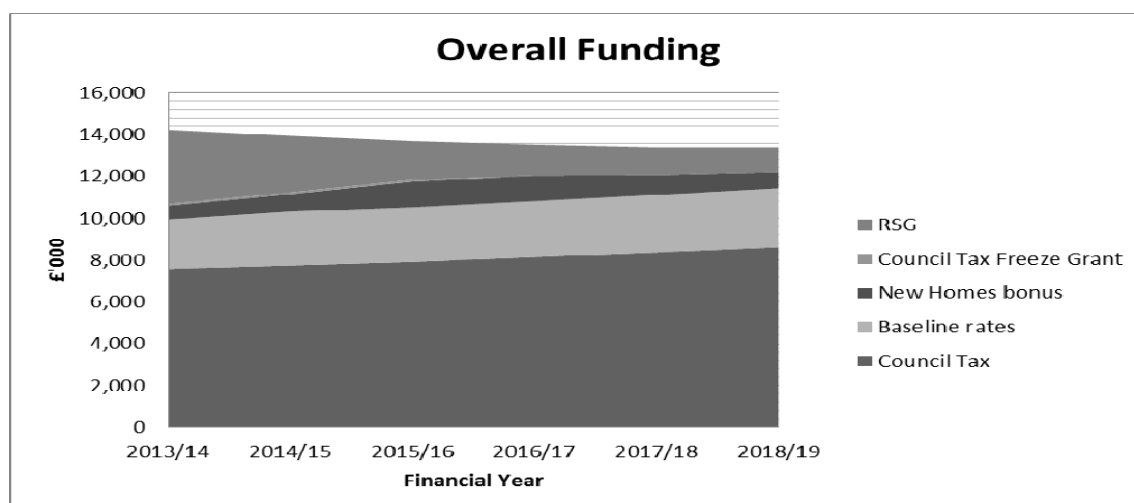
** The Council Tax Support Grant will form part of Revenue Support Grant and Baseline Funding from 2014/15 onwards.

2.0 BACKGROUND

2.10 One of the implications behind the reducing level of revenue support grant combined with the introduction of the business rate retention scheme and the New Homes Bonus is that over time these elements together with Council Tax form a more significant proportion of the council's overall income and consequently have a greater strategic importance. This means that decisions about whether or not to increase Council Tax become even more significant as they will influence not only income in the coming year but will also protect the income streams for future years providing a controllable and sustainable income source to the Council assisting the council in addressing unavoidable inflationary pressures.

Breakdown of general income to the Council	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax	7,589	7,749	7,915	8,145	8,373	8,617
Baseline rates	2,352	2,570	2,612	2,677	2,744	2,812
RSG	3,536	2,703	1,858	1,486	1,337	1,203
New Homes bonus	665	834	1,223	1,223	950	778
Council Tax Freeze Grant 2013/14	86	87	87	0	0	0
	14,228	13,943	13,695	13,531	13,404	13,410

Breakdown of general income to the Council	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	%	%	%	%	%	%
Council Tax	53.35%	55.58%	57.79%	60.20%	62.47%	64.26%
Baseline rates	16.53%	18.43%	19.07%	19.78%	20.47%	20.97%
RSG	24.85%	19.39%	13.57%	10.98%	9.97%	8.97%
New Homes bonus	4.67%	5.98%	8.93%	9.04%	7.09%	5.80%
Council Tax Freeze Grant	0.60%	0.62%	0.64%	0.00%	0.00%	0.00%



2.0 BACKGROUND

Consequently, it is now clear that we cannot expect any easing of the financial pressure in the next 2 – 3 years.

- 2.11 The likely impact of the autumn statement and settlement for 2014/15 and 2015/16 is now known and this is discussed in detail in the next section of the report.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

- 3.1 The Autumn Statement contained some good news for the Council. The Chancellor commented that:

'We can therefore be confident in reducing the contingency reserve by £1 billion this year and reducing departmental budgets by a similar amount in the next two years. This will save a further £3 billion in total.....

We will not apply these additional savings to local government, because we expect them to freeze Council Tax next year'

*Chancellor of the Exchequer George Osborne,
The Autumn Statement 2013*

Contained within the detail of the statement was some further good news about New Homes Bonus

The government will formally respond to the technical consultation on the New Homes Bonus and the Local Growth Fund in due course. The government will not include the New Homes Bonus in the Local Growth Fund, except for £70 million for the London Local Enterprise Partnership, which is chaired by the Mayor of London.

Autumn Statement

It is now unlikely that the planned transfer of New Homes Bonus monies to the Local Growth Fund will take place (other than in London) in 2015/16. This is of particular significance to Worthing Borough Council and will be discussed in more detail later in the report.

- 3.2 Settlement was released on the 18th December 2013 in the form of a written statement and this year has been largely as expected. So the likely impact of the settlement for 2014/15 and 2015/16 for the Council is now clear. The settlement included the following highlights:

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

- Efficiency Support for Sparse Areas grant worth £9.5 million so that the most rural local authorities can continue to drive forward efficiencies in their area. This is an increase on the grant paid for this purpose in 2013 to 2014 and we intend that the grant will be rolled in to the settlement in 2014 to 2015, offering further protection for the most rural authorities. Worthing Borough Council will not benefit from this additional funding.
- The Government is providing up to £550 million of extra funding to local authorities so they can freeze Council Tax for the next 2 years. The Secretary of State has agreed with the Chancellor that the funding for the next 2 freeze years will also be built into the spending review baseline and so the support will continue on until at least 2016-2017. The Local Government Minister wrote:

We hope this will give maximum possible certainty for councils that the extra funding for freezing Council Tax will remain available, and there will not be a 'cliff edge' effect from the freeze grant disappearing in due course. We have done our part – we now expect councils to do theirs in helping hard-working people with the cost of living.

Written ministerial statement by Local Government Minister Brandon Lewis on the provisional local government finance settlement 2014/2015

- The Council Tax referendum threshold principles are to be announced separately later in the New Year. Interesting the Government are:
'open to representations suggesting that some lower threshold be applied to all or some categories of authorities, given the strong need to protect taxpayers wherever possible from unreasonable increases in bills, and given next year's elections on 22 May across the country allow for referendums to be held at minimal cost'

Local Government Minister, Brandon Lewis

The issue the Council will face is that, statutorily, it needs to set its Council Tax by 11th March but the referendum referred to, if needed, is proposed to coincide with the Local Government elections in May. This will mean that the Council would incur significant rebilling costs if the referendum overturned the Council's Council Tax proposals.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

Logistically, it would be far more helpful if the Government announced the criteria at an earlier stage to enable all Councils to more effectively plan any Council Tax increase. Without knowing the criteria – it will be difficult to know what level of increase is ‘safe’ and avoids the need for a referendum.

- 3.3 Helpfully the government has also provided illustrative grant figures for 2015-16 which will give the council some certainty for the coming year. Although with a general election on 7th May 2015, it is difficult to be certain about the level of Local Government funding in the future beyond 2015-16. However, given the tenor of the Chancellor’s speech on the 6th January which announced a further £25 billion cuts in 2016/17 and 2017/18 of which £12 billion will be in welfare, it is inevitable that the Council will face further reductions in funding in the future.
- 3.4 In overall terms, the settlement revealed that District and Borough Councils were the most heavily affected class of authority by an overall cut in funding of just under 13.5%.

YEAR-ON-YEAR CHANGE FOR THE 2014-15 SETTLEMENT

Class of Local Authority	2013-14 Adjusted settlement funding	2014-15 Settlement funding	Overall Reduction in funding
	£million	£million	%
England	26,256.42	23,782.51	9.42%
London Area	6,023.71	5,510.29	8.52%
Metropolitan Areas	7,088.74	6,381.37	9.98%
Shire Areas	13,140.63	11,887.55	9.54%
Isles of Scilly	3.35	3.30	1.29%
London Area			
London Boroughs	4,859.199	4,354.84	10.38%
GLA – all functions	1,164.507	1,155.45	0.78%
Metropolitan Areas			
Metropolitan Districts	6,778.289	6,094.487	10.09%
Metropolitan Fire Authorities	310.447	286.884	7.59%
Shire Areas			
Shire unitaries with fire	473.009	426.120	9.91%
Shire unitaries without fire	4,998.291	4,503.665	9.90%
Shire counties with fire	2,391.602	2,193.651	8.28%
Shire counties without fire	3,520.281	3,213.572	8.71%
Shire districts	1,263.788	1,093.588	13.47%
Combined fire authorities	493.660	456.949	7.44%

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.5 Members should be aware that the settlement figures quoted above are provisional only. The consultation period ended on 15th January 2014 with final settlement expected in early February 2014.

3.6 It is unlikely that there will be any significant change at this late stage. If there are any significant changes arising from the final information members will be briefed before Council.

3.7 The local government finance settlement fundamentally changed in 2014-15. There are four different strands to local government funding which the Council needs to fully understand when setting the 2014-15 budget. These can be broken down into 4 topics, which are dealt with in more detail below:

1. Overall Government Funding
2. Business Rate Retention Scheme
3. New Homes Bonus
4. Council Tax referendum

3.8 Overall Government Funding

The total overall funding to the Council has reduced by 11.9%. The total funding from Government is then split into two components:

1. Baseline Funding
2. Revenue Support Grant

This split is based on a national calculation which has determined that the Baseline Funding will be 46.22% of the total funding. For Worthing this means that the overall funding will be split as follows:

Worthing Borough Council	£'000
Overall funding	5,188*
Split as follows:	
Baseline Funding (46.22%)	2,790
Revenue Support Grant (53.78%)	2,398

* From 2014/15 onwards, revenue support grant includes the 2013/14 Council Tax freeze grant.

The Baseline Funding then forms one of the components of the new business rate retention scheme discussed in further detail below.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.9 Business Rate Retention Scheme

3.9.1 The new business rate retention scheme has now been in place for a year. There are two key features which members are reminded of

- There is a 'safety net' in place for any Council whose actual business rates income falls short of the target income for business rates. The safety net arrangements will be 7.5% of Baseline Funding which is equivalent to a maximum fall in income of £179,850.
- A 'levy' is in place for any Council whose business rates exceed the target set. The levy will mean that the Council can keep 50p of every additional £1 generated over its share of the business rate target.

For each additional £100,000 raised the Council will keep the following amounts:

	Additional income	Levy paid to Treasury	Kept locally
	£'000	£'000	£'000
HM Treasury	50		
County Council	10	5	5
Borough Council	40	20	20
	100	25	25

3.9.2 Under the Business Rate Retention Scheme, the Council will be given a target income level for business rates. For 2014/15 this will be £30,516,438, of which 50% will be paid over to HM Treasury and 10% is paid to the County Council as follows:

	£
Business Rate target	30,516,438
Split as follows:	
HM Treasury (50%)	15,258,219
County Council (10%)	3,051,644
Borough Council (40%)	12,206,575

The monies paid over to the HM Treasury will be redistributed back to local government as Revenue Support Grant.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.9 Business Rate Retention Scheme

3.9.3 Those Councils whose share of business rate income target exceeds their baseline funding are known as 'tariff' Councils and will have to pay over business rate income to the Government equivalent to the surplus. Those Councils whose business rate income is less than their baseline will receive additional funding from the Government and are known as 'top-up' Councils. Worthing Borough Council is a 'tariff' Council as follows:

Tariff calculation	£
Business Rate Target income	12,206,575
Less: Baseline funding	2,397,993
Tariff payment to government	<u>9,808,582</u>

3.9.4 The new business rates system operates in a similar manner to the Council Tax. At the start of the year, the Council estimates how much business rates will be generated allowing for appeals, write-offs and administrative costs. The Council can then transfer its share of this estimated amount to the general fund. This is similar to a precept for the Council's share of Council Tax.

3.9.5 At the end of the financial year, any surplus or deficit associated with business rates is assessed and this will benefit the Council in the following financial year.

3.9.6 However, any adjustment to the levy or safety net due to the government must be repaid to the government at the end of the financial year (2013/14) despite the fact that the Council will benefit from this in the following financial year (2014/15).

3.9.7 The preliminary forecast for business rates for 2013/14 outturn and 2014/15 is as follows:

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.9 Business Rate Retention Scheme

	2013/14 Original Estimate	2013/14 Updated Estimate	2014/15 Estimate
	£'000	£'000	£'000
Net Rates Payable (A)	32,206	31,963	32,624
Less Accounting Adjustments:			
Movement in the bad debt provision and write-offs (B)	329	548	389
Losses on Appeal			
Provision for appeals in year	901	545	883
Full Provision for backdated appeal decisions	901	667	0
Total losses on appeal (C)	1,802	1,212	883
Collectable Rates (D=A-B-C)	30,075	30,203	31,352
Net Transitional Protection Payments - Paid by the government (E)	-6	-20	-21
Allowable charge for administration costs (F)	133	133	136
Non Domestic Rating Income (D-E-F)	29,948	30,090	31,237
2013/14 Original Estimate		29,948	
Change from original estimate - increase (+) / decrease (-)		137	
Surplus/(Deficit): Worthing Borough Council			
Business rates Baseline Target	11,973	11,973	12,207
Less: Tariff/Top-Up	-9,621	-9,621	-9,809
Baseline funding Target (A)	2,352	2,352	2,398
40% share of actual business rate income	11,979	12,036	12,495
Less: Tariff/Top-Up	-9,621	-9,621	-9,809
Baseline funding Retained (B)	2,358	2,415	2,686
Surplus/(deficit) (B-A)	6	63	288
50% Levy payable to Government in 2013/14	-3	-32	-144
Surplus to be retained by Council	3	31	144
Less: Original 2013/14 surplus retained in current year		-3	
Additional surplus to benefit the Council in 2014/15		28	

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.9 Business Rate Retention Scheme

3.9.8 It should be appreciated that, when the 2013/14 original estimate was calculated, the Council had very little information about the outstanding level of appeals; consequently a 5% allowance for appeals was built into the estimate of business rate income (£1,802,000) together with an assumed level of write-offs of £329,000. However, since that time, the Valuation Office has improved the information supplied and the Council now receives a quarterly report on the level of outstanding appeals which has been used to update the current forecast for 2013/14. Appeals are currently expected to be at a much lower level than originally forecast which means that the position for business rates is improved for 2013/14.

3.9.9 The Council will fully provide for any known backdated business rates at the 2013/14 year end, consequently the level of provision for new and outstanding appeals will reduce in 2014/15. This will mean that the business rate income should exceed the government target set and benefit the overall revenue budget.

3.9.10 The Council is also working on a county wide project to improve the forecasting of appeals using some specialist software which, as time progresses, will ensure the forecast of the impact of appeals is more robust.

3.9.11 The forecast is currently being finalised. The government released the guidance for the 2014/15 NNDR return which underpins this forecast on the 6th January. The return is due to be submitted by the 31st January and any substantial changes resulting from the final assessment of the business rate income will be reported verbally to members at the meeting.

3.9.12 Looking further ahead, the generation of additional business rates may become one of the solutions to the Council's ongoing financial pressures. Members will be aware that there are several schemes progressing within the Borough which will create employment space. For example, a significant new business in the area may bring financial benefits to the Council as follows:

Assumed rateable value £1m

Estimated Rates income: £462,000

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.9 Business Rate Retention Scheme

	Additional income	Levy paid to Treasury	Kept locally
	£'000	£'000	£'000
Split as follows:			
HM Treasury	231,000		
County Council	46,200	23,100	23,100
District Council	184,800	92,400	92,400
	462,000	115,500	115,500

3.9.13 Finally, it should be appreciated that there are a number of risks associated with the business rate forecast:

- It is difficult to establish the number of appeals which are likely to come forward in any given year. There is no time limit on when an appeal might be lodged;
- There is a specific risk associated with schools becoming academies. At the moment it is not expected that any of the schools will become academies in 2014/15. However, if a school assumes academy status then it will become eligible of mandatory rate relief which will reduce the Council's business rate income; and
- Major redevelopments will temporarily reduce business rate income whilst the site is redeveloped.

3.9.14 Consequently, there could be significant swings in the amount of business rate income in any one year. However this will be tempered by the safety net. The maximum possible swing for 2014/15 would be:

	£'000
Loss of share of surplus	144
Maximum loss of baseline funding due to safety net	180
	324

3.9.15 To help manage this risk it is proposed that at the end of 2013/14 a reserve is created specifically to manage this risk using any underspend. This reserve could also be used to manage any timing differences between when the Council is obliged to pay the government its share of any levy and when the Council will benefit from that surplus.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.10 New Homes Bonus

3.10.1 The New Homes Bonus is assuming a greater level of importance as a source of funding. By 2015/16 the Council is expecting to receive £1.2m:

	2014/ 15	2015/ 16	2016/ 17	2017/ 18	2018/ 19
	£'000	£'000	£'000	£'000	£'000
New homes bonus (2011/12 - 2016/17)	273	273	273	0	0
New homes bonus (2012/13 - 2017/18)	172	172	172	172	0
New homes bonus (2013/14 - 2018/19)	220	220	220	220	220
New homes bonus (2014/15 - 2019/20)	169	169	169	169	169
New homes bonus (2015/16 - 2020/21)	0	389	389	389	389
Total New Homes Bonus	834	1,223	1,223	950	778

3.10.2 The final level of new homes bonus due to be received in 2014/15 is higher than expected by some £29,000. This is partially due to an increase in the amount of bonus awarded for affordable dwellings (£11,000), and partially due to a reassessment of the number of empty dwellings (£18,000). The Empty Properties Officer has identified that some properties had been wrongly identified as long-term empty and a revised return has been submitted.

3.10.3 Looking further ahead, the announcement that New Homes Bonus would no longer be top sliced has significantly benefitted the Council in 2015/16 by £374,000.

3.10.4 In addition, there are currently over 770 homes being constructed within the area. This includes:

- 265 at Bolsover Road
- 117 at the Northbrook College site
- 66 at Eirene Road
- 49 at the Beach Hotel
- 39 at Southey Road

Whilst only those dwellings completed by the end of August are likely to be counted towards the 2015/16 new homes bonus, given the pace of building in some areas, the figures assume that about 50% of these dwellings will be finished. Consequently the Council is set to benefit from an increased amount of New Homes Bonus in 2015/16 of £192,000.

3.0 THE AUTUMN STATEMENT AND LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

3.10 New Homes Bonus

3.10.5 The future of New Homes Bonus from 2016/17 onwards is uncertain. The commitment to New Homes Bonus is until 2015/16 only and so it is assumed that there will be no new bonus from 2016/17 onwards.

3.11 Council Tax Referendum

3.11.1 Finally, as part of settlement, the Minister announced the referendum criteria would be announced after Christmas. It is unclear whether this relates to the 2014/15 criteria or the 2015/16 criteria, however it is suspected that this refers to 2014/15.

3.11.2 This overturned the criteria previously announced by the Chancellor in June which stated that:

The Council Tax referendum limit will be 2% in both 14/15 and 15/16. The Government will offer a Council Tax Freeze grant in both 2014/15 and 2015/16. This is likely to be allocated as a 1% grant for two years for those that freeze in 2014/15 and separately as a 1% grant for two years for those that freeze in 2015/16.

3.11.3 There has been some speculation in the press recently that the referendum limit will be reduced to 1.5%. The current budget forecast assumes a 2% increase. Clearly this 0.5% reduction would impact upon the Council's potential income from Council Tax by some £38,200. The late announcement of the referendum criteria introduces a degree of uncertainty into the budget process.

3.11.4 However, given that the original criteria announced is due to be changed, and the Secretary of State's often expressed view that Councils should accept the Council Tax Freeze grant; it seems unlikely that the limit will increase. Consequently, the budget forecast now assumes a maximum increase of 1.5%. Members will be briefed on the referendum criteria at the meeting if known.

3.11.5 Options for the Council Tax increase are discussed in detail later in the report.

4.0 2013/14 BUDGET – CURRENT POSITION

4.1 The revenue monitoring report to Joint Strategic Committee on 7th November 2013 showed a forecast underspend for the year of £180,000 due to the following major factors:

4.0 2013/14 BUDGET – CURRENT POSITION

	Forecast Over/(Under) spend
	£'000
Leisure Centre Improved net income from FIT4 and Splashpoint.	-179
Investment Properties Lower income due to empty properties.	190
Parking Services Relates to budgeted share of turnover income that is not reaching the threshold and the on-going contractual dispute.	130
Crematorium Additional income.	-150
Refuse and Recycling Collection Budget not required following change in accounting for MRP & Interest	-155
Grounds Maintenance The target saving of £500,000 has been difficult to achieve and the budget has been partially restated for 2014/15.	300
Treasury Management Improved investment income due to increased cash balances and lower than anticipated borrowings costs.	-294
Theatres The projected shortfall results mainly from the catering activity. It is taking longer than expected to achieve the improved level of income	200
Cross-Cutting savings Reduction in energy costs across a variety of budgets.	-210
Net other over/(under) spends	-12
Underspend as at 7th November 2013	-180

4.2 The anticipated underspend of £180,000 will give the Council the much needed opportunity to place some funds into reserves to meet future needs as discussed elsewhere within this report. The ongoing trends that have been identified as part of this monitoring have been built into the 2014/15 revenue budget.

4.0 2013/14 BUDGET – CURRENT POSITION

4.3 On past evidence, spending patterns between the November monitoring and the end of the financial year have shown there is every reason to expect that the position may continue to improve as the year progresses, which will be reported when the outturn report come before the Joint Strategic Committee in June 2014. Consequently, any final recommendations regarding this underspend must be deferred until the outturn results are known.

5.0 DRAFT REVENUE ESTIMATES 2014/15

5.1 Detailed budgetary work is now complete and the estimate of the budget requirement (net of any proposed transfers to reserves) is £14,095,060. This includes the savings agreed at Joint Strategic Committee in December and January.

5.2 The final budget will be dependent on Members consideration of the non-committed growth proposals, and the Council Tax increase that Members are prepared to support.

5.3 The key question of how the net budget requirement of £14.095m translates in to the Council Tax charge can now be determined as the proposed details of the Local Government Finance Settlement have been received. Any final changes arising from settlement will be dealt with through the reserves. However, if there is a significant reduction in government resources, in-year action will be needed to reduce the final impact on the reserves.

5.4 Details of all of the main changes in the base budget from 2013/14 to 2014/15 are at Appendix 1. A breakdown of each Cabinet Member's summary budget is attached at Appendix 7. The changes can be summarised briefly as follows:

	£'000	£'000
2013/14 Original Estimate		14,179
Add: General Pay and Price Increases		358
Add: Committed and Unavoidable Growth:		
Increased Expenditure as per 3 year forecast (net of any proposed use of reserves)	797	
Reduced Income as per 3 year forecast	109	
Impact of Capital Investment Programme	143	1,049
Balance carried forward		15,586

5.0 DRAFT REVENUE ESTIMATES 2014/15

	£'000	£'000
Balance brought forward		15,586
Less: Compensatory savings/Additional Income:		
Compensatory savings	-60	
Additional income	-	-60
2013/14 budget prior to agreed savings		15,526
Less: Savings agreed by members		
Approved in 2013/14	-81	
Approved in December	-1,347	
Approved in January	-46	
Removal of 'no detriment' adjustment	-19	-1,493
Cabinet member requirements		14,033
Potential contribution from reserves*		-90
Potential budget requirement before external support		13,943
Collection fund surplus		-3
2014/15 BUDGET REQUIREMENT		13,940
*The planned contributions to and from the reserves are analysed in Appendix 3. The final amount will depend on the decisions made about the non-committed growth items and the Council Tax increase.		

5.5 The estimates reflect the Council's share of the Joint Strategic Committee budget which was considered on 7th January 2014. The allocation of the costs of joint services under the remit of the JSC has been the subject of an annual review this year. The swing of costs between the two Councils has changed by 0.75% between the two Councils resulting in an overall 'no detriment' adjustment of around £19,000.

5.6 The initial report to members about the creation of the partnership discussed at the Simultaneous Executive Meeting on 12th July 2007 emphasised the need for stability of costs between the Councils, and it was not proposed to take action until a firm trend has established. There were several reasons for this:

- Any of the allocations for the newly created joint services are based on broad estimates which will be confirmed as the services mature;

5.0 DRAFT REVENUE ESTIMATES 2014/15

- Some of the joint services have only been in operation for a relatively short-time and so it is impossible to identify whether there is a long-term trend in the allocation of costs.
- Some of the swings in costs may be temporary in nature.

Given the small amount of overall 'no detriment' adjustment within the accounts of the two Councils, it is now proposed to remove this adjustment from the revenue budgets of both Councils. The implication for the future is that there will be an annual adjustment between the two Councils for any swing in the overall costs from the Joint Strategic Committee.

5.7 As part of the review of the allocation of support services there have been some changes for individual services which are reflected in the detailed budgets. It is important to note that this does not change the overall cost of the support services to each Council, but that it does influence the size of the share that each service takes, the proportion allocated to the HRA, and the proportion borne by the General Fund and the Capital Investment Programme.

Further details can be provided by request from Jo-Anne Chang-Rogers (Finance Manager) or Sarah Gobey {Executive Head (Financial Services)}.

5.8 The current net estimated 2014/15 spend is less than previously predicted and is mainly due to the following factors:

	£'000
Impact of settlement (see paragraph 2.5 and section 3 above)	
Increase in grant arising from settlement (including the 2013/14 Council Tax Freeze Grant)	2
Expected increase in New Homes Bonus	-29
Additional income from business rates (see section 3.8)	-172
Final adjustments in respect of inflation and salary increments	67
Impact of invest to save initiative contained within the capital programme	-32
Impact of auto enrolment on pension costs	50
Under new legislation staff will be automatically enrolled in the pension fund.	
Other changes identified by the Executive Heads	6

5.0 DRAFT REVENUE ESTIMATES 2014/15

5.9 In addition to the above, the projected surplus on the Collection Fund is now estimated to be £21,600, of which £3,080 is the Borough Council share. This is a very minor surplus in light of the overall income due which exceeds £53.6m, and is due to an improved level of income to the collection fund.

5.10 Members are now faced with two questions:

- What level of Council Tax to set?
- Which of the growth items at appendix 2 to accept?

The decisions made today will be reflected in the budget papers presented to Council.

5.11 The Council Tax increase:

5.11.1 The budget forecast currently assumes that Council Tax will increase by 1.5% in 2014/15. This is a reduction from previous forecast increase of 2% and reflects uncertainty about the referendum level.

5.11.2 In the recent consultation 60.9% of residents supported an increase in Council Tax and a 1.5% uplift would be a modest increase in the Borough council share of the bill for 2014/15 as follows:

Worthing Borough Council	£
Average Band D Council Tax	216.00
Annual impact of 1.5% increase	3.24
Amount per week	0.06

5.11.3 Members should also be aware that the Police and Crime Commissioner has been consulting on a 3.6% increase for the Police Authority share of the overall bill. There are indications that the County Council will set a 0% increase. Consequently, the total overall increase in the Council Tax bill for a band D property would be just over 0.5%:

	2013/14	2014/15	
	£	£	
Worthing Borough Council	216.00	219.24	1.50%
West Sussex District Council	1,161.99	1,161.99	0.00%
Sussex Police and Crime Commissioner	138.42	143.37	3.60%
	1,516.41	1,524.60	0.54%

5.0 DRAFT REVENUE ESTIMATES 2014/15

5.11 The Council Tax increase:

5.11.4 Members should also be aware that there may long term consequences to accepting the Council Tax Freeze Grant and setting a 0% Council Tax increase:

Worthing Borough Council	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000
Council Tax income if Council tax is increased by 1.5%	7,746	7,915	8,145	8,373	8,617
Council Tax income if Council tax is frozen	7,631	7,798	8,024	8,250	8,490
Net fall in Council Tax income	115	117	121	123	127
Less: 2014/15 Council Tax Freeze Grant from government	-88	-88	0	0	0
Increase in income per annum if Council Tax is increased	27	29	121	123	127

5.11.5 Members are asked to consider which level of Council Tax increase that they support. Increasing Council Tax by 1.5% will protect the longer term financial interests of the Council and build some much need capacity in the next financial year to invest in priority initiatives. However, given the current economic climate, and the very small financial benefit in the first two years, members may want to freeze Council Tax to protect the local community and accept the Council Tax freeze grant.

5.12 Uncommitted Growth Items:

5.12.1 Attached at Appendix 2 is a listing of the new uncommitted growth items which total £113,000. These have already been considered at the Joint Strategic Committee on 7th January 2014 and those items which had support from both Adur and Worthing members are included in the appendix. Members are now asked to confirm which of the items should be included within the revenue estimates for 2014/15.

5.0 DRAFT REVENUE ESTIMATES 2014/15

5.13 Depending on the choices made regarding the Council Tax increase and the new growth items; the overall budget position will be:

	£'000	£'000
Net budget requirement		14,033
Less: Government grant	-2,703	
Baseline Funding	-2,398	
Share of additional Business Rate income	-172	
Council Tax (1.5% increase)	-7,746	
2013/14 Council Tax Freeze Grant	-87	
New Homes Bonus	-834	
Collection Fund surplus	-3	-13,943
Estimated budget deficit based on 1.5% Council Tax increase		-90
Estimated impact of freezing Council Tax and accepting the Council Tax freeze grant		-27
Maximum impact of accepting the growth items		-113
		-230
Maximum contribution from reserves		230
		-

5.14 The budget could support a 0% Council Tax increase and be balanced by withdrawing £230,000 from reserves. When considering this, members are reminded that the current projected underspend is £180,000 in 2013/14 and looking further ahead the current prospects for a balanced budget for 2015/16 are good:

	2015/16 £'000
Current forecast shortfall (based on 1.5% Council Tax increase in both 2014/15 and 2015/16)	40
Impact of accepting the Council Tax Freeze Grant	29
Impact of proposed growth items	113
Revised budget shortfall	182

5.0 DRAFT REVENUE ESTIMATES 2014/15

Currently, the expected shortfall in 2015/16 would be relatively minor compared to some of the financial challenges seen in recent years and it is predicated on two key actions:

- Leisure Services which is due to go to trust status by 2015/16 either as a local trust or with a larger trust which will generate a saving of at least £250,000.
- The successful completion of the sale of the old Aquarena site which will reduce down debt costs by about £150,000 per year.

5.15 However, budgets remain extremely tight and there is little flexibility to fund new initiatives to take forward key priorities such as economic development projects designed to stimulate the economy and create new jobs.

6.0 IMPACT ON FUTURE YEARS

6.1 The impact of the proposed changes on the overall revenue budget for the next 5 years is shown at Appendix 1 (which includes an assumed 1.5% tax increase for 2014/15 which is to be considered as part of this report). The difficult settlement, together with the other agreed changes to the budget means that the Council is likely to face a minimum shortfall of:

	Expected shortfall (Cumulative)				
	2014/15	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000	£'000
Cumulative budget shortfall	1,502	1,715	2,991	3,692	4,353
Less:					
Savings agreed in December and January	-1,412	-1,675	-1,864	-1,864	-1,864
Impact of accepting the Council Tax Freeze grant	27	29	121	123	127
Impact of accepting all the growth items at appendix 2	113	113	89	89	89
Less:					
Potential contribution from reserves to be agreed	-230	-	-	-	-
Adjusted cumulative budget shortfall	-	182	1,337	2,040	2,705
Savings required each year	-	182	1,149	703	665

6.0 IMPACT ON FUTURE YEARS

6.2 The continuation of the 'austerity measures' has had significant consequences for the Council. Looking ahead, the stimulation of the local economy and provision of additional housing will be two of the measures which will help protect the Council's services. There are potentially four benefits which will directly improve the council's financial position:

- Increased income from business rates which is discussed fully in section 3 above;
- Reduced cost of Council Tax benefits from any new jobs created;
- Additional Council Tax income from each new home;
- New Homes bonus of £1,160 per band D home until at least 2015/16 and possibly beyond.

6.3 However, these measures are unlikely to be enough. There will need to be a continuing emphasis on efficiency and value for money in the annual savings exercise. In addition, the Council will need to focus its scarce resources on key priorities.

6.4 Members should also be aware that the future of the overall funding for Local Government continues to be a cause for concern and there remains a risk that funding levels will reduce even beyond the current pessimistic projections.

7.0 RESERVES

7.1 Section 26 and 27 of The Local Government Act 2003 require the Council's Chief Financial Officer to comment on the adequacy of the Council's reserves. The reserves have therefore been reviewed in accordance with the best practice as advised by the Chartered Institute of Public Finance and Accountancy (CIPFA) in LAAP 77 'Local Authority Reserves and Balances'.

7.2 To enable a view to be taken on the adequacy of reserves, Members need to be aware that, broadly speaking, there are two categories of revenue reserves relevant to the Council. The **General Fund Working Balance** which primarily is available to cushion the impact of uncertain cash flows and act as a contingency to meet unforeseen costs arising during a budget year (e.g. supplementary estimates); and **Earmarked Reserves** which are sums held for specific defined purposes and to meet known or predicted liabilities. Both categories of reserves can be used on a planned prudent basis to underpin the annual budget.

7.0 RESERVES

- 7.3 The Council's established policy is to maintain the General Fund Working Balance at between 6 – 10% of net revenue expenditure. This is even more important in the current economic climate when there are so many uncertainties. The balance as at 31st March 2013 was £1,142,000 which is 7.9% of net revenue expenditure.

The year-end level on the General Fund Working Balance for the foreseeable future, therefore, is estimated as follows:

		£'000	%
31.03.2014	Balance carried forward – per Final Accounts	1,142	8.0
31.03.2015	No planned drawdown or contribution expected	1,142	8.2
31.03.2016	No planned drawdown or contribution expected	1,142	8.3
31.03.2017	No planned drawdown or contribution expected	1,142	8.5

The reduction in revenue support grant and the resultant decrease in the Council's net spend means that the same level of working balance equates to a higher percentage of net revenue expenditure.

- 7.4 On the basis of the year-end figures above, and taking into account past performance and the acknowledged track record of sound financial management in this Council, I believe the working balance is adequate for its purpose. In forming this view I have considered the following potential impacts upon the Council's finances:
1. A further fall in interest rates of 0.5% would cost the Council in a region of £60,000 in 2014/15.
 2. A pay award of 1% more than currently allowed for within the budget would cost the General Fund approximately £169,000.
 3. Further adverse falls in income from such sources as development control income, car parks and land charges against a background of the recession which could result in falling income of over £100,000.
 4. Demand is increasing for services such as homelessness which may well lead to increased (and unbudgeted) costs.
 5. Other unforeseen circumstances such as the failure of a major contract.

7.0 RESERVES

6. Any use of the working balance would be difficult to recoup in the short term. Consequently, the reserve needs to be sufficient enough to cope with at least two years of adverse impacts.

7.5 Against this background, and especially given the current economic climate, it is important that the Council has minimum reserves in 2014/15 of £836,000 or 6% of net revenue spend as laid out in the current policy. However, it is unlikely that the Council will need in excess of £1,394,000 in the working balance which is roughly equivalent to 10% of net revenue spend. Consequently, the current policy of holding balances of between 6% and 10% is valid and the forecast level falls within these parameters.

7.6 The estimated balance of earmarked reserves as at 31st March, 2014 is £5,000,000, although this will reduce to £4,333,000 if any Section 106 sums held for future environmental improvements, grants, and any specific capital resources are excluded. A detailed schedule of the earmarked reserves is attached at Appendix 3. The key risks to the overall budget and the Council's reserves are detailed below.

7.7 In all probability, the Council will continue to have occasional opportunities to put money into earmarked reserves rather than solely to drawdown on a planned basis. Even without this, I believe the earmarked revenue reserves are adequate for their particular purposes but the size and nature of the risks to the overall budget leaves the Council with little room for using these reserves for new on-going spending initiatives. The Council should maintain its current policy of spending its scarce earmarked reserves on:

- supporting one-off rather than recurring revenue expenditure;
- dealing with short-term pressures in the revenue budget; and
- managing risk to the Council's budget.

8.0 SIGNIFICANT RISKS

8.1 Members will be aware that there are several risks to the Council's overall budget. These can be summarised as follows:-

(i) Income

The Council receives income from a number of services which will be affected by demand. These include land charges, development control and, now, business rates and car parks. Whilst known reductions in income have been built into the proposed budgets for 2014/15, income may fall further than expected.

8.0 SIGNIFICANT RISKS

(ii) Withdrawal of funding by partners

All budgets within the public sector are under scrutiny which may lead to partners reassessing priorities and withdrawing funding for partnership schemes. Consequently, the council may lose funding for key priorities and be left with unfunded expenditure together with the dilemma about whether to replace the funding from internal resources.

(iii) Inflation

A provision for 2.0% inflation has been built into non-pay budgets together with an allowance for additional inflation on fuel. Pay budgets have a 1% inflationary increase allowed for. Whilst the Bank of England inflation forecasts expect that inflation to drop throughout 2014/15, there is a risk that inflation will run at a higher rate than allowed for within the budget. Each 1% increase in inflation is equivalent to the following amount:

	1% increase
	£'000
Pay	169
Non-pay	149

(iv) Impact of legal disputes

The Council is in a legal dispute regarding the car parks. Whilst the outcome of this dispute will not impact on the revenue budget, it may require the Council to utilise its reserves and hamper the Council's ability to manage future risks.

8.2 To help manage these risks, the council has a working balance of £1,142,000 and other earmarked reserves are also available to the Council to help mitigate these risks.

9.0 CONSULTATION

9.1 This report represents the culmination of the budget process which has involved consultation with Members, staff, members of the public and the business community.

9.0 CONSULTATION

9.2 Both Councils have undertaken a follow-up consultation to last year's area wide exercise entitled 'Your Chance to be the Chancellor'. This again took the form of a leaflet sent out to each home. The focus of this year's consultation was around the potential changes to the Council Tax Reduction Scheme in 2015/16, and the level of Council Tax increase that the public would support. 1,307 residents responded to the consultation and the full outcome of the consultation is attached at appendix 4.

9.3 With respect to the Council Tax increase, the Council asked and received the following response from residents:

The Councils have managed to freeze Council Tax for the past three years, despite a reduction in government grant of over 32%. Both Councils expect a further reduction in a grant for 2014-15 of around 18% which is equivalent to £520,000 for Adur District Council and £790,000 for Worthing Borough Council.

With this in mind, would you prefer...

A small increase which will help the Councils to protect priority services	796	(60.9%)
To freeze Council Tax for the fourth year in a row and cut services	511	(39.1%)

9.4 The annual briefing with the business community will take place on 22nd January 2014.

10.0 UPDATE TO PRUDENTIAL INDICATORS

10.1 The Council's budget fully reflects the cost of financing the capital programme. Members have previously approved sufficient growth to accommodate the proposed capital programme including the financial impact of the acquisition of the refuse and recycling fleet and equipment which has been funded from prudential borrowing.

10.2 Under the Prudential Code of Practice and the capital finance system introduced in April 2004, the capital programme is based on the Council's assessment of affordability. This includes any new borrowing which the Council wishes to undertake. The Council has considered the revenue consequences of any proposed capital programme in agreeing the budget strategy for 2014/15. The Council has a fully funded capital programme and the associated revenue costs are built into the budget for 2014/15 and future years.

10.0 UPDATE TO PRUDENTIAL INDICATORS

- 10.3 The Prudential Code of Practice requires the Council to set a series of indicators to show that the programme has due regard to affordability, sustainability and prudence.
- 10.4 The full set of Prudential Indicators and Treasury Management Limits is at Appendix 5. They reflect the Capital Programme approved at the Joint Strategic Committee on 3rd December 2013.
- 10.5 Members should note that the indicator for the authorised borrowing limit is a statutory indicator requiring approval by full Council under Section 3(i) of the Local Government Act 2003.

11.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

- 11.1 Section 25 of the Local Government Act 2003 requires an authority's Chief Finance Officer - the Executive Head (Financial Services) - to make a report to the authority when it is considering its budget and Council Tax. The report must deal with the robustness of the estimates and the adequacy of the reserves allowed for in the budget proposals, so Members will have authoritative advice available to them when they make their decisions. The Section requires Members to have regard to the report in making their decisions.
- 11.2 As Members are aware, local authorities decide every year how much they are going to raise from Council Tax. They base their decision on a budget that sets out estimates of what they plan to spend on each of their services. Because they decide on the Council Tax in advance of the financial year in question, and are unable to increase it during the year, they have to consider risks and uncertainties that might force them to spend more on their services than they planned. Allowance is made for these risks by:
- making prudent allowance in the estimates for each of the services, and in addition;
 - ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.

11.3 Overall view on the robustness of the estimates:

Subject to the important reservations below, a reasonable degree of assurance can be given about the robustness of the estimates and the adequacy of reserves. The exceptions relate to:

11.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

11.3 Overall view on the robustness of the estimates:

- (1) The provision of estimates for items outside of the direct control of the Council:
 - Income from fees and charges in volatile markets, e.g. car parks and development control fees.
 - External competition and declining markets, particularly during a recession. E.g. Local land charges and building control fees.
 - Changes to business rate income due to revaluations, redevelopments and increases in mandatory rate relief.
- (2) Cost pressures not identified at the time of setting the budget. This would include items such as excess inflation.
- (3) Initiatives and risks not specifically budgeted for.

It will therefore be important for members to maintain a diligent budget monitoring regime during 2014/15.

- 11.4 The Executive Head (Financial Services) and Section 151 Officer's overall view of the robustness of the estimates is, therefore, as follows:

The processes followed are sound and well established and identical to those that produced robust estimates in the past. The Council has also demonstrated that it has a sound system of financial management in place.

12.0 COUNCIL TAX SETTING

- 12.1 The Council is obliged to raise the balance of its resources after grant to finance the General Fund Revenue Budget from its local Council Taxpayers. The Worthing Borough Council Tax will be added to the Precepts from the West Sussex County Council and the Sussex Police and Crime Commissioner to form a combined Council Tax to levy on the taxpayers of Worthing Borough.
- 12.2 Once the Cabinet has reached a decision on the Total Budget Requirement it wishes to recommend to the Council for the 2014/15 Budget, the resulting Council Tax for the Borough can be set. This takes into account the Total Aggregate External Finance (Revenue Support Grant and Business Rates contributions) and any contribution to or from the local Collection Fund.

12.0 COUNCIL TAX SETTING

12.3 Worthing Borough Council:

- (a) The following table shows the net sum to be raised from local Council Taxpayers in 2014/15 prior to the consideration of the budget proposals. This is based on 1.5% Council Tax increase:

	£	£
Net 2014/15 Budget*		14,003,510
Plus:		
Contribution from the Collection Fund surplus (as per paragraph 5.9)		-3,080
Net Budget requirement - (see Appendix 7)		14,000,430
Less:		
Aggregate External Finance:		
Revenue Support Grant	-2,790,410	
Baseline Funding	-2,397,990	
Business Rate income	-171,560	
Council Tax Reduction Scheme administration grant	-60,000	
New Homes Bonus	-834,940	
		-6,254,900
Balance to be raised from Council Tax		7,745,530

* 2014/15 budget requirement after any withdrawal from reserves required to balance the budget.

However, within section 5 of the report, members are given the option of freezing the Council Tax and approving the non-committed growth items. Any reduction in income or additional expenditure would be funded from the reserves in 2014/15.

(b) Council Tax Base

The Council's Tax base for 2014/15 is 35,329.00 Band D equivalent properties. There is an increase in the current year base of 35,329.00 is due to an increasing number of homes. The full calculation of the tax base is shown in Appendix 6.

12.0 COUNCIL TAX SETTING

12.3 Worthing Borough Council:

(b) Council Tax Base

	2013/14 Tax Base	2014/15 Tax Base
TOTAL	35,283.40	35,329.00

(c) Worthing Borough Council Band D Council Tax

In order to raise the required sum it is recommended that the Council Tax at Band D be set either:

- £216.00 the same as that charged in 2014/15; or
- £219.24 which is an increase of 1.5%.

12.4 West Sussex County Council and Sussex Police Authority

- (a) The County Council requirements are expected to be confirmed on 14th February, 2014. The Police and Crime Commissioner's proposed increase of around 3.6% is due to be considered by the Police and Crime Panel on 24th January. The latest date that any increase will be confirmed is the 21st February 2014.

	2012/13 £	2013/14 £
West Sussex County Council	1,161.99	t.b.a.
Sussex Police Authority	138.42	t.b.a.
TOTAL	1,300.41	t.b.a.

12.5 Overall Council Tax

The final figures for all authorities will be incorporated into the formal Council Tax setting resolution to be presented to the Borough Council at its meeting on 18th February 2014.

13.0 CONCLUSION

- 13.1 The past few years have been very difficult for the Council. The withdrawal of a significant amount of government grant has been challenging to address. Overall the Council has successfully identified further savings of over £1.4m to meet the current year's financial challenges. However, this has not been without pain. The council has reduced its workforce, with the inevitable pressure of additional work falling on the shoulders of the remaining staff. But we have largely to date protected the Council's front-line services, with the exception of grounds maintenance, which was been reduced as part of the 2013/14 budget.
- 13.2 Looking further ahead, 2015-16 will be equally as challenging as the Government continues to deal with the national deficit. Whilst developing both the local economy to increase employment space and local jobs together with the provision of new homes will be one of the strategic measures that the Council can take to protect it's longer term financial interests, there will be inevitably be some difficult days ahead as the Council seeks to address the remaining budget shortfall.
- 13.3 It is difficult to be certain what the future will hold for the Council's post the next general election, other than to plan for further reductions in funding.
- 13.4 But we must not forget that the Council is in good financial health with strong reserves, which will help us deal with this whilst the Council revisits its priorities and strives for further efficiencies.
- 13.5 In preparing the strategy and forecast for 2014/15 an assessment was carried out of the significant risks and factors which may have an impact on the Council's budget. Where quantifiable, the budget has been adjusted accordingly but it is important to acknowledge that there are still some risks to the overall position which may have to be funded from reserves. Members will continue to receive regular budget monitoring reports and updates to the Council's 5-year Medium Term Financial Plan, to ensure that the financial challenges ahead are effectively met.
- 13.6 The annual preparation of the budget is a huge exercise involving the co-operation and support of countless officers in all departments of the Council. Most of the work, of course, falls on the Financial Services team and has to be completed within tight time constraints at a difficult time of year.

14.0 RECOMMENDATIONS

- 14.1 The Joint Overview and Scrutiny Committee is asked if it wishes to refer any comments or recommendations onto Cabinet at its meeting on 4th February 2014 regarding:**

14.0 RECOMMENDATIONS

- (a) The draft budget;
- (b) The level of Council Tax increase supported;
- (c) The proposed growth items

14.2 The Cabinet is recommended to:

- (a) Consider which of the growth items detailed at appendix 2 should be included within the revenue budget and funded from reserves in 2014/15.
- (b) Agree to recommend to Council the draft budgets for 2014/15 at Appendix 7 as submitted in Cabinet Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £14,003,510, subject to any amendments above; and
- (c) Consider which band D Council Tax to recommend to Council for Worthing Borough Council's requirements in 2014/15 as set out in paragraph 12.3;

SARAH GOBEY
Executive Head
(Financial Services) & Section 151 Officer

ANDREW GARDINER
Strategic Director

Local Government Act 1972

Background Papers :

Report to the Joint Strategic Committee 3rd July, 2013 Outline forecast 2014/15 to 2018/19 and Budget Strategy

Report to the Joint Strategic Committee 3rd September 2013 Update to outline forecast 2014/15 – 2018/19 following the Comprehensive Spending Review.

Report to the Joint Strategic Committee 3rd December 2013 Outline 5 year forecast and savings proposals.

Report to the Joint Strategic Committee 7th January 2014 Joint Overall Budget Estimates.

Local Authority Finance (England) Settlement Revenue Support Grant for 2014/15 and Related Matters: DCLG Letters and associated papers of 18th December 2013.

Background Papers :

The Autumn Statement 2013. HM Treasury

Local Government Act 2003 and Explanatory Note

“Guidance Note on Local Authority Reserves and Balances” – LAAP Bulletin No. 77 - CIPFA -published in November 2008

Statement of Accounts 2012/13

Report to Joint Strategic Committee 7th November 2013 – “2nd Capital, Revenue Budget and Performance Monitoring 2013/14

Contact Officer:

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SCHEDULE OF OTHER MATTERS

1.0 COUNCIL PRIORITY

1.1 The budget supports the Council's achievement of all its priorities.

2.0 SPECIFIC ACTION PLANS

2.1 The report details how the Council proposes to meet the financial targets initially outlined in the 3-year outline forecast considered in July 2010.

3.0 SUSTAINABILITY ISSUES

3.1 Matter considered and no issues identified

4.0 EQUALITY ISSUES

4.1 The majority of the proposals included in the report will have no impact on equality issues as there are no proposed changes to the way in which services are delivered.

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

8.0 CONSULTATIONS

8.1 Consultations are detailed in Section 9 of the main report

9.0 RISK ASSESSMENT

9.1 The overall risks to the budget are detailed in Section 8 of the main report.

10.0 HEALTH AND SAFETY ISSUES

10.1 Matter considered and no issues identified

11.0 PROCUREMENT STRATEGY

11.1 Matter considered and no issues identified

12.0 PARTNERSHIP WORKING

12.1 The report considers the impact that partnership working has on the overall revenue budget.

APPENDIX 1

WORTHING BOROUGH COUNCIL - APPENDIX 1						
Revenue Budget Summary Statement 2013/14 - 2018/19						
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	Base					
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation						
Base budget	14,179	14,179	14,179	14,179	14,179	14,179
(a) Annual Inflation						
Estimated inflation		358	643	1,124	1,611	2,121
(b) One -off / non-recurring items						
Local Elections (not held once every four years)		76	-	-	-	76
(c) Committed Growth						
Changes to National Insurance Contributions		-	-	458	458	458
Impact of Pension contribution increase		131	245	343	350	357
Contingency for the impact of auto enrollment on Leisure Services		50	50	50	50	50
Housing condition survey - carried out once every 3 years		9	-	-	9	-
Provision for job evaluation		12	12	12	12	12
Items identified by Executive Heads as reported in December		213	213	213	213	213
Restatement of Grounds maintenance budget		300	270	270	270	270
Other minor items		6	6	6	6	6
Contribution to Gypsy and Traveller site		-	15	15	15	15
(d) Compensatory savings						
Fall out of early retirement costs		(60)	(106)	(106)	(106)	(106)
(e) Impact of capital programme						
Financing costs		175	367	495	626	777
Saving arising from invest to save initiatives		(32)	(32)	(32)	(32)	(32)
(f) Additional income						
Investment income		109	29	(24)	(84)	(151)
(g) Agreed Savings						
Accommodation strategy (tbc)		(81)	(81)	(81)	(81)	(81)
Splashpoint - Impact of sale of Aquarena site		-	(150)	(150)	(150)	(150)
Leisure Trust (tbc)		-	(250)	(250)	(250)	(250)
Total Cabinet Member Requirements	14,179	15,445	15,410	16,522	17,096	17,764

WORTHING:
Revenue Budget Report

WORTHING BOROUGH COUNCIL - APPENDIX 1
Revenue Budget Summary Statement 2013/14 - 2018/19

	2013/14 Base	2014/15	2015/16	2016/17	2017/18	2018/19
Total Cabinet Member Requirements	14,179	15,445	15,410	16,522	17,096	17,764
Baseline funding	2,352	2,398	2,464	2,526	2,589	2,653
Less: Safety net payment/business rate sh'fall	-	-	-	-	-	-
Add: Retained additional business rates		144	148	151	155	159
Add: Share of 2013/14 surplus		28				
Adjusted Baseline funding	2,352	2,570	2,612	2,677	2,744	2,812
Revenue Support Grant	3,536	2,703	1,858	1,486	1,337	1,203
Council tax income						
Adjusted Council Tax income	7,620	7,746	7,915	8,145	8,373	8,617
Council Tax Freeze grant 2013/14	87	87	87	-	-	-
New homes bonus (2011/12 - 2016/17)	273	273	273	273	-	-
New homes bonus (2012/13 - 2017/18)	172	172	172	172	172	-
New homes bonus (2013/14 - 2018/19)	220	220	220	220	220	220
New homes bonus (2014/15 - 2019/20)	-	169	169	169	169	169
New homes bonus (2015/16 - 2020/21)	-	-	389	389	389	389
Collection fund surplus/deficit (-)	(31)	3	-	-	-	-
Total other grants and contributions	721	924	1,310	1,223	950	778
Total Income from Taxation	14,229	13,943	13,695	13,531	13,404	13,411
(Surplus) / Shortfall in Resources	(50)	1,502	1,715	2,991	3,692	4,353
Use of / (contribution to) Reserves to Balance Budget						
Capacity issues reserve	(50)	-	-	-	-	-
Total Income from Reserves	(50)	-	-	-	-	-
AMOUNT REQUIRED TO BALANCE BUDGET	-	1,502	1,715	2,991	3,692	4,353
Savings agreed in December		1,341	1,604	1,793	1,793	1,793
Savings agreed in January		46	46	46	46	46
Final adjustments to the allocation of the December savings between the two Councils		6	6	6	6	6
Removal of no detriment		19	19	19	19	19
Total savings identified		1,412	1,675	1,864	1,864	1,864
Savings still to be found/ (surplus)		90	40	1,127	1,828	2,489
Council Tax increase		1.50%	1.50%	2.50%	2.50%	2.50%

WORTHING:
Revenue Budget Report

APPENDIX 2

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Corporate and Cultural Services</u>							
<i>Legal Services:</i>							
Increase in hours of Senior Information Officer	23.5	23.5	23.5	9.4	0.0	14.1	23.5
In 2008 the Census Partnership highlighted the lack of information security standards, procedures and practice to the Census Joint Steering Group who agreed for a Project Team to develop a suite of Information Security Policies. The policy was agreed by Joint Strategic Committee on 27 th March 2012 and a suite of 12 policies have been developed and adopted by Management Team which set out the role and responsibilities of the Information Security Manager. These roles and responsibilities are new areas of work arising from the policies adopted by the Council. The work has been allocated to the Council's Senior Information Officer, who does not have the capacity to absorb this work into her current post.							
The duties of the role are to take day-to-day responsibility for developing, monitoring and overseeing the implementation of the Corporate Information and Records Management Policies, procedures and guidelines and proving the mechanisms for supporting Access to Information compliance.							

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<p>The policy approved by Joint Strategic Committee commits the Councils to putting in place policies, procedures, guidelines and mechanisms for improving good information management, information security and record keeping. The role and responsibilities assigned to the Information Security Manager are essential to the successful implementation and continued commitment to the laudable aims and objectives of the policy.</p> <p>Benefit/deliverables (outputs, impact on financial savings)</p> <p>i) Safeguarding the Councils and avoiding breaches of statutory data protection rules.</p> <p>Implication of unsuccessful bid</p> <p>There will be insufficient resources to carry out the role of Information Security Manager</p> <p><i>Human Resources</i></p> <p>Computerisation of recruitment process</p> <p>Part of an on-going project to improve the efficiency of HR and Payroll processes through the use of IT. In 2013/14, the continued investment in this project levered in a annual saving of £8,000 in payroll administration costs.</p>							
	6.0	6.0	6.0	2.4	0.0	3.6	6.0

WORTHING:
Revenue Budget Report

APPENDIX 2

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<p>Benefit/deliverables (outputs, impact on financial savings)</p> <p>i) Non cashable efficiency savings as staff have less direct involvement in an on-line process. This is part of a Council wide initiative to reduce administration burden.</p> <p>Implication of unsuccessful bid</p> <p>Unable to implement this system and progress the “channel shift” in recruitment</p> <p><i>Museum and art gallery</i></p> <p>Annual valuation of Museum Collection</p> <p>The Council is now required to regularly value it's collection for audit purposes. This will also have the benefit of making sure that this is not undervalued for insurance purposes.</p> <p>Benefit/deliverables (outputs, impact on financial savings)</p> <p>The revaluation of the collection is a requirement for the statement of accounts. Museum curatorial team will not have to withdraw from income generating activities to carry out this task</p> <p>Implication of unsuccessful bid</p> <p>The museum collections may be under insured and the assessment of heritage assets may not be accurate if a full valuation is not carried out.</p>	21.3	21.3	21.3	0.0	0.0	21.3	21.3

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Technical Services							
<i>Estates</i>							
Additional Senior Estates Surveyor for two years to move forward the large number of simultaneous major sales being expected at the moment.	40.0	40.0	0.0	16.0	0.0	24.0	40.0
Benefit/deliverables (outputs, impact on financial savings)							
i) Lever in capital receipts to the benefit of both Councils as part of major projects such as NWoW and the new swimming pool.							
Implication of unsuccessful bid							
Unable to progress sales of sites as quickly as expected							
<i>Engineers</i>							
Additional engineer to support a variety of revenue projects including the Adur River Walls project, and Brooklands lake options.	40.0	40.0	40.0	16.0	0.0	24.0	40.0
Implication of unsuccessful bid							
Unable to progress a number of projects as quickly as expected							

WORTHING:
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APPENDIX 2

Non-Committed growth	When / Value?			2014/15			
	2014/15	2015/16	Beyond	Adur	Adur - HRA	Worthing	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Planning Regeneration and Wellbeing</u>							
<i>Economic Regeneration</i>							
Events Coordinator	43.4	43.4	43.4	17.4	0.0	26.0	43.4
Lack of co-ordinated approach to the delivery of events across the council. The responsibility is divided across several departments which lead to inefficiency and confusion internally and externally.							
Final release of this funding is subject to a report to the Joint Strategic Committee outlining the remit of the role and confirming the salary level.							
	174.2	174.2	134.2	61.2	0.0	113.0	174.2

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.13 per note 8 12/13 SoA	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.14	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1. CAPACITY ISSUES RESERVE Purpose: The Capacity Issues Reserve was set up in 2005/06 to give the Council scope to deal with a range of cost pressures expected to arise from 2006/07 onwards.	2,702	50	(1,533)	1,219		(520)	699
2. CREMATOR ABATEMENT Purpose: The Cremator Abatement Res. & Crematorium Improvement Res. were established in 2005 and consist of funds set aside from increases in fees & charges. Designed to provide funds towards the cost of mercury emission abatement measures & crematorium infrastructure improvements respectively.	60		(60) C	-			-
3. CREMATORIUM IMPROVEMENT Purpose: See Cremator Abatement above.	-	51	(51) C	-	51	(51) C	-

C = Capital Contribution

WORTHING:
Revenue Budget Report



APPENDIX 3

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.13 per note 8 12/13 SoA	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.14	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<p>4. INSURANCE RESERVE Purpose: The Insurance Reserve was established in 1993/94 to develop risk management, fund self-insurance and to achieve longer-term revenue savings.</p>	492	31	(30)	493	-	-	493
<p>5. JOINT HEALTH PROMOTION Purpose: The Joint Health Promotion reserve was established in 2005 with funding received from the local Primary Care Trust for health promotion projects.</p>	30	-	-	30	-	-	30
C = Capital Contribution							

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.13 <i>per note 8 12/13 SoA</i>	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.14	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
6. LEISURE LOTTERY AND OTHER PARTNERSHIP Purpose: The Leisure, Lottery and Other Partnerships Reserve was established in 1995/96 to assist in financing capital schemes attracting substantial support from the National Lottery distributor bodies and other funding agencies and organisations. This reserve is currently earmarked for support to the Museum Redevelopment bid and the Football Foundation bid.	78	-	-	78	-	-	78
	C						
C = Capital Contribution							

WORTHING:
Revenue Budget Report

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.13 per note 8 12/13 SoA	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.14	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
7. MUSEUM RESERVE Purpose: The Museum Reserve was established in 1993/94 to support the overall service aims of the Museum and Art Gallery on occasions where annual budgets do not allow the work of the Museum and Art Gallery to progress in a manner which will contribute to achieving these aims.	110	-	-	110	-	-	110
8. THEATRE TICKET LEVY Purpose: Established in 2013/14 to fund refurbishment and other works for all of WBC's theatres.	0	50	(40)	10	80	(46)	44
9. PLANNING DELIVERY GRANT RESERVE Purpose: The Planning Delivery Grant was set up in 2006/07 to carry forward grant received in previous years, which has been approved by Cabinet to be spent on specific planning initiatives.	134	-	(10)	124	-	(10)	114

C = Capital Contribution

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.13 per note 8 12/13 SoA	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.14	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
10. SPECIAL AND OTHER EMERGENCY EXPENDITURE Purpose: The Special and Other Emergency Expenditure Reserve was set up to fund strategic or unforeseen one-off expenditure, which may arise.	642	-	-	642	-	-	642
11. VAT EXEMPTIONS LIABILITY Purpose: The VAT Exemption Liability Reserve was set up in 2002 to meet potential VAT liabilities.	212	-	-	212	-	-	212
12. VEHICLE REPAIRS & RENEWAL Purpose: The Vehicle Repairs and Renewal Fund was set up in 2008 to meet future maintenance costs of the Adur and Worthing Council Services Fleet.	97	-	-	97	-	-	97
13. CAPITAL EXPENDITURE RESERVE	73	-	-	73	-	-	73

C = Capital Contribution

WORTHING:
Revenue Budget Report



APPENDIX 3

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.13 per note 8 12/13 SoA	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.14	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
14. GRANTS & CONTRIBUTIONS Held in reserves	590	-	-	590	-	-	590
15. PROJECTED UNDERSPEND Reserves to be identified at outturn.	-	180 *	-	180	-	-	180
16. GENERAL FUND WORKING BALANCE	1,143	-	-	1,143	-	-	1,143
TOTAL	6,362	362	(1,724)	5,000	131	(627)	4,504

C = Capital Contribution - * = Contribution to be confirmed at the year-end

APPENDIX 4

**WORTHING BOROUGH COUNCIL SURVEY
YOUR CHANCE TO BE THE CHANCELLOR –
BUDGET CONSULTATION 2013 – CHANGES TO THE BENEFIT SYSTEM**

Before you start the survey please be aware that you are required to give an answer for all the multiple choice questions.

In order for us to be able to analyse the results in the best way possible, please could you tell us the following:

ABOUT YOU:

1. Do you live in:

Worthing Borough Council	1,307	(100.0%)
Adur District Council	0	(0.0%)

2. Do you currently claim Council Tax Benefit?

Yes	126	(9.6%)
No	1,181	(90.4%)

We have come up with five ideas of how we could make changes to our current scheme. Please could you answer all the questions:

IDEA 1

3. All working age claimants should pay something?

Strongly Agree	615	(47.1%)
Agree	490	(37.5%)
Disagree	128	(9.8%)
Strongly Disagree	74	(5.7%)

4. Some claimants currently have no Council Tax to pay because they receive the maximum level of Council Tax support. After Council Tax support has been awarded to these working age claimants, should they be asked to pay?

Nothing	184	(14.1%)
At least £2.50 per week	391	(29.9%)
At least £5.00 per week	449	(34.4%)
More than £5.00 per week	284	(21.7%)

IDEA 2

5. **Working age claimants living in larger properties should pay proportionately more than claimants living in smaller properties?**

Strongly Agree	486	(37.2%)
Agree	538	(41.2%)
Disagree	189	(14.5%)
Strongly Disagree	94	(7.2%)

6. **Do you think the maximum support a claimant is entitled to should be higher or lower than the average Council Tax Band C (equivalent to £1,404.32 per year)?**

More than Band C	86	(6.6%)
Same as Band C	645	(49.3%)
Less than Band C	576	(44.1%)

IDEA 3

7. **Some people can afford to pay their Council Tax, but they pay a lower amount because a family member or friend (who is on a low income) lives with them. Do you think these awards should stop for working age claimants?**

Strongly Agree	640	(49.0%)
Agree	476	(36.4%)
Disagree	124	(9.5%)
Strongly Disagree	67	(5.1%)

IDEA 4

8. **Working age claimants with savings should pay more than those with little or no savings? (The current savings cap set by the government is £16,000).**

Strongly Agree	270	(20.7%)
Agree	387	(29.6%)
Disagree	371	(28.4%)
Strongly Disagree	279	(21.3%)

9. **What is the level of savings people can have and still be able to claim benefit?**

None	249	(19.1%)
£6,000	333	(25.5%)
£10,000	335	(25.6%)
More than £10,000	390	(29.8%)

**WORTHING BOROUGH COUNCIL SURVEY
YOUR CHANCE TO BE THE CHANCELLOR –
BUDGET CONSULTATION 2013 – CHANGES TO THE BENEFIT SYSTEM**

IDEA 4

10. If these ideas go ahead, what level of impact do you think this would have on your household?

High Impact	52	(4.0%)
Medium Impact	120	(9.2%)
Low Impact	260	(19.9%)
No Impact	688	(52.6%)
I don't know	187	(14.3%)

IDEA 5

11. Before someone of working age is allowed to claim for Council Tax support do you think they should have lived in the area for a certain length of time?

0 Years	233	(17.8%)
2 Years	614	(47.0%)
5 Years	460	(36.3%)

COUNCIL TAX FOR NEXT YEAR

The Councils have managed to freeze Council Tax for the past three years, despite a reduction in government grant of over 32%. Both Councils expect a further reduction in a grant for 2014-15 of around 18% which is equivalent to £520,000 for Adur District Council and £790,000 for Worthing Borough Council.

12. With this in mind, would you prefer...

A small increase which will help the Councils to protect priority services	796	(60.9%)
To freeze Council Tax for the fourth year in a row and cut services	511	(39.1%)

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

1 BACKGROUND

There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators. Under the prudential system, individual authorities are responsible for deciding their own level of borrowing, having regard to CIPFA's Code. The essence of the code is that borrowing for capital investment purposes should be affordable, sustainable and prudent.

2. NET BORROWING AND THE CAPITAL FINANCING REQUIREMENT

2.1 This is a key indicator of prudence. Net external borrowing is the difference between gross investments and borrowing. The capital financing requirement (CFR) is a separate estimate of the underlying need to borrow, and is shown at Paragraph 5 below.

2.2 In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that the net external borrowing does not, except in the short term, exceed the total of the capital financing requirement (CFR) in the preceding year plus the estimates of any additional (CFR) for the current and next two financial years.

2.3 The Executive Head (Financial Services) reports that the Council had no difficulty meeting this requirement in 2012/13, nor are there any difficulties envisaged for the current or future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

3. ESTIMATES OF CAPITAL EXPENDITURE

3.1 This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax – and in the case of the Housing Revenue Account (HRA), housing rent levels.

No. 1	Capital Expenditure	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
	NON-HRA*	6.770	6.683	5.026	2.596	3.924

* Worthing does not have a Housing Revenue Account (HRA) and is, therefore, not required to produce an indicator for housing rent levels.

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

3. ESTIMATES OF CAPITAL EXPENDITURE

3.2 Capital expenditure will be financed as follows:

Capital Financing	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
Capital receipts	0.302	0.050	0.397	0.500	0.500
Government Grants	0.536	0.519	0.454	0.454	0.454
Revenue contributions	0.132	0.130	0.114	0.634	0.092
Revenue reserves	0.100	0.188	0.046	0.060	0.080
Unsupported borrowing*	5.607	5.547	3.848	0.948	2.798
Other Contributions	0.093	0.249	0.167	-	-
TOTAL	6.770	6.683	5.026	2.596	3.924

**Note: the element to be financed from unsupported borrowing impacts on the movement in the Capital Financing Requirement (CFR).*

4. RATIO OF FINANCING COSTS TO NET REVENUE STREAM

4.1 This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the Council's net revenue streams required to meet borrowing costs. The definition of financing costs is set out at paragraph 69 of the Prudential Code (2011) and mainly comprises interest payable and revenue provisions for repayment of debt.

4.2 The ratio is based on costs net of investment income.

No. 2	Ratio of Financing Costs to Net Revenue Stream	2013/14 Approved %	2013/14 Revised %	2014/15 Estimate %	2015/16 Estimate %	2016/17 Estimate %
	TOTAL	5.32	6.87	7.08	7.83	7.31

The ratio is positive as the cost of borrowing exceeds interest receipts from investment income.

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

5. CAPITAL FINANCING REQUIREMENT

5.1 The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for capital purposes. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and financing. It is an aggregation of the amounts shown for non-Current Assets, Long-term debtors for capital transactions, the Revaluation Reserve, the Capital Adjustment Account, Donated Assets Reserve and any other balances treated as capital expenditure.

No. 3	Capital Financing Requirement	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
	TOTAL CFR	26.405	25.216	27.880	27.430	28.778

5.2 The year-on-year change in the CFR is due to the following

Capital Financing Requirement	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
BALANCE B/F	23.194	20.552	25.216	27.880	27.430
Capital expenditure financed from unsupported borrowing (per 3.2)	4.091	5.548	3.848	0.948	2.798
Revenue provision for debt Redemption.	(0.880)	(0.884)	(1.184)	(1.398)	(1.450)
Supported Borrowing	-	-	-	-	-
BALANCE C/F	26.405	25.216	27.880	27.430	28.778

6. ACTUAL EXTERNAL DEBT

6.1 This indicator is obtained directly from the Council's balance sheet. It is the closing balance for actual gross borrowing plus other long-term liabilities. This Indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit.

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

6. ACTUAL EXTERNAL DEBT

No. 4	Actual External Debt as at 31/03/2013	£m
	Borrowing	15.720
	Other Long-term Liabilities	-
	TOTAL	15.720

7. INCREMENTAL IMPACT OF CAPITAL INVESTMENT DECISIONS

7.1 This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

No. 5	Incremental Impact of Capital Investment Decisions	2013/14 Approved £	2013/14 Revised £	2014/15 Estimate £	2015/16 Estimate £	2016/17 Estimate £
	Increase / (Decrease) in Band D Council Tax	8.32	10.28	5.23	5.75	1.38

7.2 The increase in 2013/14 reflects higher than normal borrowing in 2012/13 to fund the capital programme, and that MRP is applied in the year following the drawdown of borrowing.

8. AUTHORISED LIMIT AND OPERATIONAL BOUNDARY FOR EXTERNAL DEBT

8.1 The Council has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Council and not just those arising from capital spending reflected in the CFR.

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

8. AUTHORISED LIMIT AND OPERATIONAL BOUNDARY FOR EXTERNAL DEBT

- 8.2 The **Authorised Limit** sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities). This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.
- 8.3 The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.
- 8.4 The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).

No. 6	Authorised Limit for External Debt	2013/14 Approved £	2013/14 Revised £	2014/15 Estimate £	2015/16 Estimate £	2016/17 Estimate £
	Borrowing	24.0	24.0	24.0	24.0	24.0
	Other Long-term Liabilities	1.0	1.0	1.0	1.0	1.0
	TOTAL	25.0	25.0	25.0	25.0	25.0

The **Operational Boundary** links directly to the Council's estimates of the CFR and other cash flow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

- 8.5 The Executive Head (Financial Services) has delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next meeting of the Cabinet at the earliest opportunity.

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

8. AUTHORISED LIMIT AND OPERATIONAL BOUNDARY FOR EXTERNAL DEBT

No. 7	Operational Boundary for External Debt	2013/14 Approved £	2013/14 Revised £	2014/15 Estimate £	2015/16 Estimate £	2016/17 Estimate £
	Borrowing	19.0	19.0	19.0	19.0	19.0
	Other Long-term Liabilities	1.0	1.0	1.0	1.0	1.0
	TOTAL	20.0	20.0	20.0	20.0	20.0

9. ADOPTION OF THE CIPFA TREASURY MANAGEMENT CODE

9.1 This indicator demonstrates that the Council has adopted the principles of best practice.

No. 8	Adoption of the CIPFA Code of Practice in Treasury Management
	Worthing Council approved the adoption of the CIPFA Treasury Management Code at its meeting on 20 March 2003.

10. UPPER LIMITS FOR FIXED INTEREST RATE EXPOSURE AND VARIABLE INTEREST RATE EXPOSURE

10.1 These indicators allow the Council to manage the extent to which there is exposure to changes in interest rates. The Council calculates these limits on net principal outstanding sums, (i.e. total debt net of total investments).

10.2 The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could adversely impact on the revenue budget.

No. 9	Upper Limit for Fixed Interest Rate Exposure:	2013/14 Approved %	2013/14 Revised %	2014/15 Estimate %	2015/16 Estimate %	2016/17 Estimate %
	Investments only	-75	-100	-100	-100	-100
	Borrowing only	100	100	100	100	100
	Limit Based on Net Debt	100	100	100	100	100

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

10. UPPER LIMITS FOR FIXED INTEREST RATE EXPOSURE AND VARIABLE INTEREST RATE EXPOSURE

No. 10	Upper Limit for Variable Interest Rate Exposure:	2013/14 Approved %	2013/14 Revised %	2014/15 Estimate %	2015/16 Estimate %	2016/17 Estimate %
	Investments only	-100	-100	-100	-100	-100
	Borrowing only	25	25	25	25	25
	Limit Based on Net Debt	-100	-100	-100	-100	-100

10.3 The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Council's treasury management strategy.

11. MATURITY STRUCTURE OF FIXED RATE BORROWING

11.1 This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

11.2 It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

No. 11	Maturity structure of fixed rate borrowing	Lower Limit %	Upper Limit %
	under 12 months	99	100
	12 months and within 24 months	1	100
	24 months and within 5 years	1	100
	5 years and within 10 years	0	100
	10 years and within 20 years	0	100
	20 years and within 30 years	0	100
	30 years and within 40 years	0	100
	40 years and within 50 years	0	100
	50 years and above	0	100

PRUDENTIAL INDICATORS – ESTIMATES 2014/15 TO 2016/2017

12. UPPER LIMIT FOR TOTAL PRINCIPAL SUMS INVESTED OVER 364 DAYS

- 12.1 The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Councils having to seek early repayment of the sums invested.

No. 12	Upper Limit for total principal sums invested over 364 days	2013/14 Approved %	2013/14 Revised %	2014/15 Estimate %	2015/16 Estimate %	2016/17 Estimate %
		50.0	50.0	50.0	50.0	50.0

13. GROSS DEBT AND THE CAPITAL FINANCING REQUIREMENT (CFR)

- 13.1 This indicator was introduced by CIPFA in December 2012. It requires the comparison of actual Gross Debt with CFR (the underlying need to borrow), as it is a requirement to keep Gross Debt below CFR, except for short term variations. For this purpose CFR is taken as the amount in the preceding year, plus estimates of any additional CFR for the current and next two financial years

No. 13	Gross Debt and CFR	2013/14 Estimate £000	2014/15 Estimate £000	2015/16 Estimate £000	2016/17 Estimate £000
	Actual Gross Debt	(14.713)	(10.476)	(6.385)	(7.617)
	CFR	25.216	27.880	27.430	28.778
	Under Borrowing	10.503	17.404	21.045	21.161

- 13.2 This comparison is a key indicator of prudence, and is aimed to ensure that debt is only entered into for capital expenditure. Where the comparison highlights variations, the reasons are to be explained.
- 13.3 For all years the Council is under borrowed. This is due to the debt being of short-term durations of 1-5 years, while the CFR takes longer to write down as the MRP is provided (i.e. the debt financed) for over a longer duration - and in the case of borrowing for the Splashpoint Swimming pool is over 60 years.

WORTHING:
Revenue Budget Report

PROPERTY ANALYSIS AND CALCULATION OF TAX BASE										
Properties	Band A -	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Number of Dwellings	0.00	7,531.00	10,819.00	12,729.00	8,941.00	5,237.00	2,256.00	883.00	25.00	48,421.00
Less: Exemptions	0.00	-172.00	-181.00	-132.00	-77.00	-54.00	-17.00	-6.00	0.00	-639.00
Disabled Relief Adjustment (net)	0.00	7,359.00	10,638.00	12,597.00	8,864.00	5,183.00	2,239.00	877.00	25.00	47,782.00
Chargeable Dwellings	10.00	32.00	19.00	-5.00	-10.00	-15.00	4.00	-17.00	-18.00	0.00
	10.00	7,391.00	10,657.00	12,592.00	8,854.00	5,168.00	2,243.00	860.00	7.00	47,782.00
Broken down as follows:										
Full Charge	3.00	2,216.00	5,427.00	8,254.00	6,210.00	3,879.00	1,814.00	688.00	4.00	28,495.00
25% Discount (Including Adj for SP dis)	7.00	4,785.00	4,882.00	4,046.00	2,463.00	1,180.00	350.00	121.00	0.00	17,834.00
50% Discount	0.00	80.00	114.00	134.00	117.00	69.00	60.00	38.00	3.00	615.00
0% Discount (Long Term Empty Homes)	0.00	310.00	234.00	158.00	64.00	40.00	19.00	13.00	0.00	838.00
Total Equivalent Number of Dwellings	8.25	5,844.75	9,145.50	11,355.50	8,115.75	4,798.50	2,106.50	797.75	5.50	42,178.00
Reduction in tax base due to Council Tax Support	25.25	1,850.52	1,914.65	1,385.80	469.74	155.60	27.22	8.08	0.00	5,836.86
Adjusted equivalent total dwellings	-17.00	3,994.23	7,230.85	9,969.70	7,646.01	4,642.90	2,079.28	789.67	5.50	36,341.14
Band D Equivalents										
Revenue Support Settlement	-9.40	2,662.80	5,624.10	8,862.00	7,646.00	5,674.70	3,003.40	1,316.10	11.00	34,790.70
Add: Forecast new homes	0.00	20.50	203.00	182.00	55.50	20.20	21.70	-1.30	0.00	501.60
Add: Second Homes	0.00	26.00	43.10	55.50	50.00	31.10	15.10	5.90	0.00	226.70
Less: Adjustments for Losses on Collection, and Void Properties	0.00	0.00	0.00	0.00	190.00	0.00	0.00	0.00	0.00	190.00
COUNCIL TAX BASE	-9.40	2,709.30	5,870.20	9,099.50	7,561.50	5,726.00	3,040.20	1,320.70	11.00	35,329.00
ADJUSTED COUNCIL TAX BASE										35,329.00

APPENDIX 7
CIVIC BUDGET TABLE 2014/2015
Summary of Cabinet Member Requirements

INDIVIDUAL MEMBER PORTFOLIOS
Summary and Variance Pages

DECISION OF THE CABINET

The following appendices have been updated to reflect the recommendations from Cabinet as laid out in the Record of Decisions.

- (i) Considered which of the growth items detailed at appendix 2 should be included within the revenue budget and funded from reserves in 2014/15.

Supported:

Human Resources – computerisation of recruitment process

Not supported:

Legal Services – increase in hours of Senior Information Officer

Museum and Art Gallery – consideration of a rolling programme of valuation within existing resources. Officers to come back to members later in the year with a further report detailing options for how the collection could be valued,

Supported and starred items for which a further report to the Executive, with more details was required:

Estates – internal or external appointment; details of monitoring of the output of the appointment

Engineers - details of monitoring of the output of the appointment

Event Co-ordinator – details of the duties and salary

- (ii) Agreed to **recommend** to Council for approval the following:

(a) the draft budgets for 2014/15 at Appendix 7 as submitted in Cabinet Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £14,003,510 subject to any changes arising from the inclusion of the supported items in (i) above and the approved Council Tax increase;

(b) the Band D Council Tax for Worthing Borough Council's requirements in 2014/15 be as required in 2011/12, as set out in paragraph 12.3 of the report amounting to a 0% Council Tax increase making the requirement £216.00;

DECISION OF THE COUNCIL

At its meeting on 18th February 2014, the Worthing Council agreed a 0% Council Tax increase for 2014/15

The Council agreed the following:

- i) The draft budgets for 2014/15 at Appendix 7 as submitted in Cabinet Member Portfolio order and the transfer of Reserves leading to a net budget requirement of £14,003,510.
- ii) The Council Tax for Worthing's requirements in 2014/15 be £216.00 for a Band D equivalent property.

WORTHING BUDGET 2014/15

Summary of Cabinet Member Portfolios



APPENDIX 7

CABINET PORTFOLIO	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
Environment	4,109,260	3,503,140
Health and Wellbeing	1,399,200	1,325,400
Customer Services	3,844,960	3,792,090
Leader	903,110	1,008,200
Regeneration	2,575,880	2,494,550
Resources	2,890,680	3,238,620
Support Services Depreciation Not Charged To Services	616,730	767,730
NET SERVICE EXPENDITURE	16,339,820	16,129,730
Credit Back Depreciation / Impairments	(2,877,240)	(3,178,370)
Minimum Revenue Provision	732,240	1,207,040
	14,194,820	14,158,400
Transfer to / from Reserves	(15,740)	14,260
Balance Available to Transfer To / (From) Reserves	50,350	(195,880)
Total budget requirement before external support from government	14,229,430	13,976,780
Baseline Funding	(2,352,240)	(2,397,990)
Additional business rate income		(171,560)
Revenue Support Grant	(3,535,750)	(2,790,410)
Council Tax Reduction Scheme Grant		(60,000)
Council Tax Freeze Grant	(86,320)	(87,740)
Other unfenced grants (New homes bonus & Ctax Transition)	(665,400)	(834,940)
Contribution to/ (from) Collection Fund	31,490	(3,080)
Amount required from Council Tax	7,621,210	7,631,060
Council Tax Base	35,283.4	35,329.0
Average Band D Council Tax - Worthing Borough	216.00	216.00
% increase	-	0.00%

LEADER PORTFOLIO



SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
CHIEF EXECUTIVE		
Corporate Management	28,200	28,560
CORPORATE AND CULTURAL SERVICES		
Elections	194,040	268,670
Democratic Representation and Management	680,870	710,970
	874,910	979,640
TOTAL LEADER PORTFOLIO	903,110	1,008,200

LEADER SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14

SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	TOTAL 2014/15
	£	£	£	£	£	£	£	£	£	£	£
Chief Executive Corporate Management	28,200	100	-	-	-	-	-	-	-	260	28,560
Corporate and Cultural Services											
Elections	194,040	1,280	76,000	-	-	-	-	-	-	(2,650)	268,670
Democratic Representation and Management	680,870	5,850	-	-	-	-	-	-	(5,500)	29,750	710,970
	874,910	7,130	76,000	-	-	-	-	-	(5,500)	27,100	979,640
APPROVED ESTIMATE 2014/2015	903,110	7,230	76,000	-	-	-	-	-	(5,500)	27,360	1,008,200

WORTHING LEADER PORTFOLIO 2014/2015 - SUBJECTIVE ANALYSIS


SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Chief Executive Corporate Management	-	9,840	-	-	200	-	-	10,040	18,520	-	28,560
Corporate and Cultural Services Elections	-	110,660	1,230	-	141,550	-	(5,250)	248,190	19,050	1,430	268,670
Democratic Representation and Management	249,850	260,060	-	2,630	40,210	-	-	552,750	158,220	-	710,970
	249,850	380,560	1,230	2,630	181,960	-	(5,250)	810,980	195,790	1,430	1,008,200
Percentage of Direct Costs	31%	47%	0%	0%	22%						

SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
CUSTOMER SERVICES		
Environmental Projects	32,630	27,690
Environmental Health - Fixed Penalty Notices	(1,640)	(1,670)
Crematorium	(990,990)	(1,205,640)
Street Cleansing	936,580	829,500
Waste Collection	1,482,880	999,270
	1,459,460	649,150
CORPORATE & CULTURAL SERVICES		
Indoor Sports & Recreation	1,253,590	1,164,780
	1,253,590	1,164,780
HOUSING, HEALTH & COMMUNITY SAFETY		
Environmental Health	301,270	291,270
	301,270	291,270
PLANNING, REGENERATION & WELLBEING		
Sports Development & Recreation	102,780	116,590
	102,780	116,590
TECHNICAL SERVICES		
Flood Defence and Land Drainage	10,490	33,080
Highways/Roads (Routine)	34,590	34,100
Parking Services	(945,560)	(945,450)
Premises Development	3,640	4,280
Public Conveniences	369,340	363,990
Allotments	68,030	29,570
Community Parks & Open Spaces	1,299,730	1,703,260
Outdoor Sports & Recreation	(7,140)	(94,000)
Cemeteries	123,830	118,100
Public Transport	35,210	34,420
	992,160	1,281,350
TOTAL CABINET MEMBER FOR ENVIRONMENT	4,109,260	3,503,140

ENVIRONMENT SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14

SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	TOTAL 2014/15
	£	£	£	£	£	£	£	£	£	£	£
Customer Services											
Environmental Projects	32,630	-	-	-	-	-	-	-	-	(4,940)	27,690
Environmental Health - FPN's	(1,640)	(30)	-	-	-	-	-	-	-	-	(1,670)
Crematorium	(990,990)	(19,800)	-	-	-	-	-	-	(177,000)	(17,850)	(1,205,640)
Street Cleansing	936,580	(3,410)	-	-	-	-	-	-	-	(103,670)	829,500
Waste Collection	1,482,880	(11,160)	-	-	-	-	-	-	(30,000)	(442,450)	999,270
	1,459,460	(34,400)							(207,000)	(568,910)	649,150
Corporate & Cultural Services											
Indoor Sports & Recreation	1,253,590	(5,280)	-	6,200	-	-	(32,500)	-	(292,260)	235,030	1,164,780
	1,253,590	(5,280)							(292,260)	235,030	1,164,780
Housing Health & Community Safety											
Environmental Health	301,270	(60)	-	-	-	-	-	-	-	(9,940)	291,270
	301,270	(60)								(9,940)	291,270
Planning, Regeneratin & Wellbeing											
Sports Development & Recreation	102,780	-	-	-	-	-	-	-	-	13,810	116,590
	102,780									13,810	116,590
Technical Services											
Flood Defence and Land Drainage	10,490	-	-	-	-	-	-	-	-	22,590	33,080
Highways/Roads (Routine)	34,590	310	-	-	-	-	-	-	-	(800)	34,100
Parking Services	(945,560)	-	-	-	-	-	-	-	-	110	(945,450)
Premises Development	3,640	60	-	-	-	-	-	-	-	580	4,280
Public Conveniences	369,340	5,510	-	-	-	-	-	-	(2,740)	(8,120)	363,990
Allotments	68,030	(480)	-	-	-	-	-	-	-	(37,980)	29,570
Community Parks & Open Spaces	1,299,730	13,000	-	322,900	-	-	-	-	(700)	68,330	1,703,260
Outdoor Sport & Recreation	(7,140)	(2,000)	-	-	-	-	-	-	-	(84,860)	(94,000)
Cemeteries	123,830	(560)	-	-	-	-	-	-	-	(5,170)	118,100
Public Transport	35,210	450	-	-	-	-	-	-	-	(1,240)	34,420
	992,160	16,290		322,900			(32,500)		(3,440)	(46,560)	1,281,350
APPROVED ESTIMATE 2014/2015	4,109,260	(23,450)		329,100			(32,500)		(502,700)	(376,570)	3,503,140

WORTHING ENVIRONMENT PORTFOLIO 2014/2015 SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Customer Services											
Environmental Projects	-	25,180	-	-	-	-	-	25,180	2,510	-	27,690
Environmental Health	-	-	-	-	-	-	(1,670)	(1,670)	-	-	(1,670)
Street Cleansing	-	932,350	-	-	2,120	-	(305,120)	629,350	110,080	90,070	829,500
Waste Collection	-	897,520	14,330	-	359,920	1,400	(974,070)	299,100	339,960	360,210	999,270
Cremation	305,550	-	428,670	4,310	142,520	-	(2,239,480)	(1,358,430)	81,110	71,680	(1,205,640)
Corporate & Cultural Services											
Indoor Sports & Recreation	2,853,190	-	1,399,290	29,470	913,780	-	(5,250,450)	(54,720)	571,320	648,180	1,164,780
Housing Health & Community Safety											
Environmental Health	-	96,790	-	-	-	-	(3,120)	93,670	194,170	3,430	291,270
Planning, Regen. & W'being											
Sports Development & Recreation	-	102,860	-	-	-	-	-	102,860	13,730	-	116,590
Technical Services											
Flood Defence and Land Drainage	-	-	-	-	-	-	-	-	33,080	-	33,080
Highways/Roads (Routine)	-	-	16,000	-	-	-	-	16,000	18,100	-	34,100
Parking Services	270,850	55,680	598,440	10,000	134,330	-	(2,212,850)	(1,143,550)	43,840	154,260	(945,450)
Premises Development	-	-	4,280	-	-	-	-	4,280	-	-	4,280
Public Conveniences	-	-	280,920	-	60	-	(550)	280,430	36,860	46,700	363,990
Allotments	-	-	8,820	-	-	-	(35,310)	(26,490)	51,710	4,350	29,570
Cemetery	-	80,910	180,850	-	23,070	-	(229,640)	55,190	55,190	7,720	118,100
Community Parks & Open Spaces	-	210,750	1,016,660	-	148,030	-	(204,200)	1,171,240	332,760	199,260	1,703,260
Outdoor Sports & Recreation	-	-	-	-	-	-	(94,000)	(94,000)	-	-	(94,000)
Public Transport	-	-	23,090	-	-	-	-	23,090	11,330	-	34,420
	3,429,590	2,402,040	3,971,350	43,780	1,723,830	1,400	(11,550,460)	21,530	1,895,750	1,585,860	3,503,140
Percentage of Direct Costs	30%	21%	34%	0%	15%	0%					

SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
CUSTOMER SERVICES		
Rate Relief	59,330	60,520
	59,330	60,520
CORPORATE & CULTURAL SERVICES		
Arts Development	25,630	34,160
	25,630	34,160
HOUSING, HEALTH & COMMUNITY SAFETY		
Environmental Health	673,900	624,210
Community Safety	173,290	166,130
	847,190	790,340
PLANNING, REGENERATION AND WELLBEING		
Sports Development & Recreation	153,910	121,920
General Grants, Bequests and Donations	259,730	264,570
	413,640	386,490
TECHNICAL SERVICES		
Environmental Health	50,240	50,660
Worthing Festival	3,170	3,230
	53,410	53,890
TOTAL HEALTH AND WELLBEING PORTFOLIO	1,399,200	1,325,400

HEALTH & WELLBEING SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14

SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	TOTAL 2014/15
	£	£	£	£	£	£	£	£	£	£	£
Customer Services											
Rate Relief	59,330	1,190	-	-	-	-	-	-	-	-	60,520
	59,330	1,190	-	-	-	-	-	-	-	-	60,520
Corporate & Cultural Services											
Arts Development	25,630	460	-	-	-	-	-	-	-	8,070	34,160
	25,630	460	-	-	-	-	-	-	-	8,070	34,160
Housing Health & Community Safety											
Environmental Health	673,900	(2,760)	-	-	-	-	-	-	(18,490)	(28,440)	624,210
Community Safety	173,290	680	-	-	-	-	-	-	-	(7,840)	166,130
	847,190	(2,080)	-	-	-	-	-	-	(18,490)	(36,280)	790,340
Planning Regeneration & Wellbeing											
Sports Development & Recreation	153,910	-	-	-	-	-	-	-	-	(31,990)	121,920
General Grants, Bequests and Donations	259,730	4,820	-	-	-	-	-	-	(5,000)	5,020	264,570
	413,640	4,820	-	-	-	-	-	-	(5,000)	(26,970)	386,490
Technical Services											
Environmental Health	50,240	890	-	-	-	-	-	-	-	(470)	50,660
Worthing Festival	3,170	60	-	-	-	-	-	-	-	-	3,230
	53,410	950	-	-	-	-	-	-	-	(470)	53,890
APPROVED ESTIMATE 2014/2015	1,399,200	5,340	-	-	-	-	-	-	(23,490)	(55,650)	1,325,400

HEALTH & WELLBEING PORTFOLIO 2014/2015 - SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Customer Services											
Rate Relief	-	-	-	-	60,520	-	-	60,520	-	-	60,520
Corporate & Cultural Services											
Arts Development	-	-	-	-	-	-	(24,860)	(24,860)	59,020	-	34,160
Housing Health & Community Safety											
Environmental Health	-	485,960	1,090	-	65,280	-	(226,140)	326,190	297,360	660	624,210
Community Safety	-	80,540	3,470	-	31,200	-	-	115,210	44,230	6,690	166,130
Planning Regeneration & Wellbeing											
Sports Development & Recreation	-	109,340	-	-	-	-	-	109,340	12,580	-	121,920
General Grants, Bequests and Donations	-	23,720	-	-	239,800	-	-	263,520	1,050	-	264,570
Technical Services											
Environmental Health	-	-	45,260	-	-	-	-	45,260	5,400	-	50,660
Worthing Festival	-	-	-	-	3,230	-	-	3,230	-	-	3,230
	-	699,560	49,820	-	400,030	-	(251,000)	898,410	419,640	7,350	1,325,400
Percentage of Direct Costs	0%	61%	4%	0%	35%	0%					

CUSTOMER SERVICES PORTFOLIO

SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
FINANCIAL SERVICES		
Council Tax Benefit	(9,320)	45,480
Housing Benefit Payments	(269,270)	(234,990)
	(278,590)	(189,510)
CUSTOMER SERVICES		
Local Tax Collection	367,280	219,010
Housing Benefit Administration	705,150	685,160
	1,072,430	904,170
CORPORATE AND CULTURAL SERVICES		
Museum and Art Gallery	437,150	456,370
Theatres & Public Entertainment	1,226,900	1,191,390
	1,664,050	1,647,760
HOUSING, HEALTH & COMMUNITY SAFETY		
Environmental Health - Housing Standards	70,700	92,590
Homelessness	541,430	502,690
Housing Advances	7,160	6,130
Housing Advice	197,300	211,110
Housing Strategy	70,370	76,270
Private Sector Housing Renewal	86,850	86,650
Elderly People	56,710	88,770
	1,030,520	1,064,210
PLANNING, REGENERATION AND WELLBEING		
Community Centres	188,110	176,980
TECHNICAL SERVICES		
Community Parks & Open Spaces - Brooklands	-	(5,100)
Pier, Southern Pavilion & Amusement Hall	168,440	193,580
	168,440	188,480
TOTAL CUSTOMER SERVICES PORTFOLIO	3,844,960	3,792,090

CUSTOMER SERVICES SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14



SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	TOTAL 2014/15
Financial Services	£										£
Local Tax Collection	(9,320)	-	-	25,000	-	-	-	-	-	29,800	45,480
Housing Benefit Payments	(269,270)	590	-	-	-	-	-	-	-	33,690	(234,990)
	(278,590)	590	-	25,000	-	-	-	-	-	63,490	(189,510)
Customer Services											
Local Tax Collection	367,280	400	-	(19,190)	-	-	-	-	(17,100)	(112,380)	219,010
Housing Benefit Administration	705,150	10,910	-	50,220	-	-	-	-	(3,000)	(78,120)	685,160
	1,072,430	11,310	-	31,030	-	-	-	-	(20,100)	(190,500)	904,170
Corporate & Cultural Services											
Museum and Art Gallery	437,150	3,970	-	-	-	-	-	-	(1,500)	16,750	456,370
Theatres & Public Entertainment	1,226,900	(1,220)	-	-	-	-	-	-	-	(34,290)	1,191,390
	1,664,050	2,750	-	-	-	-	-	-	(1,500)	(17,540)	1,647,760
Hsg Health & Community Safety											
Environmental Health - Housing Standards	70,700	-	-	-	-	-	-	-	-	21,890	92,590
Homelessness	541,430	(380)	-	-	-	-	-	-	-	(38,360)	502,690
Housing Advances	7,160	90	-	-	-	-	-	-	-	(1,120)	6,130
Housing Advice	197,300	320	-	-	-	-	-	-	-	13,490	211,110
Housing Strategy	70,370	-	-	9,000	-	-	-	-	-	(3,100)	76,270
Private Sector Housing Renewal	86,850	-	-	-	-	-	-	-	-	(200)	86,650
Elderly People	56,710	(1,280)	-	33,750	-	-	-	-	(7,500)	7,090	88,770
	1,030,520	(1,250)	-	42,750	-	-	-	-	(7,500)	(310)	1,064,210
Planning Reg. & W'being											
Community Centres	188,110	630	-	-	-	-	-	-	-	(11,760)	176,980
Technical Services											
Community Parks & Open Spaces	-	(100)	-	-	-	-	-	-	-	(5,000)	(5,100)
Pier, Southern Pavilion & Amusement Hall	168,440	2,550	-	14,200	-	-	-	-	-	8,390	193,580
	168,440	2,450	-	14,200	-	-	-	-	-	3,390	188,480
APPROVED ESTIMATE 2014/2015	3,844,960	16,480	-	112,980	-	-	-	-	(29,100)	(153,230)	3,792,090

WORTHING CUSTOMER SERVICES PORTFOLIO 2014/2015 - SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Financial Services											
Local Tax Collection	-	-	-	-	-	-	(54,660)	(54,660)	100,140	-	45,480
Housing Benefit Payments	-	-	-	-	30,290	35,886,240	(36,202,530)	(286,000)	51,010	-	(234,990)
Customer Services											
Local Tax Collection	279,120	-	-	3,160	95,710	-	(638,440)	(260,450)	479,460	-	219,010
Housing Benefit Admin'n	421,420	-	-	270	38,330	-	(293,620)	166,400	518,760	-	685,160
Public Transport	-	-	-	-	-	-	-	-	-	-	-
Corporate & Cultural Services											
Museum and Art Gallery	191,890	-	111,460	2,180	41,440	-	(38,190)	308,780	75,810	71,780	456,370
Theatres	1,334,690	-	423,110	3,170	2,031,250	-	(3,226,540)	565,680	281,520	344,190	1,191,390
Housing Health & Community Safety											
Environmental Health - Housing Standards	-	38,560	-	-	-	-	(80)	38,480	54,110	-	92,590
Homelessness	-	199,870	-	-	381,810	136,680	(269,740)	448,620	54,070	-	502,690
Housing Advances	-	-	-	-	4,640	-	(150)	4,490	1,640	-	6,130
Housing Advice	-	94,440	-	-	16,310	-	-	110,750	97,110	3,250	211,110
Housing Strategy	-	32,740	-	-	9,290	-	-	42,030	34,240	-	76,270
Private Sector Housing Renewal	-	-	-	-	-	-	-	-	86,650	-	86,650
Registered Social L'lords Elderly People	-	-	-	-	-	-	-	-	-	-	-
	-	118,980	-	-	-	-	(38,780)	80,200	8,570	-	88,770
Planning Regeneration & Community Centres											
Community Centres	-	-	36,140	600	-	-	-	36,740	10,930	129,310	176,980
Technical Services											
Comm Parks & Open Spaces	-	-	(5,100)	-	-	-	-	(5,100)	-	-	(5,100)
Pier, Sthn Pav & Amusement	-	-	243,850	8,510	-	-	(104,460)	147,900	45,680	-	193,580
	2,227,120	484,590	809,460	17,890	2,649,070	36,022,920	(40,867,190)	1,343,860	1,899,700	548,530	3,792,090
Percentage of Direct Costs	5%	1%	2%	0%	6%	85%					

REGENERATION PORTFOLIO

SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
PLANNING, REGENERATION AND WELLBEING		
Tourism	262,690	267,490
Building Control	216,380	146,270
Development Control	549,240	514,910
Economic Development	335,380	349,840
Planning Policy	343,860	340,890
Day Centres - Elderly People	2,200	-
	1,709,750	1,619,400
TECHNICAL SERVICES		
Flood Defence & Land Drainage	21,850	16,410
Highways/Roads (Routine)	104,550	73,320
Emergency Planning	56,940	57,220
Coast Protection	151,220	148,820
Foreshore	492,710	535,550
Sustainable Development	38,860	43,830
	866,130	875,150
TOTAL REGENERATION PORTFOLIO	2,575,880	2,494,550

REGENERATION SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14

SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	TOTAL 2014/15
	£	£	£	£	£	£	£	£	£	£	£
Planning Regeneration & Wellbeing											
Tourism	262,690	2,230	-	-	-	-	-	-	-	2,570	267,490
Building Control	216,380	(4,960)	-	-	-	-	-	-	-	(65,150)	146,270
Development Control	549,240	(7,370)	-	-	-	-	-	-	-	(26,960)	514,910
Economic Development	335,380	1,120	-	-	-	-	-	-	(1,200)	14,540	349,840
Planning Policy	343,860	1,740	-	-	-	-	-	-	(3,520)	(1,190)	340,890
Day Centres - Elderly People	2,200	-	-	-	-	-	-	-	-	(2,200)	-
	1,709,750	(7,240)	-	-	-	-	-	-	(4,720)	(78,390)	1,619,400
Technical Services											
Flood Defence & Land Drainage	21,850	170	-	-	-	-	-	-	(4,590)	(1,020)	16,410
Highways/Roads (Routine)	104,550	250	-	-	-	-	-	-	(3,000)	(28,480)	73,320
Emergency Planning	56,940	-	-	-	-	-	-	-	-	280	57,220
Coast Protection	151,220	1,400	-	-	-	-	-	-	-	(3,800)	148,820
Foreshore	492,710	2,670	-	-	-	-	-	-	-	40,170	535,550
Sustainable Development	38,860	-	-	-	-	-	-	-	-	4,970	43,830
	866,130	4,490	-	-	-	-	-	-	(7,590)	12,120	875,150
APPROVED ESTIMATE 2014/2015	2,575,880	(2,750)	-	-	-	-	-	-	(12,310)	(66,270)	2,494,550

WORTHING REGENERATION PORTFOLIO 2014/2015 - SUBJECTIVE ANALYSIS


SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Planning Regeneration & Wellbeing											
Tourism	-	140,290	40,260	80	86,020	-	(11,870)	254,780	10,370	2,340	267,490
Building Control	-	375,240	-	-	3,720	-	(256,880)	122,080	24,190	-	146,270
Development Control	-	750,060	-	-	76,780	-	(452,360)	374,480	138,510	1,920	514,910
Economic Development	-	232,950	1,390	-	54,390	-	-	288,730	46,120	14,990	349,840
Planning Policy	-	14,870	-	-	84,650	-	-	99,520	241,370	-	340,890
Day Centres - Elderly People	-	-	-	-	-	-	-	-	-	-	-
Technical Services											
Flood Defence & Land Drainage	-	-	4,170	-	-	-	-	4,170	12,240	-	16,410
Highways/Roads (Routine)	-	-	8,970	-	1,260	-	(530)	9,700	63,620	-	73,320
Emergency Planning	-	42,940	-	-	-	-	-	42,940	12,510	1,770	57,220
Coast Protection	-	-	86,370	-	6,640	-	(21,300)	71,710	58,470	18,640	148,820
Foreshore	-	181,660	425,800	3,410	33,580	-	(314,320)	330,130	126,000	79,420	535,550
Sustainable Development	-	32,930	-	-	-	-	-	32,930	10,900	-	43,830
	-	1,770,940	566,960	3,490	347,040	-	(1,057,260)	1,631,170	744,300	119,080	2,494,550
Percentage of Direct Costs	0%	66%	21%	0%	13%	0%					

RESOURCES PORTFOLIO

SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
FINANCIAL SERVICES		
Corporate Management	420,960	569,900
Non-Distributed Cost	2,310,520	2,634,410
Interest Payable & Interest Income	521,330	398,830
	3,252,810	3,603,140
CORPORATE AND CULTURAL SERVICES		
Local Land Charges	(60,240)	(28,730)
TECHNICAL SERVICES		
Property Investment Income	(301,890)	(335,790)
TOTAL RESOURCES PORTFOLIO	2,890,680	3,238,620

RESOURCES SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET 2013/14

SERVICE BLOCK	Original Estimate 2013/14	Inflation	One off-items	Committed growth	Compensatory Savings	Reduction in Income	Impact of Capital Programme	Additional Income	Savings	Non-MTFP Other changes	TOTAL 2014/15
	£	£	£	£	£	£	£	£	£	£	£
Financial Services											
Corporate Management	420,960	(4,440)	-	50,000	-	-	-	-	(81,000)	184,380	569,900
Non-Distributed Cost	2,310,520	2,090	-	141,000	(60,000)	-	-	-	(33,000)	273,800	2,634,410
Interest Payable & Interest Income	521,330	-	-	-	-	-	80,800	109,000	18,100	(330,400)	398,830
	3,252,810	(2,350)	-	191,000	(60,000)	-	80,800	109,000	(95,900)	127,780	3,603,140
Corporate & Cultural Services											
Local Land Charges	(60,240)	(2,630)	-	-	-	-	-	-	-	34,140	(28,730)
Technical Services											
Property Investment Income	(301,890)	(16,320)	-	-	-	-	-	-	(6,040)	(11,540)	(335,790)
APPROVED ESTIMATE 2014/2015	2,890,680	(21,300)	-	191,000	(60,000)	-	80,800	109,000	(101,940)	150,380	3,238,620

WORTHING RESOURCES PORTFOLIO 2014/2015 - SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	Total Budget
Financial Services											
Corporate Management	(528,370)	499,060	7,850	-	191,680	-	(177,070)	(6,850)	576,750	-	569,900
Non-Distributed Cost	2,392,850	-	10,000	-	-	-	(42,820)	2,360,030	-	274,380	2,634,410
Interest Payable & Interest Income	-	-	-	-	-	-	(86,730)	(86,730)	-	485,560	398,830
Corporate & Cultural Services											
Local Land Charges	-	82,800	-	-	37,300	-	(171,860)	(51,760)	23,030	-	(28,730)
Technical Services											
Property Investment Income	110	6,080	164,430	-	22,000	3,760	(1,002,160)	(805,780)	437,260	32,730	(335,790)
	1,864,590	587,940	182,280	-	250,980	3,760	(1,480,640)	1,408,910	1,037,040	792,670	3,238,620
Percentage of Direct Costs	65%	20%	6%	0%	9%	0%					

	2013/14 Estimate	2013/14 Revised	2014/15 Estimate
	£	£	£
COUNCIL TAX			
Payments			
Worthing Borough Council Demand	7,621,210	7,621,210	7,631,064
WSCC Precept	40,998,958	40,998,958	41,051,945
Sussex Police & Crime Commissioner	4,883,928	4,883,928	4,985,628
Total Payments	53,504,096	53,504,096	53,668,637
Council Tax			
Amount due from residents	46,132,177	60,767,351	61,061,437
Plus: Benefits	7,450,400	(7,070,922)	(7,210,000)
Gross Amount Due	53,582,577	53,696,429	53,851,437
Less: Provision for bad debts	(78,481)	(78,481)	(182,800)
Total Council Tax	53,504,096	53,617,948	53,668,637
Deficit/(Surplus)			
Deficit/(Surplus) for year	-	(113,851)	-
Deficit/(Surplus) Brought forward	221,069	209,000	(21,601)
Increase in provision for Bad Debts	-	104,319	-
(Deficit)/Surplus shared to:			
WBC	(31,489)	(31,491)	3,076
WSCC	(169,400)	(169,399)	16,553
SPCC	(20,179)	(20,179)	1,972
Deficit/(Surplus) Carried Forward	0	(21,601)	0

Property Band	2013/14				2014/15				CHANGE			TOTAL
	Precepting Authorities		Worthing Borough Council Services	TOTAL	Precepting Authorities		Worthing Borough Council Services	TOTAL	Precepting Authorities		Worthing Borough Council Services	
	WSCC	Police			WSCC	Police			WSCC	Police		
£	£	£	£	£	£	£	£	£	£	£	£	
A	774.66	92.28	144.00	1,010.94	774.66	94.08	144.00	1,012.74	0.00	1.80	0.00	1.80
B	903.77	107.66	168.00	1,179.43	903.77	109.76	168.00	1,181.53	0.00	2.10	0.00	2.10
C	1,032.88	123.04	192.00	1,347.92	1,032.88	125.44	192.00	1,350.32	0.00	2.40	0.00	2.40
D	1,161.99	138.42	216.00	1,516.41	1,161.99	141.12	216.00	1,519.11	0.00	2.70	0.00	2.70
E	1,420.21	169.18	264.00	1,853.39	1,420.21	172.48	264.00	1,856.69	0.00	3.30	0.00	3.30
F	1,678.43	199.94	312.00	2,190.37	1,678.43	203.84	312.00	2,194.27	0.00	3.90	0.00	3.90
G	1,936.65	230.70	360.00	2,527.35	1,936.65	235.20	360.00	2,531.85	0.00	4.50	0.00	4.50
H	2,323.98	276.84	432.00	3,032.82	2,323.98	282.24	432.00	3,038.22	0.00	5.40	0.00	5.40

Comparison of Council Tax for 2012-13 & 2013-14

WORTHING:

WORTHING:
Collection Fund NNDR 2014-2015

	2013/14 Estimate	2013/14 Revised	2014/15 Estimate
NNDR (BUSINESS RATES)			
Payments	£	£	£
Amount of NNDR to be paid to Central government	14,973,768	15,045,050	14,940,789
Amount to be retained by WBC under the rates retention sch'e	11,979,015	12,036,040	12,085,133
Amount to be passed to West Sussex	2,994,754	3,009,010	2,988,159
Total amount due to authorities	29,947,537	30,090,100	30,014,081
Net Rates Payable	32,206,365	31,963,400	31,148,912
Less: Movement in Bad Debt Provision	328,916	548,100	386,000
Less: Local Authority's estimate of adjust due to appeal	901,174	545,400	879,600
Less: Full Provision for backdated appeal decisions	901,174	666,600	0
Net Payable by Business Sector	30,075,101	30,203,300	29,883,312
Less: Net Transitional Protection Payments - Paid by the government (E)	-5,734	-20,100	6,061
Amount allowed to Council for - Administration costs and Interest on Repayments	133,297	133,300	132,502
Non Domestic Rating Income	29,947,538	30,090,100	29,744,749
Other Income for 2014/15			
2013/14 Original Estimate	29,953,271		
Change from original estimate - increase (+) / decrease (-)		136,829	
Surplus/(Deficit) distributed in 2014/15			136,829
Add: Cost of Collection allowance			132,502
Amount Due to Authorities			30,014,080
Surplus/(Deficit): Worthing Borough Council			
Business rates Baseline Target	11,973,328	11,973,328	12,206,575
Less: Tariff/Top-Up	-9,621,091	-9,621,091	-9,808,582
Baseline funding Target (A)	2,352,237	2,352,237	2,397,993
40% share of Actual business rate	11,979,015	12,036,040	11,897,900
Less: Tariff/Top-Up	-9,621,091	-9,621,091	-9,808,582
Baseline funding Retained (B)	2,357,924	2,414,949	2,089,318
Surplus/(deficit) (B-A)	5,687	62,712	-308,675
50% Levy payable to CG in case of Surplus	-2,843	-31,356	0
Surplus to be retained by Council	2,844	31,356	-308,675
Less: Original 2013/14 surplus		-2,844	
Additional surplus to benefit the Council in 2014/15		28,512	

NB. The above table represents the NDR Collection fund as submitted to the DCLG. The budgeted impact on the General Fund is set out below:

Section 31 grant compensating the Council for additional cost of changes made in 2013 Autumn Statement for small businesses.	1,013,364
Authority share of adjustments to business rates net payable	-560,689
Budgeted Authority Surplus	144,000

Adur
District
Council



HOUSING REVENUE
ACCOUNT BUDGET
REPORT

ADUR:

Housing Revenue Account Budget Report



**Cabinet
4th February, 2014
Agenda Item No: 4**

TITLE: Housing Revenue Account – Budget 2014/15
REPORT BY: Sarah Gobey Executive Head of Financial Services

1.0 SUMMARY

1.1 This report sets out financial arrangements for the Housing Revenue Account and asks Members to set the rent levels and service charges for 2014/15. The report also considers some of the issues emerging from 2015/16 onwards.

2.0 INTRODUCTION

2.1 This report seeks to explain the main issues surrounding the budgets for the Housing Revenue Account to enable Members to set rent levels for 2014/15. It also provides more detailed explanations of housing finance issues for Members who require an understanding of some of those technical issues.

2.2 The Housing Revenue Account (HRA) pulls together the total costs and income of the Council in its provision of the Housing Landlord Service. This account is ring-fenced so that it is totally separate from the other income and expenditure of the Council.

2.3 From 1 April 2012 the Localism Act replaced the former complicated HRA subsidy system with a new self-financing regime. The new regime allows the Council more freedom to determine its own budget, albeit some financial restrictions still apply, most notably around the use of Right To Buy (RTB) capital receipts and prudential borrowing limits.

2.4 The Council is now able to retain all of its revenue housing income streams whereby previously it was required to pay over a significant proportion of it as subsidy to Central Government. The Council is required to operate the HRA on a sustainable basis at no detriment to the General Fund (and vice versa). To facilitate this the Council, as with all housing authorities, was required to produce from the start of 2012/13 a thirty year financial Business Plan showing how the HRA could be run on a self-financing basis. This report updates the Business Plan and informs members of the key budgetary assumptions which underpin the financial projections from 2014/15 onwards.

2.0 INTRODUCTION

- 2.5 The setting of rent levels is now an integral part of the financial planning decision making process. Officers are recommending an average increase of 8%.
- 2.6 Additionally, this report updates Members on the changes to RTB and welfare benefits and the potential implications of these new arrangements.

3.0 SUMMARY EXPLANATION OF THE HRA SELF FINANCING REGIME

- 3.1 As with many other local authorities the Council was required by central government on 28 March 2012 to effectively buy itself out of the former subsidy system by making a Self-Financing Determination Settlement Payment to the Department for Communities and Local Government (DCLG). For Adur the payment amounted to £51.185m and was funded by a loan from the Public Works Loan Board (PWLB), repayable in equal instalments over 30 years and at a rate of interest of 3.03%. The settlement amount was derived from the CLG's valuation of the Council's housing stock using a discounted cash flow model of the rental income and expenditure required to maintain the housing stock over the same period of 30 years.
- 3.2 From 1 April 2012, two significant elements of the HRA budget changed. Firstly, the requirement to make net subsidy payments to central government ceased, and secondly, HRA capital financing costs (formerly prescribed by statute, the Item 8 Debit) were replaced by an accounting cost apportionment methodology (the "two pool split") relating to past capital investment, plus the cost of new borrowing. These changes formed the most significant elements of the 30 year Business Plan, that was last updated for approval by the meeting of the Adur Cabinet on 5th February 2013. One year on, this report updates the estimates for all aspects of the HRA budget for 2014/15 onwards.
- 3.3 In order to regulate public sector borrowing, and coinciding with the introduction of self-financing, the DCLG imposed debt limits for housing authorities. The debt limit is recognised generally as a constraint on councils' ability to finance new affordable housing delivered via the HRA, and for Adur Council the limit is set at £68.912m. The limit comprises £51.185m for the debt incurred to pay the Settlement Payment to CLG, with the balance of £17.727m relating to an estimation of the Council's underlying need to borrow (as measured by the Housing Capital Finance Requirement or HCFR) at 1 April 2012.
- 3.4 As actual HRA debt was almost at the limit imposed at the start of 2012/13 financial year, the ability to take on new debt is reliant on repaying existing debt and creating some "headroom" below the limit. This is partly facilitated by the amount borrowed to fund the Debt Settlement Payment, as the repayments of principal are in equal instalments (EIP) over the loan term which results in additional headroom of £1.706m per annum being created. Additional headroom is also obtained by the repayment of other historic (i.e. pre 1 April 2012) HRA debt when it falls due. The expected headroom for new HRA borrowing at 1 April 2014 is approximately £3.9m.

Housing Revenue Account Budget Report

3.0 SUMMARY EXPLANATION OF THE HRA SELF FINANCING REGIME

3.5 The financing costs relating to new capital investment funded from borrowing consists of interest chargeable on the principal amounts outstanding, plus a provision (The Minimum Revenue Provision, or MRP) for debt repayments. The MRP is set aside to ensure that sufficient resources are provided to repay the principal amounts borrowed over the life of the investments achieved. The MRP is a voluntary and prudent provision in keeping with the Council's Treasury Management Strategy (Appendix 6). Both interest costs and MRP are charged into the HRA Comprehensive Income and Expenditure Statement so that they are ultimately financed by rental and other income. The budgeted estimates for financing costs in 2014/15 are disclosed in Para 7.2.

3.6 Despite taking on a considerable amount of additional debt, the self-financing regime gives the Council the opportunity to address some long running concerns about the level of resources for the on-going maintenance of property and to finance a larger proportion of the capital programme from revenue which will ultimately save the Housing Revenue Account interest costs. These issues are discussed in more detail within the body of the report.

4.0 RISKS AND CHALLENGES REGARDING RIGHT TO BUY AND REFORM OF HOUSING BENEFITS

4.1 Council housing stock numbers are as follows:

	2012/13	2013/14	2014/15 (Estimate)
Stock at 1 st April	2,652	2,645	2,639
Plus: Additions - Note(1)	5	5	5
Less: Right to Buy sales	(12)	(11)	(20)
Less: Disposals	-	-	-
Stock at 31st March	2,645	2,639	2,624

Note (1:) These additions are the repurchase of previously owned council dwellings, and over time is intended to increase the housing stock to offset the impact of dwellings sold under Right To Buy.

4.0 RISKS AND CHALLENGES REGARDING RIGHT TO BUY AND REFORM OF HOUSING BENEFITS

4.2 In 2012/13, the first year of self-financing, 12 properties were sold compared to just 6 the year before. The signs are that despite the economic downturn and government's austerity measures of recent years, interest from tenants in the possible take up of RTB sales is increasing. This is possibly a reflection of the availability of increased purchase price discounts, and the impact of the Government's Help to Buy Scheme - which is being extended in 2014 to buyers of second hand properties. The propensity for sales to further increase is therefore real, although the consequential loss of rental income from these sales may in future be partly mitigated by the aim to purchase five flats per annum, as well as introduce a new build programme.

4.3 A depleting housing stock base means that the fixed costs per property increase and rental income available to fund these costs reduces. The level of capital receipts retained by the Council to replace the reducing housing stock base is limited due to the increase in the level of discount offered and the DCLG restrictions placed under the new RTB arrangements. Underpinning this constraint were the following principles contained in the March 2012 CLG publication "Reinvigorating Right To Buy and One For One Replacement – Information for Local Authorities"

- To increase the cap on Right to Buy discounts to 75% (Cash limit of £75,000) from 1 April 2012 to enable more people to achieve home ownership.
- To ensure that the receipts on every additional home sold under RTB is used to fund one to one replacement nationally (i.e. Councils are not required to demonstrate one for one replacement locally).

4.4 The RTB scheme applies to secure tenants and for 2013/14 the following discount levels for houses and flats applied:

- For houses, a 35% discount for tenants of 5 years. For every extra year the discount increases by 1%, up to a maximum of 60% – or £75,000 across England and £100,000 in London boroughs (whichever is lower).
- For flats there is a 50% discount for tenants of 5 years. For every extra year the discount increases by 2%, up to a maximum of 70% – or £75,000 across England and £100,000 in London boroughs (whichever is lower).

4.5 On 3 January, 2014 proposals were announced to raise the level of discounts further:

4.0 RISKS AND CHALLENGES REGARDING RIGHT TO BUY AND REFORM OF HOUSING BENEFITS

“In a deal that is currently being negotiated between the coalition partners, the chancellor is poised to announce he will raise English council borrowing limits in return for a further increase in right to buy discounts. It is understood the caps will not be removed entirely, but that there would be flexibility to increase borrowing headroom in areas of particularly acute housing need. To borrow more, it is thought councils will have to agree to meet specific conditions, such as committing to build new homes or improve estates” (source: Inside Housing Today)

4.7 Under these proposals the RTB maximum discounts of £75,000 for council houses outside of London would be increased by CPI inflation, making the discount nearer £77,000 (at Nov.2013 prices). The cash limit will still be capped, but the cap itself will also be increased from 60% to 70% of market value.

4.8 As a condition of being able to retain capital receipts arising from RTB sales, the Council entered into an agreement with the Secretary of State in 2012 whereby:

- (i) the retention of receipts only applies to the RTB sales above the number assumed each year in the HRA self-financing settlement. For Adur the original 75% central pooling arrangement continued for the first 4 properties sold post 1 April 2012, and thereafter is calculated in accordance with a CLG formula
- (ii) the Council use the receipts for the provision of “affordable” rented homes (i.e. those with rents up to 80% of market rents), albeit that in practice the Council may exercise discretion to set rent below this figure, and maybe as low as 65% in keeping with some housing associations;
- (iii) the retained share of receipts constitute no more than 30% of total investment in such homes (net of any contribution from another public body)
- (iv) the retained receipts are used within 3 years to provide new affordable homes, otherwise they will be required to be paid into the CLG pool plus accrued compound interest of 4%.

4.9 The RTB regulations allow the amount of RTB receipts to be pooled to be reduced by certain deductible items:-

- transactions costs
- any abortive costs of RTB applications
- an adjustment to take account of the change in the assumptions of RTB sales made in the DCLG Self-Financing Settlement valuation business model calculation

4.0 RISKS AND CHALLENGES REGARDING RIGHT TO BUY AND REFORM OF HOUSING BENEFITS

- 4.10 The rationale of the Government's framework is that it wants replacement homes provided for as quickly as possible, citing evidence from the 2011-15 Affordable Homes Programme that it should be possible to fund new homes let at affordable rent with no more than 30% of the cost of new homes coming from RTB receipts.
- 4.11 Although the Government have affirmed its policy of one for one replacement of every home sold under the RTB scheme, at December 2013 only been 1,662 replacements had been started for 10,954 properties sold – a ratio of 1 in 7.
- 4.12 The Welfare Reform Act received Royal Assent in March 2012 and introduced the most significant changes in the welfare system in over 60 years. The reforms reflect the Government's aim to reduce the cost of welfare benefits generally, and are being trialled in a number of areas, as the planned national implementation for new claimants and those with a change of circumstances from October 2013 has been delayed. Early experience suggests that the reforms will increase the financial pressures on some of the most vulnerable people of society, due to the introduction of caps on the amount of weekly benefit, including further reductions for under occupation, generally referred to as the 'bedroom tax'.
- 4.13 Also, for working age people, a Universal Credit will replace a number of former out of work benefits, including housing benefit, income support, job seekers allowance, income related employment and support allowance, child benefit, child tax credit, and carer's allowance. Universal Credits will be paid directly to claimants rather than the current arrangement of direct payment to the Local Authority as landlord. Hence the decision that benefit is to be spent on rent, as opposed to other expenditure, is in the hands of the individual recipient.
- 4.14 Approximately 70% of Adur tenants (1,726 out of a total of 2,621 at 31 December 2013) are in receipt of benefits and it is likely that there will be pressures on rents and debt collection in future. In particular, the 'bedroom tax' is anticipated to affect 212 tenants (8% of all tenants) who will lose 14% of their housing benefit for the first spare bedroom, and 25% if they have two or more bedrooms unoccupied. Tenants who are no longer of working age (i.e. 62 and over) are exempt from these reductions. Initial enquiries with the tenants affected have revealed disparate reasons why some would not wish to move from their present accommodation. For example, some tenants have children of the opposite sex and would require larger accommodation in future, while others have specific disabled adaptations. However, a small minority of tenants appear to have no reason for remaining in under occupied accommodation, citing they were allocated a larger property for children who are no longer resident. In any event, the impact may adversely affect the projections for collections of arrears.

5.0 THE HOUSING REVENUE ACCOUNT FOR 2014/15

5.1 The projected expenditure and income for the HRA in 2014/15 is as follows:-

	Estimate 2014/15
	£'000
Expenditure	12,828,470
Income	(13,394,530)
Net (Surplus)/Deficit for the year	(566,060)
Proposed contribution to /(from) reserves	566,060
Overall position for the year	-
Balance brought forward 1 st April, 2014	(2,108,313)
Balance carried forward 31 st March, 2015	(2,108,313)

More detailed estimates for the Housing Revenue Account for 2013/14 and 2014/15 are shown in Appendix 1.

- 5.2 These projections take into account the budget from 2013/14, which has been updated for inflation, capital financing costs in respect of debt, and proposed increased rent income together with the other proposed adjustments which are described more fully below.
- 5.3 The estimated outturn for 2014/15 shows a break-even position allowing for a contribution of £566,060 to a specific reserve introduced from 2012/13 for new development and refurbishment of Adur Homes' dwellings (see 14.4).

6.0 RENT SETTING FOR 2014/15

- 6.1 In 2002/03, as part of its Social Rent Reforms in the Local Authority sector, the Government introduced a mechanism to standardise the process for calculating rents.
- 6.2 The rent restructuring convergence policy objectives were that:
- (a) social rents should remain affordable and well below those in the private sector
 - (b) social rents should be fairer and less confusing for tenants

6.0 RENT SETTING FOR 2014/15

- (c) there should be a close link between rents and the qualities which tenants value in properties
- (d) differences between the rents set by local authorities and Registered Social Landlords (RSL) should be removed.

Looking Back

6.3 From 2000/01 to 2012/13 rents at Adur District Council properties have been increased in line with Government guidelines for rent convergence, moving rents gradually towards target rents (known by CLG as formula rents). It was envisaged that rents should converge with those charged by housing associations by 2015-16, followed by rent rises at Retail Price Index plus 0.5% per year after this. Adur Homes Rents are currently significantly below 2013/14 target rents (equal to approximately 91% of formula rents on average). To meet the rent convergence assumptions the average rent increase would have been 5.2% in 2013/14, but Adur Council took the decision to charge an average rent increase of 3.1% (equal to RPI + ½%). The Adur Homes rents charged for the last three years are as follows:

Rents charged at Adur District Council 2011/12 to 2013/14								
Adur District Council	Average Rent			Increase on Previous Year		RPI inc. from Previous Year		Formula Rent
	2011/12	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2013/14
Bedsits	£57.89	£61.98	£63.15	7.0%	1.9%			£67.79
1 bed	£67.96	£72.92	£74.81	7.3%	2.6%			£81.34
2 bed	£76.87	£82.79	£85.31	7.9%	3.0%			£93.50
3 bed	£86.03	£92.95	£96.37	7.8%	3.7%			£106.94
4 bed	£91.24	£98.02	£102.23	8.1%	4.3%			£115.92
5 bed	£91.97	£99.58	£104.66	8.3%	5.1%			£127.64
All	£76.17	£82.01	£84.56	7.7%	3.1%	5.6%	2.6%	£92.86

6.4 Comparative data acquired for other Sussex Councils relating to 2011/12 indicate that Adur falls just below the median in ranking for average rents charged:

6.0 RENT SETTING FOR 2014/15

Looking Back

Social Housing Sector Rents Charged in Sussex 2011-12 Source: Valuation Office Agency					
Area	No. of Rents	Average	Lower Quartile	Upper Quartile	Difference vs Adur (average)
Horsham	1,036	£973	£695	£1,095	30%
Brighton & Hove UA	3,145	£959	£650	£1,200	28%
Mid Sussex	928	£917	£675	£995	23%
Wealden	553	£915	£625	£975	22%
Lewes	810	£864	£650	£925	16%
Chichester	1,209	£848	£625	£935	14%
Crawley	660	£828	£650	£950	11%
West Sussex ave.	7,398	£791	£575	£895	6%
Adur	344	£747	£585	£825	0%
Arun	2,009	£684	£520	£795	-8%
East Sussex ave.	5,040	£680	£472	£795	-9%
Rother	774	£674	£500	£775	-10%
Worthing	1,212	£651	£525	£750	-13%
Eastbourne	1,363	£645	£450	£750	-14%
Hastings	1,540	£534	£400	£625	-29%

- 6.5 A further comparison of Adur Homes rents for 2012/13 shows that both the average rent and formula rents (i.e. the level of rent expected to be achieved through convergence) across all property types is below the equivalent rent applied by our neighbouring Registered Social Landlord "Worthing Homes Ltd".

Data for 2012/13 Adur District Council and Worthing Homes (Registered Social Landlord)									
	Av rent (WH all stock)	Av rent (WH in Adur)	Av rent (ADC)	Av FR (WH all stock)	Av FR (WH in Adur)	Av FR (ADC)	AR:FR (WH all stock)	AR:FR (WH in Adur)	AR:FR (ADC)
Bedsit	£66.72		£61.98	£66.89		£65.68	99.7%		94.4%
1 bed	£78.74	£77.81	£72.92	£78.77	£82.49	£77.94	100.0%	94.3%	93.6%
2 bed	£91.99	£97.20	£82.79	£93.44	£96.78	£89.57	98.4%	100.4%	92.4%
3 bed	£102.69	£104.17	£92.95	£106.63	£108.81	£102.46	96.3%	95.7%	90.7%
4 bed	£112.33		£98.02	£124.54		£111.62	90.2%		87.8%
5 bed	£109.11		£99.58	£134.86		£122.31	80.9%		81.4%
6+beds	£133.81			£132.85			100.7%		
All	£91.20	£94.69	£82.01	£93.24	£97.65	£89.04	97.8%	97.0%	92.1%

- 6.6 Adur Homes rents compared with Open Market rents and other benchmarks are as follows:

6.0 RENT SETTING FOR 2014/15

Looking Back

Compared with Other Types of Rent in Adur Adur Homes rents are considerably lower than other rented accommodation in Adur					
	Open Market Rent	Affordable Rent (80%)	Adur Homes Social Rent	Formula Rent (Social Rent)	Local Housing Allowance
Lancing/ Sompting	£173 £750/mth	£138	£86.71	£94.67	£150
Shoreham/ Southwick	£218 £944/mth	£174	£84.46	£92.79	£188.68

6.7 The Tables in Para 6.3-6.6 above are reproduced in Appendix 4 of this report with further explanations of the findings. The evidence would suggest that although the average Adur Homes rent is not the lowest in Sussex it does lag behind the rents charged by eight of the other fourteen councils. Additionally, the average rent for Adur Homes is below the formula rent that would have applied had rent convergence been achieved, and provides secure tenancies in the District at the lowest cost comparable to other providers. For example, the average Adur rent in the Shoreham and Southwick areas is 61% below open market rents, and 13% below Worthing Homes rents charged in the Adur area as a whole.

Looking Forward

6.8 It is the Government's expectation that Councils will have achieved convergence by 2015/16 as the CLG modified its stance on rent setting policy in July 2013 by announcing in a letter to housing authorities ;

"Having considered the issue carefully, we are minded not to extend rent convergence beyond 2014/15.....' We expect most landlords to have achieved rent convergence by 2015. By that point, rent convergence policy will have been in place for almost 15 years - this is a significant period of time for landlords to make full use of the rent flexibilities the government has provided, and most have done so."

6.9 There followed in October 2013, a CLG consultation paper "Guidance on Rents for Social Housing", in which it was proposed:

- moving from annual increases in weekly rents of Retail Price Index (RPI) + 0.5 percentage points (+ up to £2 for social rents), to increases of Consumer Price Index (CPI) + 1 percentage point;
- removing (from 1 April 2015) the flexibility available to landlords to increase weekly social rents each year by an additional £2, above the increase in formula rent, where the rent is below the rent flexibility level and rent cap;

6.0 RENT SETTING FOR 2014/15

Looking Forward

- making clear that rent policy does not apply where a social tenant household has an income of at least £60,000 a year.

6.10 Consequently, in 2014/15 there is a one-off opportunity before the changes are introduced in 2015/16 to increase rents to a level that is more in line with the rent that would have applied had convergence been attained, and which will help ensure a sustainable Business Plan in future years. Each 1% rental increase above cost inflation (approx. 2.5%) will represent an additional £116,000 that can be set aside to meet Adur Homes' objectives and priorities.

This year's proposed average dwelling rent level

6.11 Therefore, the average rental increase recommended for 2014/15 is 8%, raising the average council dwelling rent by £6.76 to £91.33 per week (average rent currently £84.57 per week). This increase still results in the average rent being below the formula rent that would have applied had convergence occurred, and importantly will provide additional resources to enable necessary investment to maintain the housing stock and improve the service provided to tenants. Appendix 5 details the growth items identified (total £595k) .

This year's proposed average dwelling rent level

6.12 The proposed average increase is estimated at being below the Rent Rebate Subsidy Limitation (RRSL) limit. The RRSL limit is the maximum average rent that may be charged before housing benefit payments need to be subsidised by the HRA. The Department of Works and Pensions has not yet published the RRSL limit rents.

6.13 It is intended to apply a larger increase to properties where the rent is further away from the target rent and to apply a smaller increase to properties where the rent is closer to the target rent. The level of increase for any property will be capped at 15%.

6.14 It is also proposed to charge the target rent on new lettings from April 2014/15. This policy will not be applied to transfers, mutual exchanges or to tenants that are downsizing.

Garage Rents

6.15 Garage rents were increased by 2% in 2013/14 to £8.67 per week (plus VAT for non-Council tenants). It is proposed that the garage rents be again increased in 2014/15 by 2% to £8.84. These proposals will generate an extra £6,780 in income.

7.0 DEBT FINANCING COSTS

7.1 The debt financing costs chargeable to HRA in 2014/15 relate to interest payments and MRP relating to the following :

- i) historic debt of £17.491m in existence at 1 April 2012 (less any subsequent repayments) attributable to the HRA via the “two-pool split” of the Council’s total debt at that date.
- ii) debt incurred on 28 March 2012 to pay the HRA self-financing settlement payment of £51.185m, for which there will be a balance of £47.8m outstanding at 31 March 2014.
- iii) new borrowing anticipated in 2014/15 for new capital expenditure.

7.2 The budgeted costs are:

2014/15 Budget	Interest £000	MRP £000	Total
Historic Debt	990	437	1,427
Settlement Debt	1,435	1,280	2,715
2014/15 Borrowing	407	283	690
Total Budget	2,832	2,000	4,832

7.3 The combined budget of £4.832m is the same value as set for 2013/14 and reflects no significant changes. While interest costs on debt are a direct charge from the lender, MRP is applied as a contribution to the Major Repairs Reserve.

8.0 REPAIRS AND MAINTENANCE

8.1 The condition of housing stock is maintained and improved in two ways:-

- Routine revenue repairs of a day-to-day nature and by planned maintenance such as repainting or boiler servicing.
- Capital investment programme of refurbishment and improvement on a larger scale.

8.2 In recent years, the budget for repairs has been suppressed due to concerns about the overall financial position of the HRA, which had been in deficit for some years. When setting the 2012/13 budget The Executive Head (Adur Homes) identified that the 2011/12 budget was insufficient for the emerging needs and should be increased by £300,000 per year (representing a 5% increase). With inflation, the budget in 2014/15 has been increased by 325k over the 2013/14 current budget.

8.0 REPAIRS AND MAINTENANCE

8.3 Housing Capital Investment Programme

8.3.1 The capital investment programme typically comprises refurbishment and improvement on a larger scale for schemes such as new central heating and double-glazing.

8.3.2 Future investment in the council housing stock is funded from:-

- (i) revenue contributions to capital expenditure;
- (ii) the Major Repairs Reserve, which will increase each year by a contribution from the HRA equivalent to the depreciation charge on the use of fixed assets. This contribution is ring-fenced for repayment of debt or for direct financing of capital and maintenance expenditure; and
- (iii) prudential borrowing (subject to affordability), but must be contained within the Debt Ceiling of £68.912m set by Central Government (Para 3.3 refers).

8.4 With regard to the Council's capacity for new borrowing in relation to the debt ceiling, the Chancellor announced in the 2013 Autumn statement that:

"The government will increase the funding available for new affordable homes, by increasing local authority Housing Revenue Account borrowing limits by £150 million in 2015-16 and £150 million in 2016-17, allocated on a competitive basis, and from the sale of vacant high-value social housing. This funding will support around 10,000 new affordable homes and will form part of the Local Growth Fund, available to local authorities who have a proposal agreed by their Local Enterprise Partnership (LEP). This will strengthen the role of the Local Growth Fund in transforming local economies, by providing much-needed housing to support growth. The government will prioritise bids on the basis of their value for money, and would expect partnership working with Housing Associations or through Joint Ventures. The government also expects bids to contribute public sector land, and disposal of high-value vacant stock to drive competitive bids. To support this, the government will ensure all councils are transparent in the value and size of their housing assets"

8.5 Thus, the increase in the HRA borrowing limit will be distributed through the Local Growth Fund on a competitive basis for LAs who have a proposal agreed by their LEP, rather than a formulaic increase across LAs with a HRA. There is no further detail than this at this time, and therefore the extent to which the Council may benefit from the proposals from 2015/16 onwards remains to be assessed.

8.0 REPAIRS AND MAINTENANCE

8.6 Adur Housing Investment Programme

8.6.1 The capital programme for 2014/15 was approved at £2.746m by the Joint Strategic Committee at its meeting of 3 December, 2013 at which it was reported that :

“The estimated resources available to fund the 2014/15 HRA renovation programme of £2,746,000 are sufficient to fund all the proposed schemes. Under the new self financing regime, the HRA is in a much more sustainable position. The first priority is the continued maintenance of decent homes standards for the benefit of existing tenants. The decent homes standard requirement is that homes:-

- a) meet the current statutory minimum standard for housing;*
- b) are in a reasonable state of repair;*
- c) have reasonably modern facilities and services;*
- d) provide a reasonable degree of thermal comfort.”*

8.6.2 A further report detailing specific capital works for in respect of the decent homes programme (and seeking amendment to the Capital Investment Programme overall for 2014/15) is to be presented to the JSC meeting of 6 February, 2014. The amended programme also includes consideration of the impact of slippage from the 2013/14 financial year.

8.6.3 Additionally, the meeting of the JSC on 1st October 2013 received a report on proposals for Adur Homes to carry out a study to investigate the feasibility of delivering a new build housing project comprising home ownership and social housing tenure. To cover the costs of the feasibility work it was agreed to set aside £50,000 from the Adur Homes New Acquisitions and Development Fund. It was further agreed that any proposals would be developed in consultation with the Cabinet Member for Customer Services, but due to the timescales involved, there is no financial impact incorporated into the 2014/15 HRA budget.

9.0 REVENUE CONTRIBUTION TO CAPITAL EXPENDITURE

9.1 A revenue contribution to capital expenditure has been a core resource in financing the Housing capital programme in previous years. With the changes brought about by the self-financing regime, the contribution was increased in 2012/13 to £1.877m, and to £1.950m in 2013/14. No change is proposed for 2014/15 as there is sufficient funds already within the Major Repairs Reserve (Para 14.5 refers) to supplement the funding of any variations to capital expenditure. The revenue contributions in both years reflect a long-term strategy to fund a significant proportion of the proposed capital programme from revenue, thereby reducing the annual revenue cost of borrowing for the capital investment to the Housing Revenue Account. The annual cost implications for each £1m borrowed comprises:

9.0 REVENUE CONTRIBUTION TO CAPITAL EXPENDITURE

Interest Charges based on 4% interest rate	£ 40,000
Annual provision for the repayment of debt – repaid over 40 years	25,000
Total Revenue Cost Implications	65,000

For each £1m borrowed the cost over a 40 year term (the estimated life of a council dwelling over which MRP is applied) would amount to £2.60m in total, some £1.6m more than the cost of a similar investment funded entirely by revenue contributions.

10.0 MANAGEMENT COSTS

- 10.1 The budget for General Management costs has decreased by £234k (8.7%) in 2014/15 compared to the current budget, and reflects general efficiencies, changes in central allocations, and expected savings from management restructuring.
- 10.2 Opportunities for savings efficiencies for Adur Homes general management are reviewed each year as part of the budget process and the changes reflects officers' view of the opportunities and constraints within the current budgetary cycle.

11.0 SUPPORTED HOUSING

- 11.1 The large reduction in Supported Housing funding for the Council's sheltered housing service, as a result of reductions in national government funding and West Sussex County Council's (WSCC'S) decision to remove the ring-fence and assimilate the money into the Area Based Grant administered through Local Area Agreements, led to a new way of funding and delivering the service.
- 11.2 In line with other providers in West Sussex, Adur Homes decided to split the costs of support and enhanced housing management. This enhanced housing management, which is housing management tasks carried out in sheltered accommodation above and beyond management of general needs housing, is now funded through a new service charge which is eligible for Housing Benefit (HB).
- 11.3 There is an expectation by WSCC that some of the funding is used to develop a new floating support service to local people in need of some support who do not live in sheltered housing and this service is currently being launched.
- 11.4 The new contract with WSCC came into effect from 1 April 2013 and will last for 3 years, with an option to extend for a further 2 years. As a reflection of the proposals the 2014/15 budget has been reduced by £147k from the current year estimate.

12.0 SERVICE CHARGES – CONTRACT PRICE INCREASES

- 12.1 As well as core rent charges, some tenancies are also subject to service charges as they receive services which are specific to their circumstances. These charges are made in line with actual costs. Contracts in respect of services to tenants, such as door entry maintenance and communal way cleaning, are normally subject to an annual Retail Price Index (RPI) or equivalent increase. This increase is passed on to tenants receiving those services by way of an equivalent increase in their weekly service charge. Some costs have to be retendered and not all increases are applied at the beginning of a financial year. This means that such increases cannot be incorporated into the annual rent increase process and additional costs are incurred in notifying tenants separately and amending Housing Benefit entitlements when such an increase arises.
- 12.2 Contract review dates are staggered throughout the year and there may be instances when a small increase needs to be applied to such a small group of tenants that it is not cost effective to apply the charge immediately. Members are therefore requested to delegate to the Acting Head of Adur Homes and the Executive Head of Financial Services in consultation with the Cabinet Member, Improved Customer Services, authority to defer such an increase to a more cost-effective date.

13.0 REALLOCATIONS OF SALARIES AND CENTRAL COSTS

- 13.1 All salaries, staff expenses, administration buildings and central support services are collated centrally within the Adur and Worthing Joint services and the Council's general fund budget. It is then re-allocated to services to show the full-cost of service provision. A more detailed explanation of this is included in the Budget Book for Adur & Worthing Councils. The Housing Revenue Account has benefited in recent years from savings achieved from joint shared support services. Last year the underspend on revenue outturn for support charges was £106,000. This year estimated savings in the Joint Strategic Committee are offset by inflation eroding any potential gains for the HRA.
- 13.2 Each year there will be some swings in allocations for the Housing Revenue Account from central support services. There will also be movement in allocation for Adur Homes staff charging to HRA capital projects. These costs are reviewed each year as part of the budget setting process.

14.0 LEVEL OF RESERVE BALANCES

- 14.1 HRA general reserve balances are forecast to be £2.108m at 1st April 2014 and 17% of total expenditure. This is over the target level explained in Para 14.2 below, but reflective of the emphasis placed in securing resources to underpin revenue operations and capital expenditure in future years.

14.0 LEVEL OF RESERVE BALANCES

- 14.2 In the General Fund a target level of balances of between 6-10% of net expenditure has been set. The general principles behind retaining a minimum target level of balances are similar for both the General Fund and HRA in that it should be sufficient to withstand foreseeable 'worst case' scenarios but not so large as to constitute unnecessary retention of tenants monies.
- 14.3 Therefore, in principle, given that the large majority of the costs and incomes of the HRA are relatively stable (or effectively fixed at the start of each year) it should be possible to operate on a reserve balance within the 6-10% range. However, the self-financing regime is still relatively new so that future risks surrounding revenues and costs (including the impact of the impending welfare reforms and RTB regime) are uncertain. Also, given the uncertainty of costs and timings relating to the Council's new build proposals (Para 8.6.3) a cautious approach in the early years is justified in striving to provide adequate reserves to build capacity for the future as part of a longer term strategy.
- 14.4 The balanced budget for 2014/15 includes a proposed contribution of £566,060 to the HRA New Development and Acquisition' Reserve that Members approved be established in 2012/13 for new development and acquisition of new Adur Homes' dwellings. Any under-spend or surplus will be placed in this reserve over the next few years specifically to create capacity to take forward initiatives to increase the supply of affordable housing. The contribution in 2014/15 is part of the longer term strategy for delivering council housing in future.
- 14.5 Until 2011/12 the Major Repairs Reserve (MRR) has been fully utilised to fund in-year capital expenditure so that there has been no carry forward balances retained on the Balance Sheet. However, at 31 March 2013, a balance of £2.197m was retained on the MRR to be carried forward and used for funding the capital programme. This reflects the position that fluctuations may arise in expenditure each year depending on slippage within the capital programme, and the amounts of voluntary set aside for MRP for the repayment of debt. Altogether, the 2014/15 capital budget includes provision for £2.861m to be utilised for financing HRA capital expenditure, comprising the carried forward balances and in-year contributions.
- 14.6 Although a balanced budget has been prepared, any underspends arising at the final revenue outturn for 2014/15 will be put forward for consideration by Members to decide how this may be set aside to the most appropriate Adur Homes reserve taking into account the demands of the service at that time. In keeping with previous years, it is proposed that any overspends at final revenue outturn will be drawn from the HRA General Reserve.

15.0 IMPACT ON FUTURE YEARS

- 15.1 Attached at appendix 4 is the 30-year financial forecast. The focus for the 2014/15 budget has been to ensure that the HRA remains sustainable in the longer term. As with 2013/14, the budget for 2014/15 allows for a high level of investment in the maintenance of properties than has been afforded prior to the self-financing regime. The first priority for the new freedoms has to be the continued maintenance of the decent homes standards for the benefit of our existing tenants.
- 15.2 The financial plan assumes that rent increases from 2015/16 are at the level proposed by the Governments proposals described in para 6.9 (i.e. CPI plus 1%).
- 15.3 The financial strategy within the 30-year forecast also includes the MRP allowance for the repayment of the debt, such that headroom below the Debit Limit is created for new borrowing and is affordable. Over the next five years, the Council will be able to borrow to finance new initiatives as follows:

	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
Opening CFR *	66.078	66.959	65.562	63.993	63.283
New borrowing	-	0.320	0.148	1.007	1.087
MRP	(1.717)	(1.717)	(1.717)	(1.717)	(1.717)
Closing CFR	64.361	65.562	63.993	63.283	62.653
Debt Ceiling	(68.912)	(68.912)	(68.912)	(68.912)	(68.912)
Headroom for additional borrowing if supported by tenants	(4.511)	(3.350)	(4.919)	(5.629)	(6.259)

* *CFR is the underlying need to borrow and in the table above assumes all debt is drawn down in full in the year as planned in the capital programme. The Treasury Management Strategy contained in Appendix 5 includes a comparison of the CFR and the Debt Ceiling derived from projecting the current portfolio of borrowing (i.e. assuming no new borrowing).*

- 15.4 In view of the available headroom for new borrowing the Council could consider support for either a higher level of investment in our current housing stock or to increase the number of affordable homes available through the following:
1. Conversion of HRA shops to dwellings in difficult to let locations
 2. Repurchase of previously owned Council dwellings (particularly leasehold flats)

15.0 IMPACT ON FUTURE YEARS

3. Purchase of empty properties from the private sector which are dilapidated or in need of repairs.
4. Building new homes

All of these options need to be explored in detail to ensure that they are financially viable. Indeed, the implications of changes to the Right to Buy government policies will need to be carefully considered prior to embarking on any project.

- 15.5 To bring all of these considerations together, it is proposed to refresh the Adur Homes business plan periodically, and incorporate into the plan an assessment of the future of the housing stock – including the outcome of the the feasibility investigation into the new build proposals . This will also include an update to the asset management plan which will validate the assumptions in the 30-year forecast about the capital programme and maintenance provision.

16.0 SUMMARY AND RENTAL OPTIONS

- 16.1 Increasing rents by an average of 8%, with other changes to the budget leaves the HRA in a strong financial position going forward, albeit that a number of risks and uncertainties alluded to in this report have yet to take effect or be quantified.
- 16.2 The national DCLG business plan for ‘self-financing’ was based on the assumption that guideline and formula rents will converge by 2015-16. The Government have now dismissed convergence in preference for new proposals effective from 2015 which will see rents regulated by increases of CPI inflation plus 1%. Consequently there is a one-off opportunity to increase rents towards the formula rent. Therefore, it is recommended that this is taken in 2014/15 (before the regulations take effect) to uplift dwelling rentals to a level more akin to that which would have applied had convergence taken place – given that Adur has traditionally lagged behind.
- 16.3 The Council’s discretion on the level of rents it decides to set in future will therefore be constrained and therefore the proposed 2014/15 budget reflects the need to provide resources to invest and maintain the housing stock, as well as ensure a sustainable business plan for future years that is truly “self-financing”.
- 16.4 Clearly, there remains the option of setting a lower rent increase, but this would result in a deficit which would have to be funded from the reserves, or deferring the growth proposals outlined in Appendix 5, or making alternative savings elsewhere in services.

16.0 SUMMARY AND RENTAL OPTIONS

16.5 Discussions have already taken place with the Adur Consultative Forum over the 2014/15 budget proposals, and it is supportive of the recommendations. ACF recognises the need to invest in the future for Adur homes. Forum members will also be invited to attend the Cabinet meeting to relay their views on the budgetary proposals.

17.0 LEGAL IMPLICATIONS

17.1 There are no legal implications arising from the proposed budget other than those relating to :

- i) the use of capital receipts under Right To Buy regulations (Para 4.4 – 4.90), and emanating from the Local Authorities (Capital Financing and Accounting)(England) Amendment Regulations (SI 2012/711 & 2012/1324)
- ii) maintain borrowing with the imposed debt ceiling limit (Para 3.6) arising from the Limits on Indebtedness Determination issued under the powers conferred upon the Secretary of State by S168 to 175 of the Localism Act, 2011.

18.0 RECOMMENDATIONS

18.1 The Cabinet is recommended to:-

- (i) consider and approve the Housing Revenue Account estimates
- (ii) determine the level of associated rents and charges with effect from week one of 2014/15:-
 - (a) **Rents of Council Dwellings** – agree an average increase of 8.0% raising the average council dwelling rent by £6.76 to £91.33 per week (average rent currently £84.57 per week) – (Para.6.11)
 - (b) **Rents of Council garages** – agree an increase of 2% to £8.84. (currently £8.67 per week), plus VAT for non-Council tenants) (Para.6.15)
 - (c) **Service Charges** - delegate to the Acting Head of Adur Homes and Executive Head of Financial Services in consultation with the Cabinet Member for Customer Services, the setting of the service charges (para. 12.2)

18.0 RECOMMENDATIONS

- (iii) To approve a contribution of **£566,060** to the earmarked reserve specifically for new development and refurbishment of council housing (para. 14.4)
- (iv) To approve the HRA Treasury Management Strategy contained in Appendix 6.

SARAH GOBEY

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

CHRISTINE RYDER

Acting Head of Adur Homes

Background Papers:

Reinvigoration the Right to Buy and one for one replacement – Consultation paper from the Department of Communities and Local Government

Laying the Foundations: A Housing Strategy for England

Guidance On Rents for Social Housing – Draft For Consultation (DCLG, Oct 2013)

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SCHEDULE OF OTHER MATTERS

1.0 COUNCIL PRIORITY

1.1 This report acknowledges the need to link all Council priorities with resource allocation in order to meet and deliver those objectives.

2.0 SPECIFIC TARGETS

2.1 (A) Matter considered and no issues identified.

(B) Matter considered and no issues identified.

3.0 SUSTAINABILITY ISSUES

3.1 Well-balanced communities rely upon a diversity of accommodation being available, enabling residents to make housing choices based upon consideration of size, type, tenure and affordability. A vital component of this mixture is accommodation provided by social landlords and the Council is the largest provider of such accommodation in the Adur District. To keep this accommodation well-managed and in good repair, the Council needs a flexible, adaptable approach, albeit with a diminished local freedom to tailor local solutions to meet local needs.

4.0 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.

7.0 FINANCIAL IMPLICATIONS

7.1 Contained within the report.

8.0 LEGAL IMPLICATIONS

8.1 Matter considered and no issues identified.

9.0 CONSULTATIONS

9.1 (A) Consultation is conducted with the Adur Consultative Forum

10.0 RISK ASSESSMENT

10.1 Matter considered and no issues identified.

11.0 HEALTH & SAFETY ISSUES

11.1 Matter considered and no issues identified.

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SCHEDULE OF OTHER MATTERS

12.0 PROCUREMENT STRATEGY

12.1 Matter considered and no issues identified.

13.0 PARTNERSHIP WORKING

13.1 Matter considered and no issues identified.

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APPENDIX 1

HOUSING REVENUE ACCOUNT		
	CURRENT ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
EXPENDITURE		
General Management	2,660,910	2,436,890
Special Services	746,160	893,370
Rent, Rates, Taxes & Other Charges	29,190	29,780
Repairs & Maintenance	2,088,520	2,413,580
Revenue Contribution to Capital	1,950,000	1,950,000
Provision for refurbishment and new build	346,060	566,060
Charges for Capital / Interest Repayment/Debt Management Expenses	2,637,750	2,868,140
Depreciation transfer to MRR Inc Non Op assets	2,193,020	2,186,710
Bad/Doubtful Debt		50,000
TOTAL EXPENDITURE	12,651,610	13,394,530
INCOME		
Dwelling Rents	(11,551,760)	(12,273,230)
Non-Dwelling Rents	(527,680)	(538,240)
Heating Charges	(69,330)	(70,720)
Leaseholder's Service Charges	(100,000)	(102,000)
Other Service Charges	(359,440)	(366,630)
Contributions towards Expenditure	(15,400)	(15,710)
Interest Received	(28,000)	(28,000)
Transfer re: Shared Amenities	-	-
TOTAL INCOME	(12,651,610)	(13,394,530)
NET (SURPLUS)/DEFICIENCY	-	-
BALANCES		
1st April	(2,108,313)	(2,108,313)
Transfer Surplus / (deficit) from HRA	-	-
31st March	(2,108,313)	(2,108,313)

MAJOR REPAIRS RESERVE		
	CURRENT ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
Balanced carried forward	(2,186,000)	(1,741,270)
Transfer from Revenue Account	(2,193,020)	(2,186,710)
MRP on Debt Repayment	2,454,000	2,452,000
Contribution to the Capital Programme	183,750	416,140
(SURPLUS) / DEFICIENCY	(1,741,270)	(1,059,840)

HOUSING REVENUE ACCOUNT										
	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
EXPENDITURE										
General Management	2,427	2,487	2,549	2,613	2,679	2,745	2,814	2,884	2,957	3,031
Special Services	893	916	939	962	986	1,011	1,036	1,062	1,088	1,117
Rents, Rates, Taxes & Other Charges	30	31	31	32	33	34	35	35	36	37
OVERALL RUNNING COSTS	3,350	3,434	3,519	3,607	3,698	3,790	3,885	3,981	4,081	4,185
Annual Revenue Maintenance Costs	2,414	2,530	2,652	2,781	2,916	3,056	3,204	3,359	3,522	3,692
Revenue Contribution to Capital	2,145	2,832	2,910	2,988	3,065	3,142	3,217	3,293	3,370	3,445
Charges for Capital										
Depreciation	2,187	2,293	2,404	2,520	2,642	2,770	2,904	3,045	3,192	3,346
Interest payable										
Interest - on historic debt	988	974	974	974	974	974	974	974	974	974
Interest - on assumed debt	1,435	1,383	1,331	1,279	1,228	1,176	1,124	1,073	1,021	969
Contingency against interest rise (0.75%)	235	228	220	211	201	194	185	177	168	160
Interest - on capital programme	24	57	118	177	234	289	344	393	440	483
Provisions For Bad Debt	50	50	50	50	50	50	50	50	50	50
Contribution to Reserves	566	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	13,394	13,781	14,178	14,587	15,008	15,441	15,887	16,345	16,818	17,304
INCOME										
Dwelling Rents	-12,273	-12,622	-12,981	-13,350	-13,730	-14,120	-14,522	-14,934	-15,359	-15,796
Other Rents and Charges	-1,093	-1,131	-1,169	-1,209	-1,250	-1,293	-1,337	-1,383	-1,431	-1,480
Interest Received	-28	-28	-28	-28	-28	-28	-28	-28	-28	-28
Major Repairs Allowance	0	0	0	0	0	0	0	0	0	0
TOTAL INCOME	-13,394	-13,781	-14,178	-14,587	-15,008	-15,441	-15,887	-16,345	-16,818	-17,304
NET COST OF SERVICES	0	0	0	0	0	0	0	0	0	0

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HOUSING REVENUE ACCOUNT										
	2034/35 £'000	2035/36 £'000	2036/37 £'000	2037/38 £'000	2038/39 £'000	2039/40 £'000	2040/41 £'000	2041/42 £'000	2042/43 £'000	2043/44 £'000
EXPENDITURE										
General Management	3,976	4,076	4,178	4,282	4,389	4,499	4,611	4,727	4,845	4,966
Special Services	1,464	1,500	1,538	1,576	1,616	1,656	1,698	1,740	1,784	1,828
Rents, Rates, Taxes & Other Charges	49	50	51	53	54	55	57	58	59	61
OVERALL RUNNING COSTS	5,489	5,626	5,767	5,911	6,059	6,210	6,366	6,525	6,688	6,855
Annual Revenue Maintenance Costs	6,208	6,508	6,823	7,153	7,499	7,862	8,242	8,640	9,058	9,496
Revenue Contribution to Capital	4,046	4,045	4,034	4,013	3,981	3,936	3,878	3,807	3,777	3,759
Charges for Capital										
Depreciation	5,628	5,900	6,185	6,484	6,798	7,127	7,472	7,833	8,212	8,609
Interest payable										
Interest - on historic debt	932	932	932	932	932	932	932	932	932	932
Interest - on assumed debt	401	349	297	246	194	142	90	39	0	0
Contingency against interest rise (0.75%)	66	58	49	40	31	23	15	6	0	0
Interest - on capital programme	857	895	931	966	998	1,029	1,059	1,087	1,040	920
Provisions For Bad Debt	50	50	50	50	50	50	50	50	50	50
Contribution to Reserves	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	23,677	24,363	25,068	25,795	26,542	27,311	28,104	28,919	29,757	30,621
INCOME										
Dwelling Rents	-21,495	-22,106	-22,733	-23,379	-24,042	-24,724	-25,426	-26,148	-26,889	-27,652
Other Rents and Charges	-2,154	-2,229	-2,307	-2,388	-2,472	-2,559	-2,650	-2,743	-2,840	-2,941
Interest Received	-28	-28	-28	-28	-28	-28	-28	-28	-28	-28
Major Repairs Allowance	0	0	0	0	0	0	0	0	0	0
TOTAL INCOME	-23,677	-24,363	-25,068	-25,795	-26,542	-27,311	-28,104	-28,919	-29,757	-30,621
NET COST OF SERVICES	0	0	0	0	0	0	0	0	0	0

APPENDIX 4

SOCIAL HOUSING RENTS CHARGED BY LOCAL AUTHORITIES IN SUSSEX

Average weekly rent per dwelling on a standardised 52 week basis

Area	No weeks	Rent	Ave rent over 52 weeks	Difference v Adur (average)
Crawley	48	£109.83	£101.38	33.2%
Lewes	52	£80.57	£80.57	5.9%
Arun	52	£76.79	£76.79	0.9%
Adur	52	£76.11	£76.11	
Brighton and Hove	52	£70.76	£70.76	-7.0%
Wealden	48	£75.61	£69.79	-8.3%
Eastbourne	52	£68.38	£68.38	-10.2%

SOCIAL HOUSING SECTOR RENTS CHARGED IN SUSSEX 2011-12

Source: Valuation Office Agency					
Area	No. of Rents	Average	Lower Quartile	Upper Quartile	Difference vs Adur (average)
Horsham	1,036	£973	£695	£1,095	30%
Brighton & Hove UA	3,145	£959	£650	£1,200	28%
Mid Sussex	928	£917	£675	£995	23%
Wealden	553	£915	£625	£975	22%
Lewes	810	£864	£650	£925	16%
Chichester	1,209	£848	£625	£935	14%
Crawley	660	£828	£650	£950	11%
West Sussex ave.	7,398	£791	£575	£895	6%
Adur	344	£747	£585	£825	0%
Arun	2,009	£684	£520	£795	-8%
East Sussex ave.	5,040	£680	£472	£795	-9%
Rother	774	£674	£500	£775	-10%
Worthing	1,212	£651	£525	£750	-13%
Eastbourne	1,363	£645	£450	£750	-14%
Hastings	1,540	£534	£400	£625	-29%

APPENDIX 4

RENTS CHARGED AT ADUR DISTRICT COUNCIL 2011/12 TO 2013/14

Adur DC	Average Rent			Increase on Previous Year		RPI inc. from Previous Year		Formula Rent
	2011/12	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2013/14
Bedsits	£57.89	£61.98	£63.15	7.0%	1.9%			£67.79
1 bed	£67.96	£72.92	£74.81	7.3%	2.6%			£81.34
2 bed	£76.87	£82.79	£85.31	7.9%	3.0%			£93.50
3 bed	£86.03	£92.95	£96.37	7.8%	3.7%			£106.94
4 bed	£91.24	£98.02	£102.23	8.1%	4.3%			£115.92
5 bed	£91.97	£99.58	£104.66	8.3%	5.1%			£127.64
All	£76.17	£82.01	£84.56	7.7%	3.1%	5.6%	2.6%	£92.86

RENTS CHARGED AT ADUR DISTRICT COUNCIL 2011/12 TO 2013/14

Note: Average figures may differ from ELASH return due to properties bought/sold in period since return made to CLG

SUMMARY INFORMATION

Social housing rents charged by Crawley BC are approx 33% higher than rents charged by Adur DC (Private rents in Crawley are approx 11% higher than Adur).

Social housing rents charged by Arun DC are approx 1% higher than rents charged by Adur DC (Private rents in Arun are approx 8% lower than Adur).

Social housing rents charged by Brighton and Hove CC are approx 7% lower than rents charged by Adur DC (Private rents in Brighton and Hove are approx 28% higher than Adur).

Since 2011/12, Adur rents are likely to have remained approximately the same or fallen relative to the average for Sussex

Rents in 2012/13 were increased by an average 2.1% more than RPI. Rents in 2013/14 were increased by just 0.5% more than RPI.

Rents at Adur are still considerably lower than formula rents.

SUMMARY INFORMATION

Data for 2012/13 - Adur DC and Worthing Homes (Registered Social Landlord)									
	Av rent (WH all stock)	Av rent (WH in Adur)	Av rent (ADC)	Av FR (WH all stock)	Av FR (WH in Adur)	Av FR (ADC)	AR:FR (WH all stock)	AR:FR (WH in Adur)	AR:FR (ADC)
Bedsit	£66.72		£61.98	£66.89		£65.68	99.7%		94.4%
1 bed	£78.74	£77.81	£72.92	£78.77	£82.49	£77.94	100.0%	94.3%	93.6%
2 bed	£91.99	£97.20	£82.79	£93.44	£96.78	£89.57	98.4%	100.4%	92.4%
3 bed	£102.69	£104.17	£92.95	£106.63	£108.81	£102.46	96.3%	95.7%	90.7%
4 bed	£112.33		£98.02	£124.54		£111.62	90.2%		87.8%
5 bed	£109.11		£99.58	£134.86		£122.31	80.9%		81.4%
6+ beds	£133.81			£132.85			100.7%		
All	£91.20	£94.69	£82.01	£93.24	£97.65	£89.04	97.8%	97.0%	92.1%

APPENDIX 5

ADUR HOMES – RENT

From 2015/16 DCLG intend that rent policy will be CPI+1%. For 2014/15 there are no restrictions from DCLG, although further confirmation is awaited.

Current rental income 2013/14 Increase 8%	£	1% increase = 115,760
	11,575,730	
12,501,790		
Costs increase estimate 2014/15	926,060	
Increase in repairs	120,650	
Increase in other costs	210,180	
	330,830	
Additional income over costs	595,230	

Proposed Growth	£	Theme	Comments
Voids refurbishments	100,000	Improved customer services and improved housing stock	Although we have a 2 day turnaround for voids due to choice based letting, letting period is approximately 3 weeks. Improving voids is beneficial to tenant and Adur Homes
Housing Management Officer and Tenant Support Officer	70,000	Wave catcher 2 – Cultivating enterprising communities by recognising opportunities, sharing knowledge and skills and “getting out of the way”	Enabling and empowering our tenants
Bad Debt Provision	50,000	Welfare Reform	Reduction in Housing Benefit for under occupation of social housing.
Job Evaluation	50,000	Corporate requirement	This is a “guestimate”

APPENDIX 5

Proposed Growth	£	Theme	Comments
Cyclical maintenance	150,000	Maintaining housing stock	Improved cyclical maintenance has a positive impact on re-active repairs
Buy Back leasehold flats	180,000	Viability of the business and to meet housing needs	We need to replace stock we lose via RTB.
TOTAL	600,000		

HRA TREASURY MANAGEMENT STRATEGY**1.0 INTRODUCTION**

- 1.1 This Appendix sets out the HRA Treasury Management Strategy Statement for 2014-15. The requirement to produce a separate strategy specifically for HRA is a direct consequence of the introduction of the self-financing regime, as it reflects the underlying principle that borrowing and debt management decisions should operate equitably and independently from the General Fund.
- 1.2 The strategy presented and proposed for 2014/15 is unchanged from 2013/14, as it has been accepted by the Council's external auditors in the first two years of self-financing as an appropriate method of apportioning debt management costs and interest accrued from balances and investments between HRA and General Fund.
- 1.3 Underpinning all Treasury Management activity of the Council is the CIPFA Treasury Management Code of Practice, which was last revised in November 2011 to address the implications for introducing HRA Self-financing from 2012/13.
- 1.4 The published Code identified the need for local authorities "...to allocate existing and future borrowing costs between housing and General Fund as the current statutory method of apportioning debt charges between the General Fund and HRA will cease".
- 1.5 The Code set out options for doing this, in respect of which the Council's Treasury Management consultants Sector were invited to provide comment and analysis. The results were presented to Cabinet in the HRA Budget Report 2012/13 at the meeting of 7 February 2012, at which it was agreed to adopt CIPFA's "Two-Pooled Approach". This entailed allocating historic debt at 31 March 2012 between HRA and General Fund, with any new debt acquired after this date to be assigned to the HRA or General Fund according to the purpose for which it is acquired.
- 1.6 Additionally, the Strategy aims to achieve borrowing outcomes that are affordable, sustainable and prudent in keeping with the requirements of the Prudential Code for Capital Finance in Local Authorities. This Code requires the Council to consider the impact of borrowing as well as address a number of other fundamental principles, being:
- (i) The splitting of loans (i.e. debt) at the HRA Settlement transition date must be of no detriment to the General Fund.
 - (ii) The Council is required to deliver a solution that is broadly equitable between the HRA and the General Fund;

HRA TREASURY MANAGEMENT STRATEGY

- (ii) Future charges to the HRA in relation to borrowing are not influenced by General Fund decisions, giving the HRA greater freedom, independence, certainty and control;
 - (iv) Un-invested balance sheet resources which allow borrowing to be below the CFR are properly identified between General Fund and HRA.
- 1.6 Points (i) – (iii) above were addressed by adopting the “Two-Pool Approach”. The last point is met in the Strategy in accordance with the CIPFA Treasury Management code recommendation that the effect should be included in the interest on balances calculation to appropriately allocate the respective portions to HRA and General Fund.
- 1.7 With these background principles and approaches in place the HRA Treasury Management Strategy aims to cover:
- Overall Objectives
 - The Current & Future Position – Underlying Need to Borrow compared to Actual Borrowing
 - The Debt Maturity Profile & Headroom for New Borrowing
 - How to allocate debt and attributable financing costs between HRA and General Fund equitably
 - How to recognise HRA cash balances and reserves which form part of the Council’s total investments
 - How to recognise any costs or revenues generated from Over/under borrowing
- 1.8 Accordingly, these aspects of the Strategy are approached in turn.

2.0 OVERALL OBJECTIVES OF THE HRA TREASURY MANAGEMENT STRATEGY

- 2.1 The central aim of the Strategy agreed for 2013/14 and unchanged for 2014/15 is:
- to provide borrowing that is affordable, sustainable and prudent, as required by The Prudential Code, and which underpins the requirements of the HRA Capital Investment Programme, 30 year Business Plan, and any other corporate plans.

HRA TREASURY MANAGEMENT STRATEGY

- to manage the HRA investments and cash flows, its banking, money market and capital market transactions within the purview of the Council's overall Treasury Management Strategy, and to provide effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- to support budget and service delivery objectives for the benefit of tenants at no detriment to the General Fund or council taxpayers generally.

3.0 THE CURRENT POSITION – UNDERLYING NEED TO BORROW COMPARED TO ACTUAL BORROWING

- 3.1 The underlying need to borrow for capital investment is called the Capital Financing Requirement (CFR) and relates to the amount of planned capital expenditure that is not financed from internal resources, which for HRA are primarily capital receipts, revenue contributions, and the Major Repairs Reserve.
- 3.2 Capital expenditure in any year above the amount allocated to be used from these resources must be financed from borrowing or other credit arrangement (e.g. leasing), and results in an increase to the CFR. By comparing the CFR to the amount of actual borrowing the extent to which the Council is under or over borrowed is determined, and provides a key prudential indicator for performance management. The current estimates based on the capital investment programme for the next three years is shown in the table below:

Adur District Council	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
Capital Financing Requirement (CFR)					
General Fund	12.892	14.076	15.108	15.361	16.713
Housing Revenue Account	66.078	65.562	63.994	63.284	62.655
Total CFR	78.970	79.638	79.102	78.645	79.368
Actual Debt					
General Fund	(16.490)	(13.185)	(12.969)	(12.969)	(12.968)
Housing Revenue Account	(65.818)	(64.982)	(62.993)	(61.287)	(59.581)
Total Debt Amount	(82.310)	(78.167)	(75.962)	(74.255)	(72.549)

APPENDIX 6

3.0 THE CURRENT POSITION – UNDERLYING NEED TO BORROW COMPARED TO ACTUAL BORROWING

Adur District Council	2013/14 Approved £m	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
(Over)/Under Borrowing					
General Fund	(3.600)	0.891	2.139	2.392	3.744
Housing Revenue Account	0.260	0.580	1.001	1.997	3.074
Total	(3.340)	1.471	3.140	4.389	6.818
HRA Borrowing Headroom	3.094	3.930	5.919	7.625	9.331

(Note that the General Fund position is shown for comparative purposes and is extracted from the Annual Treasury Management & Annual Investment Strategy Report 2014/15-2016/17 submitted to the meeting of the Joint Strategic Committee on 6 February 2014.

- 3.3 The comparison shows the HRA is under borrowed at the end of 2013/14 by £580k, reflecting the amount by which debt outstanding and MRP has reduced over and above the incidence of new capital expenditure financed from borrowing since 2012/13. In the following years the amount by which actual borrowing is below CFR increases as the value of debt repaid and MRP provided for in each year exceeds the amount of new borrowing anticipated to fund capital investment.
- 3.4 The propensity to bring actual borrowing into line with the CFR is constrained by the requirement to stay within the HRA Debt Limit of £68.912m imposed by Central Government. This is only a constraint if the CFR based on capital investment proposals is above the debt limit. However, for all years from 2013/14 to 2016/17 the CFR is projected to be below the debt as reflected in the capital investment proposals approved by the meeting of the Joint Strategic Committee on 3 December, 2013.

4.0 THE DEBT MATURITY PROFILE AND HEADROOM FOR NEW BORROWING

- 4.1 The last row of the table in the preceding section compares the existing debt profile with the Debt Ceiling Limit of £68.912m. The amount by which actual borrowing is below the limit provides “Headroom” for new borrowing to fund capital expenditure. For each of the years to 2016/17 the headroom is more than sufficient to allow new borrowing to occur to bring total indebtedness in line with the underlying need to borrow as measured by the CFR – albeit the decision to borrow will be influenced by the prevailing forecast for interest rates, alternative sources of capital funding, and the ability to meet the direct financing costs of borrowing from within the approved HRA budget.

APPENDIX 6

4.0 THE DEBT MATURITY PROFILE AND HEADROOM FOR NEW BORROWING

4.2 The borrowing profile of the debt portfolio over the 30 years from 2012/13 is illustrated graphically at the end of this Strategy document to show the increasing headroom that exists for future borrowing to fund new capital expenditure.

5.0 HOW TO ALLOCATE DEBT AND ATTRIBUTABLE FINANCING COSTS BETWEEN HRA AND GENERAL FUND EQUITABLY – THE TWO POOLED APPROACH

5.1 The methodology adopted in the Strategy draws upon CIPFA guidance relating to the two pooled approach, the essence of which is:

- to disaggregate historic debt at the HRA Debt Settlement transition date by the CIPFA methodology and allocate the respective portions to the HRA and General Fund. To each share is added new debt arising after the transition date according to the purpose for which it was incurred.

5.2 In adopting this methodology, the Council was mindful of its Treasury Management Consultant's comments that "The two pool approach is the preferred option by CIPFA and DCLG. It is relatively simple and allows the HRA to present a preferred funding structure to the Treasury Management team. It allocates a greater proportion of fixed rate borrowing to the HRA, which may suit its needs as it provides a greater degree of certainty over initial costs".

5.3 Another reason for adopting the two pool approach was that an assessment was made of the impact of the resultant financing costs at transition on the HRA and it was concluded that it the effect was negligible.

5.4 For historic debt at the transition date, the two pooled approach assumed the HRA was fully borrowed at the level of its CFR, with the residual debt attributed to the General Fund. Thus, any over borrowing at that date was attributed to the General Fund, rather than shared with the HRA. The effect at 31 March 2012 of applying the two pooled approach was:

CFR Allocations at Transition Date		Debt Allocations at Transition Date	
	£000		£000
HRA	68,676	HRA	68,676
General Fund	11,160	General Fund	13,430
TOTAL	79,836	TOTAL DEBT	82,106

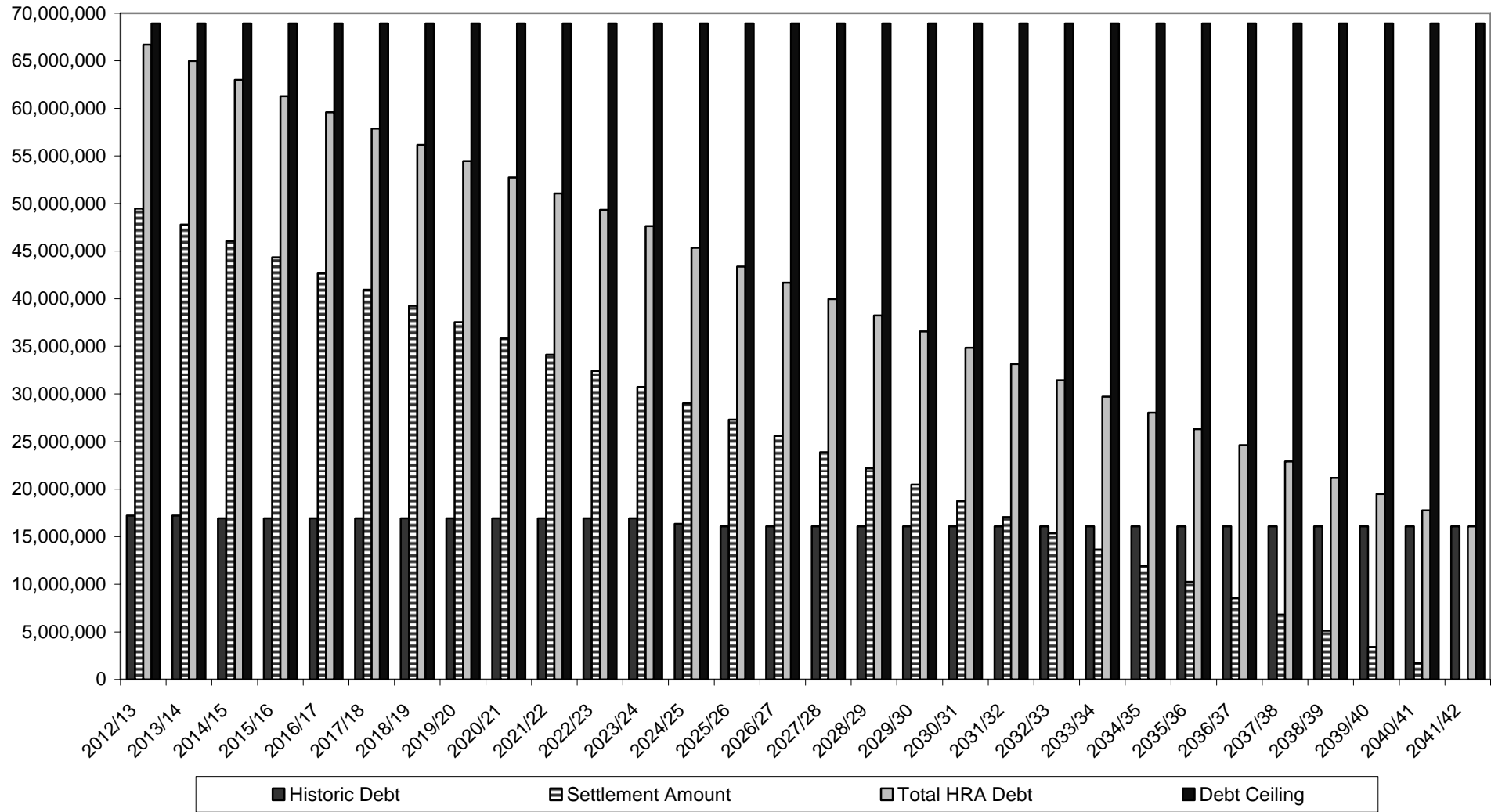
HRA TREASURY MANAGEMENT STRATEGY**6.0 HOW TO RECOGNISE HRA CASH BALANCES AND RESERVES WHICH FORM PART OF THE COUNCIL'S TOTAL INVESTMENTS**

- 6.1 Before 2012/13, the former subsidy system provided for a statutory determination – the Item 8 credit – to attribute interest on notional average HRA cash balances to the HRA Comprehensive Income and Expenditure statement.
- 6.2 This recognised the general principal that the HRA should benefit from its cash balances and reserves, and the introduction of the self-financing arrangements did not alter this principle.
- 6.3 The Strategy adopts the CIPFA recommended approach for all investments to be pooled, since it states that the “interest on cash balances calculation can be used to manage the charge between HRA and General Fund”. Accordingly, to do this the Strategy retains the use of the notional average cash balance approach used within the former Statutory Item 8 calculation as the basis for crediting the HRA share of interest receivable.

7.0 HOW TO RECOGNISE ANY COSTS OR REVENUES GENERATED FROM OVER/UNDER BORROWING

- 7.1 In practice it is recognised that there will be timing differences between the Council's underlying need to borrow (the CFR) and actual borrowing.
- 7.2 Where under borrowing occurs, the Council is drawing upon internal reserves and balances to fund capital expenditure, and therefore bears the cost of interest foregone on the amount of cash consumed that might otherwise be invested.
- 7.3 Conversely, where over borrowing occurs surplus cash to requirements is held that forms part of surplus cash available for investment. This may arise where borrowing for capital expenditure is undertaken in advance of actual expenditure to take advantage of low interest rates.
- 7.4 In both scenarios the CIPFA Treasury Management code states that the effect should be included in the interest on balances calculation to appropriately allocate the respective portions to HRA and General Fund.
- 7.5 Accordingly, the Strategy adopts the approach whereby the relevant credit or debit shall be computed with reference to the difference between the HRA and General Fund CFR and the respective actual debt during the year. Where an Over-borrowing position occurs interest shall be credited according the average rate of interest on all investments prevailing for the period during which the over borrowing was sustained. For an under-borrowed position, interest shall be charged to reflect the interest foregone through consumption of internal resources and at the average rate of all investments achieved during the period of under borrowing.

HRA Debt Repayment Profile Compared with Debt Ceiling 2013-2042



INTRODUCTION

INDICATIVE NEW DIRECTORATES

Adur and Worthing Councils are currently restructuring. The following pages give indicative budgets for the new directorates. These may be subject to change as the restructure is finalised.

DRAFT BUDGET BY NEW DIRECTORATE
Joint Service Block Activity Recharge
To Adur and Worthing Councils



SERVICE BLOCKS	FTE	ESTIMATE 2013/14	ESTIMATE 2014/15
		£	£
Chief Executive, Strategic Directors & Corporate Centre		-	-
Director for the Economy		3,081,930	3,040,100
Director for the Communities		2,828,950	3,136,880
Director for Customer Services		10,489,560	9,600,470
Director for Digital and Resources		-	-
TOTAL SERVICES		16,400,440	15,777,450
ALLOCATION OF COSTS			
Recharged to other joint services		(4,022,640)	(3,343,530)
		12,377,800	12,433,920
Adur District Council		(8,128,430)	(8,243,940)
Worthing Borough Council		(12,558,350)	(12,345,860)
TOTAL SERVICE BLOCK ALLOCATIONS		(20,686,780)	(20,589,800)

DRAFT BUDGET BY NEW DIRECTORATE
Adur Service Block Budget Summary



DIRECT SERVICES	FTE	ESTIMATE 2013/14	ESTIMATE 2014/15
		£	£
Chief Executive, Strategic Directors & Corporate Centre		34,950	32,460
Director for the Economy		148,510	180,520
Director for the Communities		4,025,240	4,291,610
Director for Customer Services		3,809,730	3,674,240
Director for Digital and Resources		1,621,760	1,707,770
TOTAL SERVICES		9,640,190	9,886,600
Transfer to / from Reserves		(5,940)	(308,520)
Potential contribution to Reserves		24,170	51,060
Total budget requirement before external support from government	-	9,658,420	9,629,140
Potential under achievement of business rate target		115,790	(142,540)
Baseline Funding		(1,543,810)	(1,573,830)
Revenue Support Grant		(2,320,560)	(1,834,780)
Council Tax Freeze Grant		(61,980)	(63,720)
Council Tax reduction scheme administration grant		-	(40,000)
New Homes Bonus		(458,670)	(565,600)
Collection Fund		8,640	(60,130)
Amount required from Council Tax - Adur District	-	5,397,830	5,348,540

DRAFT BUDGET BY NEW DIRECTORATE
Worthing Service Block Budget Summary

DIRECT SERVICES	FTE	ESTIMATE 2013/14	ESTIMATE 2014/15
		£	£
Chief Executive, Strategic Directors & Corporate Centre		28,210	28,570
Director for the Economy		2,750,940	1,393,320
Director for the Communities		5,701,500	5,963,760
Director for Customer Services		4,615,560	3,571,150
Director for Digital and Resources		1,098,610	3,201,600
TOTAL SERVICES	-	14,194,820	14,158,400
Transfer to / from Reserves		(15,740)	14,260
Balance Available to Transfer To Reserves		50,350	(195,880)
Contribution to/ (from) Collection Fund		31,490	(3,080)
Total budget requirement before external support from government	-	14,260,920	13,973,700
Baseline Funding		(2,352,240)	(2,397,990)
Additional Business Rate Income		-	(171,560)
Revenue Support Grant		(3,535,750)	(2,790,410)
Council Tax Freeze Grant		(86,320)	(87,740)
Other unfenced grants		(665,400)	(894,940)
Amount required from Council Tax - Worthing Borough	-	7,621,210	7,631,060

**DRAFT BUDGET BY NEW DIRECTORATE
JOINT SUMMARY SERVICE BLOCK:
Chief Executive & Corporate Centre**



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
Executive Office	3.0	£ 484,300	£ 481,780
Corporate Centre	6.8	583,560	700,920
TOTAL DIRECTOR FOR CHIEF EXEC AND CORPORATE CENTRE	9.8	1,067,860	1,182,700

DRAFT BUDGET BY NEW DIRECTORATE
ADUR SUMMARY SERVICE BLOCK:
Chief Executive & Corporate Centre



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
Corporate Management	0.0	£ 34,950	£ 32,460
TOTAL DIRECTOR FOR CHIEF EXEC AND CORPORATE CENTRE	0.0	34,950	32,460

**DRAFT BUDGET BY NEW DIRECTORATE
 WORTHING SUMMARY SERVICE BLOCK:
 Chief Executive & Corporate Centre**



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
Corporate Management	0.0	28,210	28,570
TOTAL DIRECTOR FOR CHIEF EXECUTIVE AND CORPORATE CENTRE	0.0	28,210	28,570

DRAFT BUDGET BY NEW DIRECTORATE
JOINT SUMMARY SERVICE BLOCK:
Director for the Economy



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
		£	£
Economic Regeneration	12.7	567,140	621,540
Planning Policy	6.7	389,890	386,880
Properties Management	6.0	1,861,210	1,753,340
Car Parks Management *	6.5	263,690	278,340
TOTAL DIRECTOR FOR THE ECONOMY	31.9	3,081,930	3,040,100

DRAFT BUDGET BY NEW DIRECTORATE
ADUR SUMMARY SERVICE BLOCK:
Director for the Economy



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
		£	£
Planning Policy & Implementation	2.0	255,170	254,220
Economic Regeneration	-	220,800	238,030
Car Parks	-	(111,630)	(95,360)
Property Management	-	(215,830)	(216,370)
TOTAL DIRECTOR FOR THE ECONOMY	2.0	148,510	180,520

**DRAFT BUDGET BY NEW DIRECTORATE
 WORTHING SUMMARY SERVICE BLOCK:
 Director for the Economy**

SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
		£	£
Theatres & Public Entertainments	49.3	2,584,100	1,225,550
Museum & Art Gallery	10.0	437,150	456,370
Economic Development	-	335,380	349,840
Planning Policy	-	343,860	340,890
Tourism	-	262,690	267,490
Parking Services	12.0	(945,560)	(945,450)
Public Transport	-	35,210	34,420
Property Investment Income	-	(301,890)	(335,790)
TOTAL DIRECTOR FOR THE ECONOMY	71.3	2,750,940	1,393,320

**DRAFT BUDGET BY NEW DIRECTORATE
JOINT SUMMARY SERVICE BLOCK:
*Director for Communities***



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£	£
Adur Homes Executive Office	0.7	110,490	111,900
Leisure & Cultural Services	0.7	19,990	25,330
Democratic Services	6.0	309,140	320,690
Community Safety	16.9	191,700	182,470
Housing Services	21.2	860,280	763,010
Housing Strategy	0.7	69,990	71,210
Community Wellbeing	10.4	532,670	489,520
Parks Foreshore & Cemeteries Administration	3.0	162,240	106,140
Parks	62.6	572,450	1,066,610
TOTAL DIRECTOR FOR COMMUNITIES	122.1	2,828,950	3,136,880

DRAFT BUDGET BY NEW DIRECTORATE
ADUR SUMMARY SERVICE BLOCK:
Director for Communities



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
		£	£
Community Alarm	4.0	(112,430)	(17,910)
Mobile Response	-	-	(16,320)
Building Maintenance	15.6	(145,620)	(90,580)
Homelessness management - Leasehold	1.0	64,460	72,840
Drain Clearing	-	(40)	(70)
Client Support	3.0	115,600	139,440
Housing Management	6.0	236,300	277,920
Housing Maintenance	6.8	246,200	263,870
Housing Administration	5.4	140,520	169,020
Right to Buy	-	12,590	-
Surveyors	9.0	275,820	387,460
Members' Expenses and Allowances	-	362,090	319,510
Leisure Centre Management	-	568,410	568,980
Community Safety	-	132,230	133,390
CCTV	-	16,140	11,980
Housing General District	-	118,930	147,420
Homelessness	-	603,020	570,010
Community Planning	-	75,600	71,610
Community & Welfare Grants	-	318,730	310,640
Community & Health Development	1.0	105,750	62,560
Sports & Leisure Development	-	90,710	105,920
Allotments	-	55,630	60,600
Parks	-	731,510	654,360
Recreation Grounds	-	-	90,430
Beaches & Amenities	-	(7,860)	(1,470)
Grounds Maintenance	-	17,210	-
Parks & Grounds Maintenance & Adur Watch	-	3,740	-
TOTAL DIRECTOR FOR COMMUNITIES	51.8	4,025,240	4,291,610

**DRAFT BUDGET BY NEW DIRECTORATE
 WORTHING SUMMARY SERVICE BLOCK:
 Director for Communities**



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
		£	£
Democratic Representation and Management	-	680,870	710,970
Indoor Sports & Receptions	-	1,253,590	1,164,780
CCTV	-	34,620	30,900
Community Safety	-	138,670	135,230
Environmental Health - Housing Standards	-	70,700	92,590
Homelessness	-	541,430	502,690
Housing Advances	-	7,160	6,130
Housing Advice	-	197,300	211,110
Housing Strategy	-	70,370	76,270
Private Sector Housing Renewal	-	86,850	86,650
Home Improvement Assistance (prev Staying Put Agency)	-	56,710	88,770
Community Centres	-	188,110	176,980
General Grants, Bequests and Donations	-	259,730	264,570
Sports Development and Recreation	-	102,780	116,590
Community Development	-	153,910	121,920
Elderly People	-	2,200	-
Community Parks & Open Spaces	-	1,299,730	1,703,260
Allotments	-	68,030	29,570
Outdoor Sports & Receptions	-	(7,140)	(94,000)
Foreshore	-	492,710	535,550
Worthing Festival	-	3,170	3,230
TOTAL DIRECTOR FOR COMMUNITIES	-	5,701,500	5,963,760

**DRAFT BUDGET BY NEW DIRECTORATE
JOINT SUMMARY SERVICE BLOCK:
*Director for Customer Services***

SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
		£	£
Elections	5.0	181,440	184,450
Land Charges	3.4	126,170	129,730
Executive Office Customer Services	1.0	101,880	102,640
Technology & Business Solutions	5.2	364,620	260,470
Clinical Waste Collection	1.0	24,480	(2,670)
Commerce Way Depot	-	111,170	112,430
Customer Services	32.5	1,060,900	1,090,770
Recycling	27.0	(326,830)	(672,310)
Refuse Collection	47.0	1,960,140	1,661,060
Street Sweeping & Cleansing	46.8	1,508,500	1,538,540
Trade Refuse Collection	9.0	465,180	428,980
Vehicle Workshop	8.0	486,480	620,410
Less: Vehicle Works Trading Account - recharged to services per job	-	(486,480)	(621,080)
Graffiti: Visual Quality Initiative	2.0	42,560	41,800
Waste Management	6.0	325,830	321,940
Waste Strategy	7.3	279,850	243,710
Executive Office Housing Health & Community Safety	1.0	99,540	99,700
Environmental Health	40.7	1,962,920	1,930,590
Executive Office Planning Regeneration & Wellbeing	1.0	109,470	105,680
Building Control	12.7	683,420	688,650
Development Control	24.8	1,260,450	1,234,150
Corporate Information	5.0	147,870	100,830
TOTAL DIRECTOR FOR CUSTOMER SERVICES	286.4	10,489,560	9,600,470

DRAFT BUDGET BY NEW DIRECTORATE
ADUR SUMMARY SERVICE BLOCK:
Director for Customer Services



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
		£	£
Elections	-	159,440	191,500
Land Charges	-	8,840	4,830
Abandoned Vehicles	-	19,470	17,250
Refuse Collection	-	940,560	812,290
Recycling	-	38,530	(58,590)
Street Sweeping & Cleansing	-	560,480	577,260
Trade Refuse Collection	-	(53,190)	(78,660)
Clinical Waste Collection	-	12,440	12,650
Visual Quality Initiative	-	67,880	60,290
Collection of Revenues	-	394,690	454,580
Council Tax Benefits	-	(151,780)	16,870
Rent Allowances	-	247,880	139,500
Depreciation charged direct to Authority not allocated	-	44,240	40,580
Environmental Health - Domestic	-	320,460	295,810
Environmental Health - Commercial	-	85,700	84,930
Dog Warden	-	45,120	40,470
Pest Control	-	54,100	50,770
Env Health - Food Safety	-	127,400	120,630
Licensing	-	62,680	64,840
Streetscene	-	64,750	64,890
Building Control	-	162,990	138,550
Development Control	-	378,260	383,090
Cemeteries & Churchyards	-	218,790	239,910
TOTAL DIRECTOR FOR CUSTOMER SERVICES	0	3,809,730	3,674,240

**DRAFT BUDGET BY NEW DIRECTORATE
 WORTHING SUMMARY SERVICE BLOCK:
 Director for Customer Services**



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
		£	£
Elections	0.0	194,040	268,670
Land Charges	0.0	(60,240)	(28,730)
Environmental Projects	0.0	30,990	26,020
Street Cleansing	0.0	936,580	829,500
Clinical Waste Collection	0.0	28,660	28,160
Household Refuse Collection	0.0	1,600,460	1,371,680
Recycling	0.0	42,480	(157,860)
Trade Refuse Collection	0.0	(188,720)	(242,710)
Crematorium	9.8	(990,990)	(1,205,640)
Rate Relief	0.0	59,330	60,520
Local Tax Collection	11.0	367,280	219,010
Housing Benefit Administration	16.1	705,150	685,160
Coast Protection	0.0	1,080	1,100
Depreciation charged direct to Authority not allocated	0.0	24,840	21,510
Pollution Reduction	0.0	147,350	147,800
Dog Warden	0.0	75,850	70,810
Pest Control	0.0	78,070	72,660
Environmental Health	0.0	638,570	590,950
Licensing	0.0	35,330	33,260
Building Control	0.0	216,380	146,270
Development Control	0.0	549,240	514,910
Cemeteries	0.0	123,830	118,100
TOTAL DIRECTOR FOR CUSTOMER SERVICES	36.9	4,615,560	3,571,150

**DRAFT BUDGET BY NEW DIRECTORATE
JOINT SUMMARY SERVICE BLOCK:
Director for Digital & Resources**

SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
		£	£
Executive Office - Corporate & Cultural	2.0	143,950	143,110
Legal	20.0	980,860	984,420
Human Resources	9.2	459,150	459,990
Executive Office - Financial Services	2.0	163,060	71,880
Exchequer & Investigations	18.3	958,470	852,210
Corporate Management (includes External Audit)		23,250	23,720
Accountancy	18.5	1,083,970	1,089,130
ICT	0.0	1,150,730	1,156,790
Executive Office - Technical Services	1.0	123,030	121,420
Business Services	13.1	509,650	501,380
Less: Reprographics - recharged to services per job		(16,070)	(25,440)
Survey & Design Services	7.0	466,930	470,690
Engineers *	11.5	566,080	528,560
Corporate Information	5.0	147,870	100,840
Technical Support Services	7.4	331,210	330,830
Business Support	8.4	151,140	164,270
Central Postage	0.0	(2,160)	(620)
TOTAL DIRECTOR FOR DIGITAL & RESOURCES	123.4	7,241,120	6,973,180

*Engineers - These figures are before external funding from DEFRA

DRAFT BUDGET BY NEW DIRECTORATE
ADUR SUMMARY SERVICE BLOCK:
Director for Digital & Resources



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
		£	£
Legal	-	4,250	340
Corporate Management	-	849,790	613,670
Miscellaneous	-	(226,310)	(241,630)
Non-Distributed Costs	-	941,840	943,830
Treasury Management	-	603,240	668,420
Support services depreciation not charged to direct services	-	(1,398,090)	(1,328,580)
Credit back notional capital charges	-	(1,499,980)	(1,366,190)
Minimum Revenue Provision	-	847,280	963,680
ICT	-	257,640	206,920
Insurances	-	231,300	231,300
Various	1.0	101,480	102,020
Highways	-	21,160	23,550
Street Lighting	-	39,320	41,130
Transportation	-	63,590	59,690
Public Toilets	-	202,980	196,810
Land Drainage & Coastal Protection	-	121,260	100,560
Sustainable Development	-	18,670	22,310
Local Emergencies	-	40,540	42,740
Community Buildings	-	283,500	309,870
Civic Centre	-	84,940	90,920
Building Cleaning	-	-	-
Technical Services	-	33,360	26,410
TOTAL DIRECTOR FOR DIGITAL & RESOURCES	1.0	1,621,760	1,707,770

**DRAFT BUDGET BY NEW DIRECTORATE
 WORTHING SUMMARY SERVICE BLOCK:
 Director for Digital & Resources**



SERVICE	FTE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
		£	£
Support services depreciation not charged to direct services	11.6	20,990	21,020
Legal Services	-	(17,390)	(21,730)
Council Tax Benefits	-	(9,320)	45,480
Housing Benefit Payments	-	(269,270)	(234,990)
Corporate Management	-	420,960	569,900
Non-Distributed Cost	-	2,310,520	2,634,410
Interest Payable & Interest Income	-	521,330	398,830
Support services depreciation not charged to direct services	-	(1,881,190)	(395,040)
Credit back notional capital charges	-	(2,877,240)	(3,178,370)
Minimum Revenue Provision	-	732,240	1,207,040
Insurances	-	345,570	345,570
ICT	-	15,610	15,920
Various other Financial services	-	464,910	479,740
Flood Defence and Land Drainage	-	10,490	33,080
Highways/Roads (Routine)	-	34,590	34,100
Premises Development	-	3,640	4,280
Public Conveniences	-	369,340	363,990
Pier & Lido	-	168,440	188,480
Footway Lighting	-	50,240	50,660
Flood Defence & Land Drainage	-	21,850	16,410
Highways/Roads(Routine)	-	104,550	73,320
Coast Protection	-	150,140	147,720
Emergency Planning	-	56,940	57,220
Sustainable Development	-	38,860	43,830
Depreciation charged direct to Authority not allocated	-	311,810	300,730
TOTAL DIRECTOR FOR DIGITAL & RESOURCES	11.6	1,098,610	3,201,600

**JOINT SERVICE BLOCK ACTIVITY RECHARGED
TO ADUR AND WORTHING COUNCILS**



SERVICE BLOCKS	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
Chief Executive, Strategic Directors & Corporate Centre	1,067,860	1,182,700
Adur Homes	110,490	111,900
Corporate and Cultural Services	2,220,700	2,247,720
Customer Services & Waste Management	6,067,260	5,290,340
Financial Services & ICT	3,379,480	3,193,730
Housing Health & Community Safety	3,184,430	3,046,980
Planning Regeneration & Wellbeing	3,543,040	3,526,420
Technical Services	5,136,160	5,333,540
TOTAL SERVICES	24,709,420	23,933,330
ALLOCATION OF COSTS		
Recharged to other joint services	(4,024,800)	(3,343,530)
	20,684,620	20,589,800
Adur District Council	(8,128,430)	(8,243,940)
Worthing Borough Council	(12,558,350)	(12,345,860)
TOTAL SERVICE BLOCK ALLOCATIONS	(20,686,780)	(20,589,800)

ADUR SERVICE BLOCK BUDGET SUMMARY SUMMARY

DIRECT SERVICES	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
Adur Homes - General Fund Services	833,400	1,185,670
Chief Executive , Strategic Directors & Corporate Centre	34,950	32,460
Customer Services & Waste Management	2,121,200	1,994,020
Financial Services & ICT	708,190	793,440
Housing Health & Community Safety	1,565,780	1,520,250
Corporate and Cultural Services	1,103,030	1,085,160
Planning Regeneration & Wellbeing	1,672,760	1,629,510
Technical Services	1,600,880	1,646,090
TOTAL SERVICES	9,640,190	9,886,600
Transfer to / from Reserves	(5,940)	(308,520)
Potential contribution to Reserves	24,170	51,060
Total budget requirement before external support from government	9,658,420	9,629,140
Potential under achievement of business rate target	115,790	(142,540)
Baseline Funding	(1,543,810)	(1,573,830)
Revenue Support Grant	(2,320,560)	(1,834,780)
Council Tax Freeze Grant	(61,980)	(63,720)
Council Tax reduction scheme administration grant	-	(40,000)
New Homes Bonus	(458,670)	(565,600)
Collection Fund	8,640	(60,130)
Amount required from Council Tax - Adur District	5,397,830	5,348,540

WORTHING SERVICE BLOCK BUDGET SUMMARY

DIRECT SERVICES	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
Adur Homes	-	-
Chief Executive , Strategic Directors & Corporate Centre	28,210	28,570
Customer Services & Waste Management	2,617,140	1,636,450
Financial Services & ICT	(225,880)	1,888,490
Housing Health & Community Safety	2,178,980	2,145,820
Corporate and Cultural Services	5,093,110	3,796,900
Planning Regeneration & Wellbeing	2,414,280	2,299,460
Technical Services	2,088,980	2,362,710
TOTAL SERVICES	14,194,820	14,158,400
Transfer to / from Reserves	(15,740)	14,260
Balance Available to Transfer To Reserves	50,350	(195,880)
Contribution to/ (from) Collection Fund	31,490	(3,080)
Total budget requirement before external support from government	14,260,920	13,973,700
Baseline Funding	(2,352,240)	(2,397,990)
Additional Business Rate Income		(171,560)
Revenue Support Grant	(3,535,750)	(2,790,410)
Council Tax Freeze Grant	(86,320)	(87,740)
Other unfenced grants	(665,400)	(894,940)
Amount required from Council Tax - Worthing Borough	7,621,210	7,631,060

ADUR SERVICE BLOCK:
Adur Homes

SERVICE BLOCK:

ADUR HOMES

MAIN SERVICE AREAS

DETAILED SERVICES INCLUDED

Housing Revenue Account

General Housing Management

Housing management and tenant participation and liaison, housing administration and support, housing management system, service charges administration, right to buy, general repairs management, sheltered housing, allocations and waiting lists, rent accounting, building surveying, responsive and planned maintenance, 24 hour duty supervisor service, grounds maintenance, hostel and Courtfields management. Also includes HRA shops and garages.

Community Alarm

Community alarm and mobile response.

Supporting People

Provision of support to residents within sheltered accommodation.

**Homelessness Management
Leasehold**

Leasehold administration, Temporary accommodation management.

Building Maintenance Trading Acc't

Building services unit (BSU)

The Council has a statutory obligation to provide the following services:-

- **Housing Stock:** Manage and maintain the Adur Council's housing stock.
- **Temporary Accommodation:** Make temporary accommodation available to people who meet the homeless criteria of the homeless legislation. Provision of temporary accommodation is one of the Council's chosen methods.

Adur Homes is not a joint service. The Executive Head of Adur Homes is part of the senior officer structure that is included within the Joint Committee.

Adur Homes has many major contracts of over £100,000. Many are for long periods and are reviewed and retendered from time to time. These major contracts are listed below and are necessary to ensure that the Council can undertake its duties with regard to the management of the Housing Stock.

Gas contracts for sheltered schemes and east and west district ending December 2015.

Window cleaning contracts for sheltered schemes and general areas ending January 2017.

Communal way cleaning contracts ending January 2017.

Grounds maintenance contract ending December 2015.

Door entry and community alarm contracts ending December 2015

Day to day and void repairs for east and west districts.

CODE LIST SERVICE BLOCK:***Adur Homes***

COST CENTRE	DESCRIPTION
JOINT	
90381	Executive Head of Adur Homes
ADUR GENERAL FUND	
12420	Temporary Accommodation
16600	Community Alarm
16680	Building Maintenance Contract Voids
16690	Clearing Blocked Drains
16700	Building Maintenance
16710	Building Maintenance Main Contract
16720	Building Maintenance Non Contract General Works
16730	Mobile Response Miscellaneous Other Grants Income
16735	Operation In Road
ADUR HOUSING REVENUE ACCOUNT	
10050	101/103 North Road Lancing
10830	Interest and Capital Charges to HRA
16170	Financing Costs
16180	Interest Receivable
16200	Contribution to Capital
16220	Depreciation - Dwellings
16230	Depreciation - Other Assets
16231	Amortisation of Premia
16250	General Costs
16290	Service Charge Administration
16300	Rent Accounting
16310	Right To Buy
16320	Allocations and Waiting List
16330	Best Practice / Benchmarking
16340	Enabling Role
16350	HMS Running Costs
16360	Repairs Management
16370	Supporting People
16380	Corporate & Democratic Core & Unapp Central Overheads
16400	HMS General
16410	HMS General (Contracts)
16450	Rents, Rates and Taxes
16470	Dwellings Rents
16480	Hostels Rents
16500	Garages
16510	Shops
16520	Miscellaneous Rents
16530	Ground Rents

CODE LIST SERVICE BLOCK:***Adur Homes***

COST CENTRE	DESCRIPTION
ADUR HOUSING REVENUE ACCOUNT	
16540	Dwellings Heating
16550	Leasing Service Charges
16560	Dwellings Service Charges
16570	Contributions towards expenditure
16610	Tenant Liaison
16620	General Housing Repair Costs
16630	Planned and Cyclical Maintenance
16640	Responsive Repairs
16650	Void Work
16660	Sheltered Accommodation
16670	Hostel Accommodation 7&9 Albion Street
17046	CourtfIELDS Management Account
ADUR HRA HOLDING ACCOUNTS	
16020	Housing Management Services
16030	Housing Maintenance Services
16040	Surveyors
16100	Client Support & Liaison
16110	Housing Admin Support

JOINT SUMMARY SERVICE BLOCK:
Adur Homes



SERVICE	ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
Adur Homes		
Executive Office	110,490	111,900
TOTAL ADUR HOMES	110,490	111,900
ALLOCATION OF COSTS		
Recharged to other joint services	-	-
Adur District Council	110,490	111,900
Worthing Borough Council	-	-
	110,490	111,900

JOINT VARIATIONS:
Adur Homes

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ORIGINAL ESTIMATE 2014/2015
ORIGINAL ESTIMATE 2013/2014	£ 110,490
INFLATION	1,160
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE None	-
BUDGET TRANSFERS Virements - Reallocation of Print Room Recharges Changes in allocation of recharge from other services	- 250
APPROVED ESTIMATE 2014/2015	111,900

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Sub-Total	Support	Notional Asset Hire Charges	TOTAL
Executive Office	1	£ 94,500	£ -	£ -	£ 10,780	£ -	£ -	£ 105,280	£ 6,620	£ -	£ 111,900
TOTAL STAFF	1										
TOTAL COST OF JOINT ADUR HOMES		94,500	-	-	10,780	-	-	105,280	6,620	-	111,900
Percentage of Direct Costs		90%	-	-	10%	-					
<p>An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent</p>											

ADUR SERVICE BLOCK:
Adur Homes



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
HEALTH, SAFETY & WELLBEING PORTFOLIO		
Community Alarm	(112,430)	(17,910)
Mobile Response	-	(16,320)
	(112,430)	(34,230)
REGENERATION		
Homelessness management - Leasehold	64,460	72,840
Drain Clearing	(40)	(70)
	64,420	72,770
RESOURCES PORTFOLIO		
Building Maintenance	(145,620)	(90,580)
TOTAL GENERAL FUND	(193,630)	(52,040)
TOTAL DIRECT SERVICES	(193,630)	(52,040)
SALARIES & CENTRAL SUPPORT RECHARGED TO OTHER SERVICES		
Client Support	115,600	139,440
Housing Management	236,300	277,920
Housing Maintenance	246,200	263,870
Housing Administration	140,520	169,020
Right to Buy	12,590	-
Surveyors	275,820	387,460
	1,027,030	1,237,710
	833,400	1,185,670

ADUR VARIATIONS SERVICE BLOCK:
Adur Homes - General Fund



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ORIGINAL ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	(193,630)
INFLATION	4,980
INCREMENTS	2,440
APPROVED VARIATIONS REPORTED TO CABINET	
Committed Growth	
Community Alarms (Increased cost of Equipment)	10,000
Community Alarms (Income shortfall/loss of WSCC Grant)	50,000
Agreed Savings	
Additional Net Income from Corporate Maintenance Contract	(45,000)
Impact of Capital Programme - vehicle replacement	(3,150)
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	93,170
Changes in Capital Financing Charges	29,150
OTHER MINOR VARIATIONS	
APPROVED ESTIMATE 2014/2015	(52,040)

ADUR VARIATIONS:
Adur Homes HRA Direct



DETAILS OF CHANGES SINCE THE ORIGINAL HRA BUDGET 2013/2014	ORIGINAL ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	-
INFLATION	(192,550)
INCREMENTS	1,350
APPROVED VARIATIONS REPORTED TO CABINET	
Committed Growth	
Impact of Pension Fund Valuation	9,000
Increase in Establishment	70,000
Voids Refurbishment	100,000
Bad Debt Provision	50,000
Pay and Grading increases	50,000
Increase in Cyclical Maintenance	150,000
Funded by Increase in Rental Income above inflation	(420,000)
(Repairs)	180,000
Other	730
Agreed Savings	
Senior Managent Restructure	(41,200)
BUDGET TRANSFERS	
Changes in allocation of Payroll costs	38,080
Changes in Corporate & Democratic Costs	72,180
Changes in allocation of recharge from other services	(290,630)
OTHER MINOR VARIATIONS	
APPROVED ESTIMATE 2014/2015	(223,040)

ADUR VARIATIONS:
Adur Homes Support



DETAILS OF CHANGES SINCE THE ORIGINAL HRA BUDGET 2013/2014	ORIGINAL ESTIMATE 2014/2015
ORIGINAL ESTIMATE 2013/14	£ 1,027,030
INFLATION	10,320
INCREMENTS	9,600
APPROVED VARIATIONS REPORTED TO CABINET None	-
BUDGET TRANSFERS Changes in allocation of Payroll costs Changes in allocation of recharge from other services	7,840 182,920
APPROVED ESTIMATE 2013/2014	1,237,710

SERVICE / ACTIVITY	STAFF FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Support recharges from Adur Homes	Income	Sub-Total	Support Recharges from other services	Capital Charges	Corporate/ Democratic Costs	TOTAL
		£	£	£	£	£	£	£	£	£	£		£
Health, Safety & Wellbeing Portfolio													
Community Alarm	4.0	94,480	-	6,120	45,120	38,110	4,790	(243,060)	(54,440)	25,370	11,160	-	(17,910)
Mobile Response	0.0	-	-	-	-	-	-	(16,320)	(16,320)	-	-	-	(16,320)
Regeneration													
Homelessness	1.0	25,170	464,170	410	510	-	7,070	(466,540)	30,790	42,050	-	-	72,840
Drain Clearing	0.0	-	-	-	-	-	-	(1,360)	(1,360)	-	1,290	-	(70)
Trading Accounts													
Building Maintenance	15.6	451,710	-	49,190	407,820	-	5,070	(1,144,650)	(230,860)	123,580	16,700	-	(90,580)
Sub Total General Fund Services	20.6	571,360	464,170	55,720	453,450	38,110	16,930	(1,855,610)	(272,190)	191,000	29,150	-	(52,040)
H'sing Revenue A/c	14.5	515,770	2,890,600	9,110	744,820	1,060	844,170	(13,854,330)	(8,848,800)	702,650	7,319,870	603,240	(223,040)
TOTAL DIRECT COST OF ADUR HOMES	35.1	1,087,130	3,354,770	64,830	1,198,270	39,170	861,100	(15,709,940)	(9,120,990)	893,650	7,349,020	603,240	(275,080)
Support Services recharged to/from other services													
Client Support HMS	3.0	118,580	-	300	-	-	-	-	118,880	20,560	-	-	139,440
Housing Management	6.0	211,270	-	5,100	6,790	-	-	-	223,160	54,760	-	-	277,920
Housing Maintenance	6.8	206,540	-	8,360	440	-	-	-	215,340	48,530	-	-	263,870
Housing Admin	5.4	133,380	-	1,000	410	-	-	-	134,790	34,230	-	-	169,020
Right To buy	0.0	-	-	-	-	-	-	-	-	-	-	-	-
Surveyors	9.0	336,860	-	1,700	1,600	-	-	-	340,160	47,300	-	-	387,460
TOTAL STAFF	65.3												
TOTAL SUPPORT COSTS RECHARGED to/from OTHER SERVICES		1,006,630	-	16,460	9,240	-	-	-	1,032,330	205,380	-	-	1,237,710

An explanation of the changes to the budget since last year is provided on the previous page - the Variation page
 Corporate Democratic costs include; pension backfunding, redundancy costs, capital costs for staff time that cannot be charged to capital projects, a share of various other corporate costs. Staff FTE = Number of staff based on full time equivalent

ADUR:
Housing Revenue Account Budget Report



APPENDIX 1

HOUSING REVENUE ACCOUNT		
	CURRENT ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
EXPENDITURE		
General Management	2,660,910	2,436,890
Special Services	746,160	893,370
Rent, Rates, Taxes & Other Charges	29,190	29,780
Repairs & Maintenance	2,088,520	2,413,580
Revenue Contribution to Capital	1,950,000	1,950,000
Provision for refurbishment and new build	346,060	566,060
Charges for Capital / Interest Repayment/Debt Management Expenses	2,637,750	2,868,140
Depreciation transfer to MRR Inc Non Op assets	2,193,020	2,186,710
Bad/Doubtful Debt		50,000
TOTAL EXPENDITURE	12,651,610	13,394,530
INCOME		
Dwelling Rents	(11,551,760)	(12,273,230)
Non-Dwelling Rents	(527,680)	(538,240)
Heating Charges	(69,330)	(70,720)
Leaseholder's Service Charges	(100,000)	(102,000)
Other Service Charges	(359,440)	(366,630)
Contributions towards Expenditure	(15,400)	(15,710)
Interest Received	(28,000)	(28,000)
Transfer re: Shared Amenities	-	-
TOTAL INCOME	(12,651,610)	(13,394,530)
NET (SURPLUS)/DEFICIENCY	-	-
BALANCES		
1st April	(2,108,313)	(2,108,313)
Transfer Surplus / (deficit) from HRA	-	-
31st March	(2,108,313)	(2,108,313)

MAJOR REPAIRS RESERVE		
	CURRENT ESTIMATE 2013/14	ESTIMATE 2014/15
	£	£
Balanced carried forward	(2,186,000)	(1,741,270)
Transfer from Revenue Account	(2,193,020)	(2,186,710)
MRP on Debt Repayment	2,454,000	2,452,000
Contribution to the Capital Programme	183,750	416,140
(SURPLUS) / DEFICIENCY	(1,741,270)	(1,059,840)

SERVICE BLOCK:
Corporate and Cultural Services

SERVICE BLOCK:

CORPORATE AND CULTURAL SERVICES

MAIN SERVICE AREAS

DETAILED SERVICES INCLUDED

Legal Services & Land Charges

Legal Services, provides legal advice to all parts of the Council, including Members and Officers; supports the decision-making process and acts on behalf of the Council in legal proceedings in the criminal and civil courts. The Legal Services Team help to ensure that the Council always acts lawfully and supports other services with advice, drafting of legal documents, including contracts, issuing of legal proceedings and representation in the courts. The Local Land Charges Team maintain the register of local land charges and provide them to persons upon request.

Democratic Services

Democratic Services, which includes Committee support, Member support and the Mayoral and Chairman's Offices, provide support to Members and Officers, to ensure that the decision-making process runs smoothly and effectively and that Members and the public receive relevant committee documentation in a timely fashion. They also assist the Mayor and Chairman by maintaining diaries, and organising some functions.

Electoral Services

Electoral Services, which provide support to the Returning Officer during all elections and help to ensure the smooth running of elections and support the Electoral Registration Officer in maintaining the electoral register.

Museum and Art Gallery

Provides the museum service, storing, cataloguing and maintaining the Council's historic collection, particularly the clothing collection which is of national significance. The service also ensures the appropriate display of the collection and involvement with other museums, and educational establishments. The Art Gallery provides for the storage, cataloguing and display of the Council's collection of art work

Human Resources

Provides advice and support to all sections of the Council with regard to the recruitment and retention of staff, including support to staff and managers in understanding and implementing the Councils' employment policies.

Leisure Facilities

Leisure Facilities, covers the Worthing Leisure Centre, Davison Leisure Centre, Field Place and the Splash Point Leisure Centre. This service provides leisure facilities for the people of the Borough and others who may come in to the Borough to use the facilities, at competitive prices, encouraging physical activity. Field Place also provides facilities for weddings and social functions, including wedding receptions.

SERVICE BLOCK:
Corporate and Cultural Services

SERVICE BLOCK:

CORPORATE AND CULTURAL SERVICES

MAIN SERVICE AREAS

DETAILED SERVICES INCLUDED

Theatres

The Worthing Theatres cover the Pavilion Theatre, Connaught Theatre, Connaught Studio Theatre/Digital Cinema, the Assembly Hall and the Denton Lounge, providing entertainment at the various venues by way of provision of events or the hiring of the venues for others to provide events or activities. The service also provides catering in the Denton Lounge and is developing the provision of weddings and wedding receptions. Statutory role, Councillor code of conduct, local government ombudsman.

Monitoring Officer

The Council has a statutory obligation to provide the following Corporate and Cultural Services:-

- Monitoring Officer
- The democratic process (Council, Leader and Cabinet and Committees)
- Electoral registration and managing of elections

Legal Services, Democratic Services, Electoral Services and Human Resources became a part of the Adur and Worthing Shared Services arrangements in 2009. The remaining services, namely, Worthing Theatres, Worthing Museum and Art Gallery, Worthing Leisure and the contract management of Adur Community Leisure Limited are not shared services although the functions are the responsibility of the Joint Committees..

There are no Major changes in services planned for 2014/15.

Corporate and Cultural Services are responsible for the contract between Adur District Council and Adur Community Leisure Limited (Impulse Leisure) for the management of the Leisure Centres in the District of Adur

CODE LIST SERVICE BLOCK:
Corporate and Cultural Services

COST CENTRE	DESCRIPTION
JOINT	
90171	Exec Head Legal & Democratic Services
90181	Democratic Services
90191	Elections
90201	Land charges
90211	Legal Services
90340	LCS Strategic Support
90081	Human Resources - Staffing
90100	Human Resources Corporate Costs
ADUR	
10020	Parliamentary Elections and Referenda
10025	Police & Crime Commissioner Elections
10211	Legal Services
10290	Debtors -Court Expenses Income
12180	Local Elections
12190	Lancing Parish Council
12200	Sompting Parish Council
12210	County Council
12220	Register of Electors
12230	European Parliamentary elections
12470	Local Land Charges
13000	Members Allowances and Expenses
13005	Chairman Services
13010	Overveiw & Scrutiny Committee
12510	Leisure Centres Client
WORTHING	
50010	Conducting Local Elections
50020	Parliamentary Elections & Refernda
50025	Police & Crime Commissioner Elections
50030	Conducting County Elections
50040	Conducting European Elections
50070	Mayoral Services
50211	Legal Services
50292	Debtors-Court Expenditure & Income
52220	Registration Of Electors
52470	Local Land Charges
53000	Members Allowances and Expenses
51000	Museum & Art Gallery
51010	Museum & Art Gallery- Reserve Fund
51020	Museum & Art Gallery-Shop
51030	Museum & Art Gallery-Activity/Education
51040	Museum & Art Gallery-Exhibitions
51050	Museum & Art Gallery- Miscellaneous Projects
51410	Splashpoint Client
51420	Splashpoint
51430	Splashpoint Café
51450	Davison Leisure Centre
51460	Field Place
51480	Leisure Centre - Lotus Health Suite

CODE LIST SERVICE BLOCK:
Corporate and Cultural Services

COST CENTRE	DESCRIPTION
WORTHING	
51490	Leisure Centre
51502	Leisure Centre - Cafe
51512	Leisure Centre - Bar
52510	Leisure Centre - Client
50970	Grants to Arts & Cultural Organisations
50980	Assembly Hall - Classical Music
50990	Concessionary Use of Council Facilities
51060	Assembly Hall
51070	Assembly Hall Star Attractions
51080	Assembly Hall - Catering
51090	Assembly Hall Regular Events
51100	Theatres Technical Assembly Hall
51110	Theatres Front Of House Assembly Hall
51120	Connaught Theatre
51130	Theatrecard Events
51140	Connaught Theatre - Catering
51145	Connaught Theatre Fraser's Bar
51150	Connaught Theatre - Entertaining
51160	Connaught Theatre - Films
51170	Connaught Theatre - Panto
51175	Innovative Arts & Education at Connaught
51182	Theatres Technical Connaught
51190	Theatres Front Of House Connaught
51200	Pavilion
51210	Denton Lounge - Cafe
51220	Pavilion Star Attractions
51230	Pavilion Regular Events
51240	Pavilion Pantomime
51250	Pavilion Films
51260	Theatres Technical Pavilion Theatre
51270	Theatres Front Of House Pavilion
51280	Ritz Theatre
51290	Theatres Technical Ritz
51300	Theatres Front Of House Ritz
51310	Theatres Joint Marketing
52590	Theatres Admin/Mngmnt Officers
52595	Theatres Catering staff
52600	Theatres Marketing Officers
52610	Theatre Assistants
52620	Theatre Cashiers & Box Office
52630	Theatres Technical Officers
52640	Theatres Front Of House Officers
58509	Connaught Theatre

JOINT SUMMARY SERVICE BLOCK:
Corporate and Cultural Services



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Corporate and Cultural Services		
Executive Office	143,950	143,110
Leisure & Cultural Services	19,990	25,330
Elections	181,440	184,450
Democratic Services	309,140	320,690
Land Charges	126,170	129,730
Legal	980,860	984,420
Human Resources	459,150	459,990
TOTAL CORPORATE AND CULTURAL SERVICES	2,220,700	2,247,720
ALLOCATION OF COSTS		
Recharges to other joint services	239,730	240,490
Adur District Council	814,370	767,360
Worthing Borough Council	1,166,600	1,239,870
	2,220,700	2,247,720

JOINT VARIATIONS SERVICE BLOCK:
Corporate and Cultural Services



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	2,220,700
INFLATION	42,840
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Leisure & Cultural Services - Slight increase in staff hours	2,970
Legal Services - Upgrade for debt management module	1,500
Agreed Savings	
Land Charges - Deletion of post	(4,610)
Legal Services - Deletion of post	(10,000)
Legal Services - Termination of temporary additional contractual hours	(5,000)
Legal Services - Increased income through provision of services to other local authority	(4,000)
Legal Services - Making 3 posts redundant, replacing one post on a lower grade and making one post full time.	(37,000)
BUDGET TRANSFERS	
Virements in 2013/14	
Land Charges - Income budget transferred to Adur and Worthing	4,320
Democratic Services - Advertising budget transferred to Adur and Worthing	(4,130)
Human Resources - Staff expenses budget moved to Adur	(2,520)
Payroll changes	18,190
Changes in allocation of recharge from other services	24,470
OTHER MINOR VARIATIONS	(10)
APPROVED ESTIMATE 2014/2015	2,247,720

JOINT CORPORATE & CULTURAL SERVICES 2014/2015 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£
Executive Office	2	124,580	-	-	4,800	-	(20)	129,360	13,750	143,110
Executive Office (Leisure & Cultural Services)	0.68	17,600	-	300	4,610	-	-	22,510	2,820	25,330
Elections	5	140,030	-	480	3,710	-	-	144,220	40,230	184,450
Democratic Services	6	245,180	-	170	30,320	-	-	275,670	45,020	320,690
Land Charges	3.4	95,220	-	-	8,490	-	-	103,710	26,020	129,730
Legal	20	806,290	-	3,280	56,050	-	(31,810)	833,810	150,610	984,420
Human Resources	9.2	376,110	-	310	14,500	-	-	390,920	69,070	459,990
TOTAL STAFF	46.28									
TOTAL COST OF JOINT CORPORATE & CULTURAL SERVICES		1,805,010	-	4,540	122,480	-	(31,830)	1,900,200	347,520	2,247,720
Percentage of Direct Cost		93%	0%	0%	6%	0%				
<p align="center">An explanation of the changes to the budget since last year is provided on the previous page - the Variation Page Staff FTE = Number of staff based on full time equivalent</p>										

ADUR SUMMARY SERVICE BLOCK:
Corporate and Cultural Services



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
LEADER PORTFOLIO		
Elections	159,440	191,500
Members Support	-	-
Members' Expenses and Allowances	362,090	319,510
	521,530	511,010
ENVIRONMENT PORTFOLIO		
Indoor Sports & Recreation		
CUSTOMER SERVICE PORTFOLIO		
Leisure Centre Management	568,410	568,980
	568,410	568,980
RESOURCES PORTFOLIO		
Land Charges	8,840	4,830
TOTAL DIRECT SERVICES	1,098,780	1,084,820
SALARIES & CENTRAL SUPPORT RECHARGED TO OTHER SERVICES		
Legal	4,250	340
TOTAL CORPORATE & CULTURAL SERVICES	1,103,030	1,085,160

ADUR VARIATIONS SERVICE BLOCK:
Corporate and Cultural Services



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	1,103,030
INFLATION	3,890
APPROVED VARIATIONS REPORTED TO CABINET	
One off non-recurring item	
Local Elections (held every other year)	32,000
Committed Growth	
Agreed Savings	
Democratic Services - Reduction of Members training budget as service now delivered internally	(1,000)
Democratic Services - Reduction of Members miscellaneous expenditure budget	(2,000)
Legal Services - Expected increased income from conveyancing fees	(2,000)
Legal Services - Expected increased income from Section 106 work	(2,000)
BUDGET TRANSFERS	
Virements in 2013/14	
Democratic Services - Transfer of advertising budget from the Joint Service	2,070
Land charges - Transfer of income budget from the Joint Service	(1,420)
Recharges from other services	(361,080)
Changes to notional asset hire charges	313,670
APPROVED ESTIMATE 2014/2015	1,085,160

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
Leader Portfolio		£	£	£	£	£	£	£	£	£	£	£
Elections		32,330	73,770	80	-	53,410	-	(3,160)	156,430	29,840	5,230	191,500
Members' Expenses & Allowances		165,240	74,050	-	-	24,290	-	(15,860)	247,720	71,790	-	319,510
Environment Portfolio												
Land Charges		-	59,290	-	-	18,750	-	(83,730)	(5,690)	10,520	-	4,830
Customer Services Portfolio												
Leisure Management		-	-	45,070	-	9,010	211,790	(21,830)	244,040	16,500	308,440	568,980
TOTAL DIRECT SERVICES		197,570	207,110	45,150	-	105,460	211,790	(124,580)	642,500	128,650	313,670	1,084,820
Support Services recharged to other services												
		-	-	-	-	45,780	-	(45,440)	340	-	-	340
TOTAL COST OF ADUR CORPORATE & CULTURAL SERVICES		197,570	207,110	45,150	-	151,240	211,790	(170,020)	642,840	128,650	313,670	1,085,160
Percentage of Service Cost		24%	25%	6%	0%	19%	26%					
An explanation of the changes to the budget since last year is provided on the next page - the Variation page Staff FTE = Number of staff based on full time equivalent												

WORTHING SUMMARY SERVICE BLOCK:
Corporate & Cultural Services



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
LEADER PORTFOLIO		
Elections	194,040	268,670
Democratic Representation and Management	680,870	710,970
	874,910	979,640
CUSTOMER SERVICES PORTFOLIO		
Theatres & Public Entertainments	2,584,100	1,225,550
Museum & Art Gallery	437,150	456,370
	3,021,250	1,681,920
ENVIRONMENT PORTFOLIO		
Indoor Sports & Recreations	1,253,590	1,164,780
RESOURCES PORTFOLIO		
Land Charges	(60,240)	(28,730)
Support services depreciation not charged to direct services	20,990	21,020
	(39,250)	(7,710)
TOTAL DIRECT SERVICES	5,110,500	3,818,630
SALARIES & CENTRAL SUPPORT RECHARGED TO OTHER SERVICES		
Legal Services	(17,390)	(21,730)
TOTAL CORPORATE AND CULTURAL SERVICES	5,093,110	3,796,900

**WORTHING VARIATIONS SERVICE BLOCK:
Corporate and Cultural Services**



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
ORIGINAL ESTIMATE 2013/2014	£ 5,093,110
INFLATION	2,090
APPROVED VARIATIONS REPORTED TO CABINET	
One off non-recurring item	
Elections held every other year	76,000
Committed Growth	
Leisure Services - Salary increases due to impact of minimum wage & catering administration post	6,200
Additional Income	
Agreed Savings	
Leisure Services - Increased Fit4 membership income	(261,230)
Leisure services - Provision of new Astro Turf 3G pitch - invest to save scheme	(31,030)
Museums - Reduction in postage budget following move to online marketing	(1,500)
Democratic Services - Member training is now delivered internally	(1,000)
Democratic Services - Review of miscellaneous member expenses budgets (including equipment and furniture)	(1,500)
Democratic Services - Reduction in the cost of refreshments at Committee and Council meetings	(3,000)
Legal Services - Increased income from Section 106 work	(2,000)
Legal Services - Increased income from conveyancing fees	(2,000)
Impact of Capital Programme	
Leisure Services Field Place- Additional function income due to provision of new	(10,000)
Leisure Services Field Place - Anticipated savings due to installation of more efficient gas heating	(12,000)
Leisure Services Field Place - Anticipated additional income due to refurbishment of Conference and Training Centre	(5,500)
Leisure Services Worthing Leisure Centre - Anticipated additional income due to	(5,000)
BUDGET TRANSFERS	
Virements in 2013/14	
Museums - Transfer from Joint Service for cleaning contract	2,470
Museums - Transfer of maintenance budget for old Tourist Information Centre site	2,850
Theatres - Transfer of budget from the Joint Service for cleaning contract	1,190

WORTHING VARIATIONS SERVICE BLOCK:
Corporate and Cultural Services



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
BUDGET TRANSFERS	
Virements in 2013/14	
Democratic Services - Transfer of advertising budget from the Joint service	2,070
Land Charges - Transfer of income budget from the Joint Service	(2,900)
Leisure Services - Parks restructure	(16,570)
Changes in payroll	38,380
Changes in allocation of recharge from other services	(2,158,830)
Changes to notional asset hire charges	1,086,600
APPROVED ESTIMATE 2014/2015	(1,296,210)

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party *	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
Leader Portfolio		£	£	£	£	£	£	£		£	£	£
Elections	-	-	110,660	1,230	-	141,550	-	(5,250)	248,190	19,050	1,430	268,670
Democratic Representation & Management	-	249,850	260,060	-	2,630	40,210	-	-	552,750	158,220	-	710,970
Customer Services												
Theatres & Public Entertainments	49.3	1,334,690	-	423,110	3,170	2,090,270	-	(3,251,400)	599,840	281,520	344,190	1,225,550
Museum and Art Gallery	10	191,890	-	111,460	2,180	41,440	-	(38,190)	308,780	75,810	71,780	456,370
Environment Portfolio												
Splashpoint	28.7	1,384,800	-	715,590	10,630	401,670	-	(2,383,460)	129,230	230,580	397,390	757,200
Davison Leisure Centre	2.1	119,400	-	81,860	15,190	39,690	-	(223,170)	32,970	30,370	290	63,630
Field Place	6.9	284,770	-	177,370	300	144,740	-	(635,730)	(28,550)	63,900	86,510	121,860
Worthing Leisure Centre	19.7	1,064,220	-	424,470	3,350	327,680	-	(2,008,090)	(188,370)	246,470	163,990	222,090
Resources Portfolio												
Land Charges		-	82,800	-	-	37,300	-	(171,860)	(51,760)	23,030	-	(28,730)
TOTAL DIRECT SERVICES		4,629,620	453,520	1,935,090	37,450	3,264,550	-	(8,717,150)	1,603,080	1,128,950	1,065,580	3,797,610
Support Services recharged to other services		-	-	-	-	11,320	-	(33,050)	(21,730)	-	21,020	(710)
TOTAL COST OF WORTHING CORPORATE & CULTURAL SERVICES		4,629,620	453,520	1,935,090	37,450	3,275,870	-	(8,750,200)	1,581,350	1,128,950	1,086,600	3,796,900
Percentage of Service Cost		45%	4%	19%	0%	32%	0%					
An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent												

	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£		£	£	£
Customer Services Portfolio												
Arts Development & Support		-	-	-	-	59,020	-	(24,860)	34,160	-	-	34,160
Theatres & Public Entertainment:												
Assembly Hall		-	-	86,350	-	155,780	-	(292,590)	(50,460)	21,490	89,160	60,190
Connaught Theatre		-	-	99,310	-	575,120	-	(1,007,560)	(333,130)	57,520	93,440	(182,170)
Pavilion Theatre		-	-	189,360	-	540,970	-	(853,740)	(123,410)	31,890	118,560	27,040
Ritz Theatre		-	-	16,270	-	180,000	-	(200,000)	(3,730)	16,870	27,270	40,410
Catering		-	-	7,030	-	135,930	-	(734,500)	(591,540)	19,990	15,760	(555,790)
Theatres Management & Admin Staffing	4.5	187,110	-	-	3,170	39,990	-	(10,000)	220,270	17,260	-	237,530
Theatres Marketing staffing	5.5	132,120	-	670	-	251,190	-	(40,000)	343,980	29,530	-	373,510
Theatre assistants staffing	6	149,310	-	-	-	-	-	(5,100)	144,210	21,650	-	165,860
Theatre cashiers & Box Office staffing	9	210,140	-	-	-	49,320	-	(60,000)	199,460	21,150	-	220,610
Theatre Technical Officers staffing	6.3	184,390	-	-	-	27,830	-	(11,650)	200,570	9,960	-	210,530
Front of House Officers staffing	7	175,310	-	18,000	-	27,140	-	(11,400)	209,050	14,890	-	223,940
Catering Staffing	11	296,310	-	6,120	-	47,980	-	-	350,410	19,320	-	369,730
TOTAL DIRECT SERVICES	49	1,334,690	-	423,110	3,170	2,090,270	-	(3,251,400)	599,840	281,520	344,190	1,225,550
Percentage of Service Cost		35%	0%	11%	0%	54%	0%					
An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent												

SERVICE BLOCK:
Customer Services

SERVICE BLOCK:

CUSTOMER SERVICES

MAIN SERVICE AREAS

DETAILED SERVICES INCLUDED

Refuse and Recycling

Household refuse and recycling collection, including the provision of bulky waste and green garden waste collection services.

Street Cleansing

The cleaning of streets, twittens and footpaths through a combination of mechanical and manual sweeping, and the emptying of litter bins and the collection and disposal of abandoned vehicles.

Vehicle Maintenance

Procure, maintain and service most of the Councils' fleet of vehicles and plant. Carry out MOT testing and Private Hire and Hackney Carriage inspections for Worthing taxis. Provide administrative support to maintain the Councils' Operator's Licence.

Waste Strategy & Compliance

Street scene enforcement. Investigation and enforcement activity for fly-tipping, littering, abandoned vehicles, fly-posting, graffiti, street trading (Adur only), waste storage and management and other waste-related environmental crime.

Clinical Waste

The collection of clinical and hazardous waste.

Commercial Waste

Collection of waste from commercial properties including a recycling service.

Customer Services

Corporate contact centre; Worthing Revenues and Benefits public enquiry counter; Help Points in Worthing Town Hall, Portland House and Adur Civic Centre.

Revenues and Benefits

Council Tax, Business Rates and BID levy billing collection and recovery, periodical review of discounts and exemptions.

Housing and Council Tax Benefits assessment and payment.

Adur's Revenues and Benefits services are provided by CenSus.

CenSus Relationship (Adur)

Executive Head of Customer Services sits on Census Programme Management Board and acts as client officer for Adur Revenues and Benefits Services.

Crematorium

The provision of high quality and sympathetic services for the disposal of the dead. Supply of facilities for funeral services, bereavement advice and the memorialisation of the deceased.

Information & Technology Systems Support (ITSST)

The Information and Technology Systems and Support Team supports existing ICT systems.

Business Transformation

The Business Transformation Team (BTT) is responsible for project managing major cross-cutting corporate projects and also supports other small projects and managers facing change management issues.

Business Support

To support the councils New Ways of Working by centralising the processing of general administration duties

SERVICE BLOCK:

Customer Services

The Council is obliged by statute to provide the following services:

- Household refuse and recycling
- Street cleansing including abandoned vehicles
- Clinical waste collection
- Commercial waste
- Council Tax and Business Rates billing collection and recovery
- Housing and Council Tax Benefits assessment and payment

Customer Services and Waste Management became part of Adur and Worthing Joint Shared Services on various dates as detailed below:

- Waste Management 2007; Cleansing 2009; Customer Services 2009.
- Management of Adur Revenues and Benefits Services was transferred to CenSus in April 2007

Major changes in services planned for 2014/15 are:-

- ◆ Corporate Contact Centre – Further efforts will be made to reduce avoidable customer contact and non-value demand, and to encourage customer self-service via the World Wide Web. A new contact centre telephone system will be implemented to achieve integration with the business telephony system in use throughout the rest of the organisation.
- ◆ Worthing Revenues and Benefits – The service will ensure that further changes associated with the localisation of Council Tax and the introduction of Universal Credit are implemented correctly and on time. Customers will be offered the opportunity to be billed electronically.
- ◆ Crematorium – IT connectivity will be improved by the replacement of cabling along the main drive. Income will be increased through better marketing of the Crematorium and memorialisation. Plans will be developed for the possible construction of a pet crematorium.
- ◆ Business Support – Efficiency gains and possible cash savings will be generated through the centralisation, re-design and automation of routine administrative activities. For example, the corporate Electronic Document Records Management System will be extended across many departments of the Council.

Customer Services are not responsible for any material contracts.

CODE LIST SERVICE BLOCK:***Customer Services***

COST CENTRE	DESCRIPTION
JOINT	
90141	Business Transformation Manager
90142	Business & Technology Solutions
90031	Commerce Way
90613	Central Postage
90721	Waste Management Holding Account
90731	Household Refuse
90741	Recycling
90751	Clinical Refuse
90761	Trade Refuse
90771	Street Sweeping
90780	Depots
90781	Bulky Waste
90791	Joint Vehicle Workshop holding account
90801	Contract Compliance Holding Account
92110	Graffiti Contract
90511	Executive Head Customer Services
90521	Customer Services
90522	Business Support
ADUR	
10731	Refuse Collection
10741	Home Recycling
10751	Clinical Waste Collection
10761	Trade refuse collection
10771	Street Sweeping-General
11510	Abandoned Vehicles
12110	Visual Quality Initiative
12121	Fixed Penalty Notices
10531	Concessionary fares
11970	Council Tax Collection
12050	Council Tax Benefits
13030	Rent Allowances & Rebates - Admin
13040	Rent Allowances - Housing Benefit
13050	Rent Rebates (Non-HRA)
13070	Rent Rebates
13090	Benefit Overpayments General

CODE LIST SERVICE BLOCK:***Customer Services***

COST CENTRE	DESCRIPTION
WORTHING	
50150	Crematorium
50130	Crematorium - Memorials
50140	Crematorium - Memorial Garden
50670	Sea Defence Contract
50731	Household Waste
50741	Recycling
50751	Clinical refuse Collection
50761	Trade Waste
50771	Street Cleaning
51510	Abandoned Vehicles
52110	Environmental Projects Graffiti
50789	Fixed Penalty Notices
50450	Revenues & Benefits Holding A/C
50531	Concessionary Fares
50930	Council Tax Collection
50950	Council Tax Benefits Administration
50960	National Domestic Rating
51360	Rent Allowances Administration

JOINT SUMMARY SERVICE BLOCK:
Customer Services

SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Customer Services & Waste Management		
Executive Office	101,880	102,640
Business Support	151,140	164,270
Technology & Business Solutions	364,620	260,470
Central Postage	(2,160)	(620)
Clinical Waste Collection	24,480	(2,670)
Commerce Way Depot	111,170	112,430
Customer Services	1,060,900	1,090,770
Recycling	(326,830)	(672,310)
Refuse Collection	1,960,140	1,661,060
Street Sweeping & Cleansing	1,508,500	1,538,540
Trade Refuse Collection	465,180	428,980
Vehicle Workshop	486,480	620,410
Graffiti: Visual Quality Initiative	42,560	41,800
Waste Management	325,830	321,940
Waste Strategy	279,850	243,710
	6,553,740	5,911,420
Less: Vehicle Works Trading Account - recharged to services per job	(486,480)	(621,080)
TOTAL CUSTOMER SERVICES AND WASTE MANAGEMENT SERVICES	6,067,260	5,290,340
ALLOCATION OF COSTS		
Recharged to other joint services	1,006,710	448,290
Adur District Council	1,800,150	1,896,630
Worthing Borough Council	3,260,400	2,945,420
	6,067,260	5,290,340

JOINT VARIATIONS SERVICE BLOCK:
Customer Services

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	6,067,260
CHANGES TO BASE	18,670
Transfer of Web team to Corporate Strategic Team	(116,810)
INFLATION	128,430
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Recycling – Reduction in Recycling payment from WSCC	80,000
Agreed Savings	
Salary savings from changes in staffing	(30,000)
Recycling - Garden waste increase over and above inflation plus increase in take-up	(97,900)
Cleansing - Vehicle lease cost reduction	(82,000)
Refuse - Reduction in Multiple Occupation service	(154,880)
Notional Interest budget saving	(257,850)
Customer Services - Uniform & Accreditation budgets	(4,000)
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	(260,580)
Other minor transfers	
APPROVED ESTIMATE 2014/2015	5,290,340

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£
Executive Office	1	94,990	-	-	250	-	-	95,240	7,400	102,640
Technology & Business Solutions	5.2	231,760	-	490	4,040	-	-	236,290	24,180	260,470
Central Postage					78,360		(78,980)	(620)	-	(620)
Clinical Waste	1	24,400	-	8,320	11,150	-	(50,150)	(6,280)	3,610	(2,670)
Commerce Way	0	6,080	134,570	60	19,380	-	(55,490)	104,600	7,830	112,430
Customer Services	32.5	807,080	-	50	16,880	-	-	824,010	266,760	1,090,770
Business Support	8.4	154,190	-	-	1,190	-	(2,080)	153,300	10,970	164,270
Recycling	27	639,520	7,700	186,870	115,560	-	(1,694,960)	(745,310)	73,000	(672,310)
Refuse Collection	47	1,232,870	12,920	393,020	34,970	50	(88,840)	1,584,990	76,070	1,661,060
Street Cleansing	46.8	1,170,210	6,640	274,840	61,340	(10)	(37,370)	1,475,650	62,890	1,538,540
Trade Refuse	9	254,380	-	118,130	28,100	-	(4,810)	395,800	33,180	428,980
Vehicle Workshop	8	274,860	970	8,250	320,700	-	(621,080)	(16,300)	15,630	(670)
Visual Quality Initiative	2	44,820	-	5,830	8,500	-	(19,160)	39,990	1,810	41,800
Waste Management	6	260,910	100	4,170	40,970	-	(17,900)	288,250	33,690	321,940
Waste Strategy	7.3	221,460	-	10,640	-	-	-	232,100	11,610	243,710
TOTAL STAFF	201.2									
TOTAL COST OF JOINT CUSTOMER SERVICES		5,417,530	162,900	1,010,670	741,390	40	(2,670,820)	4,661,710	628,630	5,290,340
Percentage Direct Cost		74%	2%	14%	10%	0%				
An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent										

ADUR SUMMARY SERVICE BLOCK:
Customer Services

SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
ENVIRONMENT PORTFOLIO		
Abandoned Vehicles	19,470	17,250
Refuse Collection	940,560	812,290
Recycling	38,530	(58,590)
Street Sweeping & Cleansing	560,480	577,260
Trade Refuse Collection	(53,190)	(78,660)
Clinical Waste Collection	12,440	12,650
Visual Quality Initiative	67,880	60,290
	1,586,170	1,342,490
CUSTOMER SERVICES PORTFOLIO		
Collection of Revenues	394,690	454,580
Council Tax Benefits	(151,780)	16,870
Rent Allowances	247,880	139,500
	490,790	610,950
RESOURCES PORTFOLIO (HOLDING ACCOUNTS)		
Depreciation charged direct to Authority not allocated	44,240	40,580
TOTAL DIRECT SERVICES	2,121,200	1,994,020
TOTAL CUSTOMER SERVICES AND WASTE MANAGEMENT SERVICES	2,121,200	1,994,020

ADUR VARIATIONS SUMMARY BLOCK:
Customer Services



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	2,121,200
INFLATION	1,600
CHANGES TO BASE	
APPROVED VARIATIONS REPORTED TO CABINET	
Committed Growth	
Housing Benefit - Reduction in Administration grant	45,390
Fall out of Council Tax Reduction Scheme transition grant	22,000
Reduction in Income	
Additional Income	
Agreed Savings	
Increased income from commercial waste	(15,000)
CenSus - Revenues and Benefits surplus budget	(80,000)
Impact of Changes in Local Government	
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	6,270
Changes to notional capital charges	(107,440)
APPROVED ESTIMATE 2014/2015	1,994,020

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
Environment Portfolio		£		£	£	£	£	£		£	£	£
Abandoned Vehicles			10,720		1,060		4,690		16,470	780		17,250
Refuse Collection			604,620						604,620	87,390	120,280	812,290
Recycling			(244,720)						(244,720)	104,190	81,940	(58,590)
Street Sweeping & Cleansing			606,180					(120,490)	485,690	55,940	35,630	577,260
Trade Refuse Collection			158,720			186,800		(486,990)	(141,470)	31,550	31,260	(78,660)
Clinical Waste Collection			(1,060)						(1,060)	13,710		12,650
Visual Quality Initiative			56,350						56,350	2,190	1,750	60,290
Customer Services Portfolio												
Collection of Revenues					23,090	26,560	487,240	(243,890)	293,000	161,580		454,580
Council Tax Benefits							97,360	(156,380)	(59,020)	72,280	3,610	16,870
Rent Allowances					23,090	12,490	21,277,290	(21,303,910)	8,960	130,540		139,500
TOTAL DIRECT SERVICES		-	1,190,810	-	47,240	225,850	21,866,580	(22,311,660)	1,018,820	660,150	274,470	1,953,440
Support Services recharged to other services				5,300					5,300		35,280	40,580
TOTAL COST OF ADUR CUSTOMER SERVICES		-	1,190,810	5,300	47,240	225,850	21,866,580	(22,311,660)	1,024,120	660,150	309,750	1,994,020
Percentage of Direct Cost		0%	5%	0%	0%	1%	94%					
<p>An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent</p>												

WORTHING SUMMARY SERVICE BLOCK:
Customer Services

SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
ENVIRONMENT PORTFOLIO		
Environmental Projects	30,990	26,020
Street Cleansing	936,580	829,500
Clinical Waste Collection	28,660	28,160
Household Refuse Collection	1,600,460	1,371,680
Recycling	42,480	(157,860)
Trade Refuse Collection	(188,720)	(242,710)
Crematorium	(990,990)	(1,205,640)
	1,459,460	649,150
HEALTH & WELLBEING PORTFOLIO		
Rate Relief	59,330	60,520
CUSTOMER SERVICES PORTFOLIO		
Local Tax Collection	367,280	219,010
Housing Benefit Administration	705,150	685,160
Public Transport		
	1,072,430	904,170
REGENERATION		
Coast Protection	1,080	1,100
RESOURCES PORTFOLIO (HOLDING ACCOUNTS)		
Depreciation charged direct to Authority not allocated	24,840	21,510
TOTAL DIRECT SERVICES	2,617,140	1,636,450
SALARIES & CENTRAL SUPPORT RECHARGED TO OTHER SERVICES		
Revenues & Benefits	-	
TOTAL CUSTOMER SERVICES AND WASTE MANAGEMENT SERVICES	2,617,140	1,636,450

WORTHING VARIATIONS SERVICE BLOCK:
Customer Services



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ORIGINAL ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	2,617,140
INFLATION	(21,880)
CHANGES TO BASE	
Transfer Cleansing income from litter picking to Worthing	(129,590)
APPROVED VARIATIONS REPORTED TO CABINET	
Committed Growth	
Reduction in housing benefit administration grant	31,030
Compensatory Savings	
Agreed Savings	
Reduce enveloping costs by bringing the service back in-house	(10,100)
Reduce expenditure on other Revenues & Benefits base budgets	(9,500)
Implement enhanced on-line self-service facilities (including the ability to issue Council Tax and Business Rate demands and Benefit notifications- Reduced printing & postage costs electronically)	(500)
Increase income from crematorium fees above the rate of inflation	(150,000)
Reduced business rates at the Crematorium	(27,000)
Increased income from commercial waste	(30,000)
BUDGET TRANSFERS	
Virements during 2013-14	
Grounds Maintenance adjustments to direct recharges	1,150
Changes in allocation of recharge from other services	(477,980)
Changes to notional capital charges	(156,320)
APPROVED ESTIMATE 2014/2015	1,636,450

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
Environment Portfolio		£		£	£	£	£	£		£	£	£
Environmental Projects		-	25,180	-	-	-	-	(1,670)	23,510	2,510	-	26,020
Street Cleansing		-	932,350	-	-	2,120	-	(305,120)	629,350	110,080	90,070	829,500
Clinical Waste		-	(1,590)	6,410	-	-	-	-	4,820	21,870	1,470	28,160
Household Refuse Collection		-	1,056,430	-	-	-	-	-	1,056,430	123,340	191,910	1,371,680
Recycling		-	(427,580)	-	-	-	1,400	-	(426,180)	152,680	115,640	(157,860)
Trade Refuse Collection		-	270,260	7,920	-	359,920	-	(974,070)	(335,970)	42,070	51,190	(242,710)
Crematorium	9.8	305,550	-	428,670	4,310	142,520	-	(2,239,480)	(1,358,430)	81,110	71,680	(1,205,640)
Customer Services Portfolio												
Local Tax Collection	11	279,120	-	-	3,160	95,710	-	(638,440)	(260,450)	479,460	-	219,010
Housing Benefit Administration	16.1	421,420	-	-	270	38,330	-	(293,620)	166,400	518,760	-	685,160
Health & Wellbeing Portfolio												
Rate Relief		-	-	-	-	60,520	-	-	60,520	-	-	60,520
Regeneration Portfolio												
Coast Protection		-	-	1,100	-	-	-	-	1,100	-	-	1,100
TOTAL DIRECT SERVICES		1,006,090	1,855,050	444,100	7,740	699,120	1,400	(4,452,400)	(438,900)	1,531,880	521,960	1,614,940
Support Services recharged to other services												
Revenues & Benefits		-	-	-	-	-	-	-	-	-	21,510	21,510
TOTAL COST OF WORTHING CUSTOMER SERVICES		1,006,090	1,855,050	444,100	7,740	699,120	1,400	(4,452,400)	(438,900)	1,531,880	543,470	1,636,450
Percentage of Direct Cost		25%	46%	11%	0%	17%	0%					
An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent												

SERVICE BLOCK: *Financial Services*

SERVICE BLOCK:

FINANCIAL SERVICES

MAIN SERVICE AREAS

DETAILED SERVICES INCLUDED

Accountancy

Professional accounting service whose key tasks include:

- Financial advice for managers;
- Production of the annual statement of accounts;
- Production of the annual budget;
- Investment and borrowing of funds;
- Provision of external funding advice.

Exchequer

Payments and income service, including debt management.

Payroll

Payment of salaries to staff and allowances to members

Insurance and Administration

Insurances including handling claims. Team also handles a variety of financial administration tasks including members expenses, cancelling cheques, and issuing of financial stationery.

Cash Receipting

Front line cash receipting service operating out of the Town Hall

Corporate Fraud Team

Investigation into all types of fraud and theft including Housing Benefit Fraud and Single Person Discount Fraud for Worthing Borough Council.

Internal Audit

Service which ensures that the Councils processes are fit for purpose and safeguard the Council's financial assets.

Housing Benefit adjudication team

Housing Benefit appeal assessment for Worthing Borough Council.

ICT services

ICT services are delivered through the CenSus partnership.

The Council has a statutory obligation to provide the following:-

- Annual Statement of Accounts
- Annual balanced budget
- Information required by the Government e.g financial returns
- Annual investment statement and statement on the repayment of debt.
- Housing Benefit appeals service

Most of Financial Services became part of Adur and Worthing Joint Shared Services in April 2009 with the exception of the Corporate Fraud and Housing Benefit Adjudication teams.

There are no major changes planned for 2013/14.

Financial Services are responsible for the following material contracts:-

- ◆ Insurance contract;
- ◆ Internal Audit contract which was let in 2013 and will be renewed in 2018;
- ◆ Banking Services;

CODE LIST SERVICE BLOCK:***Financial Services***

COST CENTRE	DESCRIPTION
JOINT	
90000	Audit Client
90221	Exec Head Financial Services
90231	Secretarial Services
90241	Accountancy - Joint Service
90250	Finance Manager Exchequer & Investigation
90260	Exchequer Services
90271	Payroll - joint
90281	Cash Receipting
90291	Insurances & Administration
90691	ICT CENSUS Contract
90692	ICT - CENSUS Maintenance & Licences
91790	Corporate Items
ADUR	
10110	Insurance
10271	Payroll
10350	Internal Audit
10360	Information & Comm. Technology
10730	Census Partnership
10840	Capital Charges Holding Account
11790	Corporate management - General
11850	Adur & Worthing Partnership
12670	Miscellaneous items - General
12700	Member Decisions not in Base Budgets
13220	Treasury Management Account Revenue
13230	BankBusinessPremiumA/C Revenue
13250	PWLB Revenue
13260	Market Loans Revenue
13270	Temp Loans & Overdraft Revenue
13310	General
14570	Minimum Revenue Provision
14610	Debt Management costs

CODE LIST SERVICE BLOCK:***Financial Services***

COST CENTRE	DESCRIPTION
WORTHING	
50110	Insurance
50115	Minimum Revenue Provision
50122	Credit Back Depreciation
50210	Cashiers
50221	Exec Head Financial Services
50241	Accountancy - Joint Service
50350	Internal Audit
50360	ICT Operational Staff
51370	Local Housing Allowance
51790	Corporate Management
51990	Treasury Management
52000	Local Scheme Superannuation
52010	Superannuation Backfunding
52030	Non Distributed Costs
52040	External Interest Payable
52050	Council Tax Benefits
52072	Other External Interest Receivable
52260	ICT External Working
52280	ICT Hardware Costs
52830	Benefits Policy & Investigation Unit
52850	R&B Client
52870	Benefits Mobile Working Project
53040	Rent Allowances

JOINT SUMMARY SERVICE BLOCK:
Financial Services & ICT

SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Financial Services		
Executive Office	163,060	71,880
Exchequer & Investigations	958,470	852,210
Corporate Management (includes External Audit)	23,250	23,720
Accountancy	1,083,970	1,089,130
ICT	1,150,730	1,156,790
TOTAL FINANCIAL SERVICES	3,379,480	3,193,730
ALLOCATION OF COSTS		
Recharged to other joint services	1,030,070	1,036,650
Adur District Council	966,470	899,060
Worthing Borough Council	1,382,940	1,258,020
	3,379,480	3,193,730

JOINT VARIATIONS SERVICE BLOCK:
Financial Services and ICT



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	3,379,480
INFLATION	52,130
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Potential impact of Job Evaluations	20,000
ICT - PSN accreditation for increased maintenance costs	18,000
Agreed Savings	
Secretarial Services - Reduction in staff working hours	(7,000)
Restructure of Management team	(107,100)
Payroll - Reduction in staff working hours due to automation of admin tasks	(8,000)
Insurance - Reduction in staff working hours due to restructure	(22,000)
Corporate - Introduction of credit card charges for customers	(20,000)
BUDGET TRANSFERS	
Virements	(6,500)
Changes in allocation of recharge from other services	(95,760)
Payroll changes from other services held as a corporate item	(9,520)
APPROVED ESTIMATE 2014/2015	3,193,730

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£
Executive Office	2.0	41,910	-	520	10,510	-	(30)	52,910	18,970	71,880
Exchequer & Investigations	18.3	565,830	-	90	71,240	-	(18,640)	618,520	233,690	852,210
External Audit	0	-	-	-	23,720	-	-	23,720	-	23,720
Accountancy	18.5	879,780	-	610	57,920	-	(28,020)	910,290	178,840	1,089,130
ICT	0.0	25,090	-	-	198,990	931,090	-	1,155,170	1,620	1,156,790
TOTAL STAFF	38.8									
TOTAL COST OF JOINT FINANCIAL SERVICES		1,512,610	-	1,220	362,380	931,090	(46,690)	2,760,610	433,120	3,193,730
Percentage of Direct Cost		54%	0%	0%	13%	33%				
An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent										

ADUR SUMMARY SERVICE BLOCK:
Financial Services and ICT



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
RESOURCES PORTFOLIO		
Corporate Management*	849,790	552,470
Miscellaneous	(226,310)	(241,630)
Non-Distributed Costs	941,840	943,830
Treasury Management	603,240	668,420
Support services depreciation not charged to direct services	(1,398,090)	(1,328,580)
TOTAL PORTFOLIOS	770,470	594,510
Credit back notional capital charges	(1,499,980)	(1,366,190)
Minimum Revenue Provision	847,280	963,680
TOTAL DIRECT SERVICES	117,770	192,000
SALARIES & CENTRAL SUPPORT RECHARGED TO OTHER SERVICES		
ICT	257,640	206,920
Insurances	231,300	231,300
Various	101,480	102,020
	590,420	540,240
TOTAL FINANCIAL SERVICES	708,190	732,240

ADUR VARIATIONS SERVICE BLOCK:
Financial Services and ICT



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	708,190
INFLATION	4,700
APPROVED VARIATIONS REPORTED TO CABINET	
Committed growth	
Pension Superannuation backfunding - Impact of pension fund valuation	66,000
Corporate Management - External Funding Officer (Extra hours)	
Compensatory Savings	
Fall out of early retirement costs	(40,000)
Impact of Capital Programme	
Financing Costs	(2,000)
Efficiency Savings	
Non-Distributed costs - Miscellaneous expenses - Base Budget Review	(11,090)
Non-Distributed costs - Pension strains due yo voluntary reitirements	(22,000)
Additional Income	
Accomodation Strategy	(52,000)
Treasury Management Account Revenue - change in interest forecast	81,000
BUDGET TRANSFERS	
Virements	44,530
Joint Transfers	2,530
Changes in allocation of recharge from other services	1,116,250
Changes to notional capital charges	(1,163,870)
APPROVED ESTIMATE 2014/2015	732,240

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
Resources Portfolio		£	£	£	£	£	£	£	£	£	£	£
Corporate Management		2,530	436,920	114,630	-	172,670	14,000	(401,850)	338,900	229,760	(16,190)	552,470
Miscellaneous		-	-	-	-	(240,480)	14,340	(15,490)	(241,630)	-	-	(241,630)
Non-Distributed Costs		1,244,730	-	-	-	-	-	(300,890)	943,840	(10)	-	943,830
Treasury Management		-	-	-	-	-	-	(242,110)	(242,110)	46,290	864,240	668,420
Support Services depreciation not charged to direct services		122,620	-	26,070	13,680	-	-	(1,585,190)	(1,422,820)	82,920	(391,190)	(1,731,090)
TOTAL DIRECT SERVICES		1,369,880	436,920	140,700	13,680	(67,810)	28,340	(2,545,530)	(623,820)	358,960	456,860	192,000
Support Services recharged to other services		132,890	-	79,660	18,750	117,730	-	-	349,030	210	191,000	540,240
		132,890	-	79,660	18,750	117,730	-	-	349,030	210	191,000	540,240
TOTAL COST OF ADUR FINANCIAL SERVICES		1,502,770	436,920	220,360	32,430	49,920	28,340	(2,545,530)	(274,790)	359,170	647,860	732,240
Percentage of Direct Cost		66%	19%	10%	1%	2%	1%					
<p>An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent</p>												

WORTHING SUMMARY SERVICE BLOCK:
Financial Services and ICT



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
CUSTOMER SERVICES PORTFOLIO		
Council Tax Benefits	(9,320)	45,480
Housing Benefit Payments	(269,270)	(234,990)
	(278,590)	(189,510)
RESOURCES PORTFOLIO		
Corporate Management*	420,960	492,300
Non-Distributed Cost	2,310,520	2,634,410
Interest Payable & Interest Income	521,330	398,830
Support services depreciation not charged to direct services	(1,881,190)	(395,040)
	1,371,620	3,130,500
TOTAL PORTFOLIOS	1,093,030	2,940,990
Credit back notional capital charges	(2,877,240)	(3,178,370)
Minimum Revenue Provision	732,240	1,207,040
TOTAL DIRECT SERVICES	(1,051,970)	969,660
SALARIES & CENTRAL SUPPORT RECHARGED TO OTHER SERVICES		
Insurances	345,570	345,570
ICT	15,610	15,920
Various	464,910	479,740
	826,090	841,230
TOTAL FINANCIAL SERVICES	(225,880)	1,810,890

WORTHING VARIATIONS SERVICE BLOCK:
Financial Services and ICT



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
ORIGINAL ESTIMATE 2013/2014	£ (225,880)
INFLATION	14,220
APPROVED VARIATIONS REPORTED TO CABINET	
Committed growth	
Reduction in housing benefit administration grant	80,160
Pension Superannuation backfunding - Impact of pension fund valuation	131,000
Contingency for unidentified items	50,000
Non Distributed costs - Security Arrangements for the old aquarena site	10,000
	-
Compensatory Savings	
Non-Distributed costs - Pension strains due to voluntary reirements	(60,000)
Additional Income	
Investment Income	109,000
Impact of Capital Programme	
Increase in Minimum Revenue Provision to be set aside	94,200
Reduction in interest payable on borrowing	80,800
Efficiency Savings	
Base budget review of supplies and services budget	(920)
Bid for the new Astroturf Soccer Centre at Worthing Lesiure Centre	18,100
Review of support arrangements to the fraud and adjudication teams	(35,800)
Accomodation Strategy	(81,000)
Review of the Pension budgets for the local scheme & deficit contribution.	(22,000)
Fall out of early retirement costs	(11,000)
	-
BUDGET TRANSFERS	
Virements	55,200
Payroll changes from other services held as a corporate item	-
Changes in allocation of recharge from other services	4,241,550
Changes to notional capital charges	(2,636,740)
APPROVED ESTIMATE 2014/2015	1,810,890

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
Customer Ser's Portfolio		£	£	£	£	£	£	£	£	£	£	£
Council Tax Benefits		-	-	-	-	-	-	(54,660)	(54,660)	100,140	-	45,480
Housing Benefit Payments		-	-	-	-	30,290	35,886,240	(36,202,530)	(286,000)	51,010	-	(234,990)
Resources Portfolio												-
Corporate Management		(528,370)	499,060	7,850	-	191,680	-	(177,070)	(6,850)	499,150	-	492,300
Non-Distributed Cost		2,402,850	-	-	-	-	-	(42,820)	2,360,030	-	274,380	2,634,410
ICT		-	-	-	-	15,920	-	-	15,920	-	-	15,920
Interest Payable		-	-	-	-	-	-	-	-	-	485,560	485,560
Interest Income		-	-	-	-	-	-	(86,730)	(86,730)	-	-	(86,730)
Support Services depreciation not charged to direct services		-	-	43,100	53,600	-	-	(758,990)	(662,290)	-	(1,704,080)	(2,366,370)
TOTAL DIRECT SERVICES		1,874,480	499,060	50,950	53,600	237,890	35,886,240	(37,322,800)	1,279,420	650,300	(944,140)	985,580
Support Services recharged to other services	11.61	456,170	-	212,530	61,260	251,880	-	(216,500)	765,340	59,970	-	825,310
		456,170	-	212,530	61,260	251,880	-	(216,500)	765,340	59,970	-	825,310
TOTAL COST OF WORTHING FINANCIAL SERVICES	11.6	2,330,650	499,060	263,480	114,860	489,770	35,886,240	(37,539,300)	2,044,760	710,270	(944,140)	1,810,890
Percentage of Direct Cost		63%	13%	7%	3%	13%						
<p>An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent</p>												

SERVICE BLOCK:
Housing, Health and Community Safety

SERVICE BLOCK:	HOUSING, HEALTH AND COMMUNITY SAFETY SERVICES
MAIN SERVICE AREAS	DETAILED SERVICES INCLUDED
Housing Need	Housing advice and options, prevention and management of homelessness, Housing register, choice based lettings including nominations to Registered Providers (RP's).
Strategic Housing and Enabling	Housing strategy development and review, affordable housing provision, Adur and Worthing Home Improvement Assistance, liaison with Registered Providers.
Environmental Health	Private sector housing assistance and renewal, empty properties, environmental protection and noise, pest control, dog control, food hygiene, health and safety enforcement, healthy workplace, Disabled Facilities Grants and other private sector housing grants.
Licensing	Taxi and private hire, premises and personal licensing.
Safer Communities	Support for Safer Communities Partnership, anti social behaviour teams and co-ordination of the wider Safer Communities programme, police performance and intelligence liaison, Joint Action Groups, Local Action Teams, and running the Family Intervention Project.

The Council has a statutory obligation to provide the following Housing, Health & Community Safety Services:-

- **Housing:** There are statutory duties to ensure provision of housing advice, maintain a housing register and allocate accommodation in line with the Localism Act and the Housing Act 1996 as amended, prevent and alleviate homelessness and regularly strategically assess housing need and develop plans to deal with it.
- **Environmental Health:** The Council has numerous statutory regulatory functions across all of the areas listed above, particularly around private sector housing conditions, environmental protection and control of pollution, food safety and the requirement for an annual Food Safety Plan. Provision of Disabled Facilities Grants to qualifying persons is mandatory.
- **Licensing:** Both Councils have statutory responsibilities as licensing authorities.
- **Safer Communities:** The Council has a statutory duty under Section 17 of the Crime and Disorder Act as amended to exercise their functions with due regard to the prevention of crime and disorder including anti-social behaviour and substance misuse. This duty permeates all areas of the Councils' functions, but it is co-ordinated through the joint Safer Communities team.

Housing, Health and Community Safety Services became part of Adur and Worthing Joint Shared Services and are all fully joint services.

SERVICE BLOCK:

Housing, Health and Community Safety

Major changes in services planned for 2014/15 are:-

- Legislative changes affecting housing and housing strategy over the year as a result of part 6 of the Localism Act – both Councils' Allocation Policies will be reviewed in early 2014 and amended policies introduced during 2014/15 as a result of the freedoms and flexibilities contained in the Localism Act, and policies for dealing with the outcome of welfare reform and Universal Credit need to be developed;
- Expansion of the Family Intervention Project funded by Think Family Expansion money in partnership with WSCC is now in place and in 2014/15 longer term service plans need to be developed with WSCC.

Housing, Health and Community Safety Services are not responsible for any material contracts

Adur and Worthing Councils carry out a number of projects that are primarily self financing. Activities funded from other sources will have no impact on the general fund and will contribute to the constituent councils' corporate priorities. These projects may not be time barred and may be carried forward over more than one year. They may be funded directly from central government grant or from another public sector organisation to meet shared objectives.

Detailed below is a summary overview of the larger projects:-

ANTI-SOCIAL BEHAVIOUR PROJECT (ASB):

This project provides casework support for those who are victims/perpetrators of ASB. The ASB team also use an Early Intervention approach to tackling the root causes of ASB before they develop. This project has been funded predominantly from the Safer Stronger Communities Fund in the past, (now part of Police and Crime Commissioner funding to be confirmed) with a mainstreamed contribution from Adur and Worthing Councils of £26,560. There are 3 Council employed staff and 1 commissioned post employed by Sussex Police but at present we wait to see if PCC funding will continue.

FAMILY INTERVENTION PROJECT (FIP):

This project supports families with multiple and complex needs by using a key worker to support them in sorting out their issues and change their behaviour. Adur and Worthing have developed this project further into Arun and Crawley. West Sussex County Council have given funding for this project for 3 years which expires in 2014. Additionally the Think Family Expansion programme has been extended in Adur and Worthing to deal with more families under both FIP but also at a less intensive Neighbourhood level.

STREET DRINKERS OUTREACH PROJECT, YOUNG PERSON'S DRUG AND ALCOHOL WORKER, YOUNG PEOPLE AND FAMILY ALCOHOL WORKER:

A bid has been submitted to the second stage of the Reaching Communities bid process for new funding to continue to provide staff & support costs to deliver substance misuse work focusing on Young People & Street Drinkers. A result is expected in the New Year.

SERVICE BLOCK:

Housing, Health and Community Safety

PREVENTING REPOSSESSION FUND / LOCAL ASSISTANCE NETWORK

This project provides an additional option for local authorities to tackle repossessions in their area. This can be achieved by offering small, short term interest free loans, or grants, to households who are at risk of repossession (for example where their lender has confirmed they are taking possession action). Also in 2013/14 LAN funding (from WSCC out of funding transferred from DWP as Community Care Grants etc) has been obtained to assist people into the private rented sector through loans and grants towards advance rent and/or deposits.

HOMELESSNESS ACT GRANT FUNDING

This funds three posts in the Housing Need team: Housing Outreach Worker, Housing Solutions Officer (Tenants) and Housing Solutions Officer (Landlords) to work with people in the private rented sector and vulnerable people and the funding is guaranteed until 2015.

More information can be obtained from Financial Services if required.

CODE LIST SERVICE BLOCK:
Housing Health and Community Safety

COST CENTRE	DESCRIPTION
JOINT	
90301	Exec Head Housing Health & Comm Safety
90302	Environmental Health Management
90303	Food Safety/Health & Safety Team
90304	Licensing Team
90305	Housing/Environmental Protection Team
90306	Environmental Health Administration Team
90307	Environmental Health & Systems Management
90308	Pest Control Team
90309	Dog Warden
90311	Joint Community Safety
90319	Home Improvement Assistance (prev. Care & Repair)
90320	Housing Strategy
90321	Homelessness & Liaison Team
90322	Housing Services Management
90323	Lettings Team
90324	Housing Advice Team
94810	Joint Anti-Social Behaviour Team
94815	Joint Family Intervention Project
94820	Joint Community Safety Projects
ADUR	
12090	Dog Warden
12120	Environmental Health Domestic
12122	Housing Condition Survey
12130	Pollution Monitoring
12140	Public Health Burials
12150	Drainage Investigations
12160	Home Safety Loan Scheme
12240	Commercial Environmental Health
12250	Food Safety
12370	Private Sector Housing - General
12380	Housing Advice
12390	Home Improvement Assistance (prev. Care & Repair)
12391	Hardship Fund
12392	Adur Safe Scheme
12393	Domestic Abuse Fund
12394	Worthing Safe Scheme
12400	Enabling Role
12410	Homelessness Management - General
12430	Homelessness Prevention
12440	Choice Based Lettings
12530	Hackney Carriage & Private Hire
12540	Misc Licensing
12550	Gambling, etc
12560	Animal Welfare Licensing
12570	Alcohol & Entertaining
12760	Pest Control - General
13110	Community Safety
13150	CCTV

CODE LIST SERVICE BLOCK:
Housing Health and Community Safety

COST CENTRE	DESCRIPTION
WORTHING	
50160	Pollution Reduction
50170	Local Air Pollution Control
50320	Housing Strategy
50680	Community Safety
50730	Health & Safety Enforcement
50740	Housing Standards
50750	Various Licences
50790	Public Health
50800	Dog Control
50810	Joint Health Promotion Project
50820	National Assistance Act 1948
51580	Houses in Multiple Occupancy
51590	Homelessness Management
51610	Homeless Initiatives
51640	Housing Advances
51660	Management Of Waiting List
51672	Choice Based Letting
51680	Special Housing Needs
51712	Housing Condition Surveys
51722	House Renovation Grants Mandatory
51732	Housing Renovation Grants - Discretionary
51740	Closing Orders
51750	Control Orders
51760	Registered Social Landlords
51940	Home Improvement Assistance (prev. Staying Put Agency)
52250	Food Safety
52380	Housing Advice
52410	Homelessness Prevention
52530	Licences - Hackney Carriage/Private Hire
52760	Rodent & Pest Control
53150	CCTV

JOINT SUMMARY SERVICE BLOCK:
Housing, Health and Community Safety



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Housing Health & Community Safety		
Executive Office	99,540	99,700
Community Safety	191,700	182,470
Environmental Health	1,962,920	1,930,590
Housing Services	860,280	763,010
Housing Strategy	69,990	71,210
TOTAL HOUSING, HEALTH & COMMUNITY SAFETY	3,184,430	3,046,980
ALLOCATION OF COSTS		
Recharged to other joint services	-	-
Adur District Council	1,324,650	1,260,380
Worthing Borough Council	1,859,780	1,786,600
	3,184,430	3,046,980

JOINT VARIATIONS SERVICE BLOCK:
Housing, Health and Community Safety



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	3,184,430
INFLATION	72,900
CHANGES TO BASE	
Pest control chemicals budget transfer to Joint Strategic Committee	3,480
Licensing Team cash collection budget transfer to Joint Strategic Committee	500
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Agreed Savings	
Reduction in overtime budgets	(27,070)
Review of departmental salary budets	(50,700)
Base budget review - miscellaneous supplies and services budgets	(23,500)
Replacement of Environemental Health H&S Team Leader post with Senior Environmental Health Technical Officer post	(15,230)
Deletion of Lettings and Support Officer post	(6,410)
BUDGET TRANSFERS	
Payroll changes	(910)
Changes in allocation of recharge from other services	(90,510)
APPROVED ESTIMATE 2014/2015	3,046,980

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Notional Asset Hire Charges	TOTAL BUDGET
		£	£	£	£	£	£	£		£	£
Executive Office	1	92,390		1,240	1,660			95,290	4,410	-	99,700
Community Safety	16.9	455,990		1,990	22,930		(316,830)	164,080	18,390	-	182,470
Environmental Health	40.7	1,596,270	500	53,750	85,420		(52,920)	1,683,020	247,570	-	1,930,590
Housing Services	21.2	834,740		11,840	15,030		(182,810)	678,800	84,210	-	763,010
Housing Strategy	1	51,930		720	11,940			64,590	6,620	-	71,210
TOTAL STAFF	80.8										
TOTAL COST OF JOINT HOUSING HEALTH & COMMUNITY SAFETY SERVICES		3,031,320	500	69,540	136,980	-	(552,560)	2,685,780	361,200	-	3,046,980
Percentage of Direct Costs		94%	0%	2%	4%	0%					
An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent											

ADUR SERVICE BLOCK:
Housing, Health and Community Safety



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
ENVIRONMENT PORTFOLIO		
Environmental Health - Domestic	320,460	295,810
Environmental Health - Commercial	85,700	84,930
Dog Warden	45,120	40,470
Pest Control	54,100	50,770
	505,380	471,980
HEALTH & WELLBEING PORTFOLIO		
Env Health - Food Safety	127,400	120,630
Licensing	62,680	64,840
Community Safety	132,230	133,390
CCTV	16,140	11,980
	338,450	330,840
REGENERATION PORTFOLIO		
Housing General District	118,930	147,420
Homelessness	603,020	570,010
	721,950	717,430
TOTAL DIRECT SERVICES	1,565,780	1,520,250
SALARIES & CENTRAL SUPPORT RECHARGED TO OTHER SERVICES		
Various	-	-
TOTAL HOUSING, HEALTH & COMMUNITY SAFETY	1,565,780	1,520,250

ADUR VARIATIONS SERVICE BLOCK:
Housing Health and Community Safety



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
ORIGINAL ESTIMATE 2013/2014	£ 1,565,780
INFLATION	2,670
CHANGES TO BASE	
APPROVED VARIATIONS REPORTED TO CABINET	
Committed Growth	
Reduction in income from Disabled Facility Grant work	3,290
Savings	
Increase in fee charged for Home Improvement work	(6,250)
Reduction in Environmental Health supplies & services budgets	(19,500)
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	(29,130)
Changes to notional capital charges	3,390
OTHER MINOR VARIATIONS	
APPROVED ESTIMATE 2014/2015	1,520,250

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
Environment Portfolio		£		£	£	£	£	£		£	£	£
Environmental Health - Domestic	-	-	-	-	-	19,620	4,470	(10,930)	13,160	282,650	-	295,810
Environmental Health - Commercial	-	-	41,700	-	-	1,540	-	(650)	42,590	41,690	650	84,930
Dog Warden	-	-	38,330	-	-	-	-	-	38,330	1,030	1,110	40,470
Pest Control	-	-	33,300	-	-	-	-	-	33,300	16,640	830	50,770
Health & Wellbeing Portfolio		-										
Environmental Health - Commercial (Food Safety)	-	-	92,670	-	-	8,310	-	-	100,980	19,650	-	120,630
Licensing	-	-	110,300	-	-	12,450	-	(102,900)	19,850	44,990	-	64,840
Community Safety	-	-	81,960	-	-	16,570	-	-	98,530	34,860	-	133,390
CCTV	-	-	1,860	1,240	-	7,780	-	-	10,880	1,100	-	11,980
Regeneration Portfolio		-										
Housing General District	-	-	114,430	-	-	-	1,060	(31,820)	83,670	63,750	-	147,420
Homelessness	-	-	248,220	-	-	307,460	-	(117,710)	437,970	131,240	800	570,010
TOTAL STAFF	0											
TOTAL COST OF ADUR HOUSING, HEALTH & COMMUNITY SAFETY SERVICES		-	762,770	1,240	-	373,730	5,530	(264,010)	879,260	637,600	3,390	1,520,250
Percentage of Direct Costs		0%	67%	0%	0%	33%	0%					
<p>An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent</p>												

WORTHING SUMMARY SERVICE BLOCK:
Housing, Health and Community Safety



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
ENVIRONMENT PORTFOLIO		
Pollution Reduction	147,350	147,800
Dog Warden	75,850	70,810
Pest Control	78,070	72,660
	301,270	291,270
HEALTH & WELLBEING PORTFOLIO		
Environmental Health	638,570	590,950
CCTV	34,620	30,900
Community	138,670	135,230
Pollution Reduction	35,330	33,260
	847,190	790,340
CUSTOMER SERVICES PORTFOLIO		
Environmental Health - Housing Standards	70,700	92,590
Homelessness	541,430	502,690
Housing Advances	7,160	6,130
Housing Advice	197,300	211,110
Housing Strategy	70,370	76,270
Private Sector Housing Renewal	86,850	86,650
Registered Social Landlords	-	-
Home Improvement Assistance (prev Staying Put Agency)	56,710	88,770
	1,030,520	1,064,210
TOTAL DIRECT SERVICES	2,178,980	2,145,820
SALARIES & CENTRAL SUPPORT RECHARGED TO OTHER SERVICES		
Various	-	-
TOTAL HOUSING, HEALTH & COMMUNITY SAFETY	2,178,980	2,145,820

WORTHING VARIATIONS SERVICE BLOCK:
Housing, Health and Community Safety



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	2,178,980
INFLATION	(3,390)
CHANGES TO BASE	
Licensing cash collection budget moved to joint	(3,480)
Pest control chemical budget moved to joint	(500)
APPROVED VARIATIONS REPORTED TO CABINET	
Committed Growth	
Reduction in income from Disabled Facility Grant work	33,750
Housing Condition Survey carried out once every three years	9,000
Savings	
Increase in fee charged for Home Improvement work	(7,500)
Reduction in Environmental Health supplies & services budgets	(18,490)
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	(56,580)
Changes to notional capital charges	14,030
OTHER VARIATIONS	
APPROVED ESTIMATE 2014/2015	2,145,820

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
Environment Portfolio		£		£	£	£	£	£		£	£	£
Pollution Reduction	-	-	-	-	-	150,920	-	(3,120)	147,800	-	-	147,800
Dog Warden	-	-	46,840	-	-	-	-	-	46,840	21,370	2,600	70,810
Pest Control	-	-	49,950	-	-	-	-	-	49,950	21,880	830	72,660
Health & Wellbeing Portfolio												
Environmental Health	-	-	301,180	1,090	-	61,650	-	(3,610)	360,310	229,980	660	590,950
CCTV	-	-	1,790	3,470	-	18,550	-	-	23,810	400	6,690	30,900
Community Safety	-	-	78,750	-	-	12,650	-	-	91,400	43,830	-	135,230
Licensing	-	-	184,780	-	-	3,630	-	(222,530)	(34,120)	67,380	-	33,260
Customer Services Portfolio												
Environmental Health - Housing Standards	-	-	38,560	-	-	-	-	(80)	38,480	54,110	-	92,590
Homelessness	-	-	199,870	-	-	381,810	136,680	(269,740)	448,620	54,070	-	502,690
Housing Advances	-	-	-	-	-	4,640	-	(150)	4,490	1,640	-	6,130
Housing Advice	-	-	94,440	-	-	16,310	-	-	110,750	97,110	3,250	211,110
Housing Strategy	-	-	32,740	-	-	9,290	-	-	42,030	34,240	-	76,270
Private Sector Housing Renewal	-	-	-	-	-	-	-	-	-	86,650	-	86,650
Home Improvement Assistance (prev Care & Repair & Staying Put Agency)	-	-	118,980	-	-	-	-	(38,780)	80,200	8,570	-	88,770
TOTAL STAFF												
TOTAL COST OF WORTHING HOUSING HEALTH & COMM'Y SAFETY SERVICES		-	1,147,880	4,560	-	659,450	136,680	(538,010)	1,410,560	721,230	14,030	2,145,820

Percentage of Direct Costs 0% 59% 0% 0% 34% 7%

An explanation of the changes to the budget since last year is provided on the previous page - the Variation page
 Staff FTE = Number of staff based on full time equivalent

SERVICE BLOCK:
Planning Regeneration and Wellbeing

SERVICE BLOCK:	PLANNING REGENERATION AND WELLBEING
MAIN SERVICE AREAS	DETAILED SERVICES INCLUDED
Development Management	Planning Applications (including major projects), Enforcement, Trees, Advertisements, Conservation, Listed Buildings.
Planning Policy	Local Development Framework/Local Plans. Area Action Plans, Master Plans, Neighbourhood Plans, Policy Guidance, Development Briefs, Conservation Areas, Community Infrastructure Levy and Transport Policy.
Regeneration	Worthing Masterplan/Shoreham Renaissance/Lancing Vision Town Centres Management for Adur Economic Development Action Plan, business support and inward investment, Visitor Economy and Visitor Information Centre. Events and arts development, public realm improvements.
Building Control	Building Regulation applications and notices, Dangerous Structures and enforcement of the Building Acts. Access and Mobility Officer providing advice to Development Management, applicants and outside groups. Provision of Fire Safety advice to the Local Authority and Fire Safety Assessment service to individuals, and outside organisations.
Community Wellbeing	Neighbourhood Working and Action Plans, Local Strategic Partnership, development and delivery of the Sustainable Community Strategy, support and liaison with the Voluntary and Community Sector, Administration of Community Grants, Safeguarding of Children and Young People and Adults at Risk, Community Profile and Deprivation. Wellbeing Hubs, British Heart Foundation Hearty Lives.

The Council has a statutory obligation to provide the following Planning Regeneration and Wellbeing services:

- Development Management and Building Control for Planning and Building Regulation applications in accordance with the Planning and Building Acts and accompanying regulations;
- Local Development Frameworks (to be replaced by Local Plans) to set out the spatial vision for the District/Borough to help create sustainable communities
- Safeguarding of Children and Young People and Adults at Risk

There are no major changes in services planned for 2014/15.

However, major Health reforms are likely to have a significant impact on how services are delivered in the future. In addition, the Localism Act has imposed a new “duty to co-operate” on strategic issues and the significant changes to the planning system with the introduction of Neighbourhood Planning and the Community Infrastructure Levy will also have an impact on service delivery and the involvement of local communities.

SERVICE BLOCK:

Planning Regeneration and Wellbeing

Planning Regeneration and Wellbeing Services are responsible for the following material contracts:

The main contract is with NHS West Sussex to deliver the Adur and Worthing Wellbeing Hub. In addition, funding is in place to enable the Hubs to commission additional services to enhance health and wellbeing.

Adur and Worthing Councils carry out a number of projects that are primarily self-financing. Activities funded from other sources will have no impact on the general fund and will contribute to the delivery of the councils' corporate priorities. These projects may not be time barred and may be carried forward over more than year. They may be funded directly from central government grant or from another public sector organisation to meet shared objectives.

SERVICE BLOCK:
Planning Regeneration and Wellbeing

Project Name	Source of External Funding	Funding 13/14 or b/f Joint	Funding 13/14 or b/f Worthing	Funding 13/14 or b/f Adur	Estimated C/FWD 14/15 & New Grant	Brief Overview of Project
		£	£	£	£	£
Adur & Worthing Wellbeing Hubs Core Wellbeing Hub allocation	NHS West Sussex NHS West Sussex				200,000.00	Wellbeing Hubs for Adur and Worthing Councils have been established in partnership with WSCC and NHS West Sussex this year. The Hubs offer a core service to give people advice, guidance and signposting to services that support lifestyle choices such as losing weight, stop smoking, sensible drinking, managing stress and being more physically active. The core service is delivered face to face at community based locations and is also accesible through a website, email and telephone hotline.
Commisioned Projects: Social isolation	NHS West Sussex		-	-	78,000.00	The additional element of the funding is being used to commission evidence-based programmes to deliver agreed outcomes against the set priorities. A programme of commissioning has been agreed and includes projects to reduce the isolation of older people; cardiovascular disease, cancer etc
Workplace health	NHS West Sussex		-	-	20,000.00	
Alcohol misuse	NHS West Sussex		-	-	17,000.00	
Life Expectancy - 1-2-1/group work physical activity healthy weight/diet	NHS West Sussex		-	-	65,000.00	
Life Expectancy - Tier 2 Family Weight	NHS West Sussex		-	-	40,000.00	
Life Expectancy - Physical Activity Co-ordinator	NHS West Sussex		-	-	30,000.00	
Life Expectancy - Cancer prevention	NHS West Sussex		-	-	64,400.00	

SERVICE BLOCK:
Planning Regeneration and Wellbeing

Project Name	Source of External Funding	Funding 13/14 or b/f Joint	Funding 13/14 or b/f Worthing	Funding 13/14 or b/f Adur	Estimated C/FWD 14/15 & New Grant	Brief Overview of Project
		£	£	£	£	£
British Heart Foundation Hearty Lives					100,000.00	This is the British Heart Foundation funded project which commenced in September 2012 for 3 years. Funding has been used for a Hearty Lives Officer working with children and young people, parents and schools to prevent future cardiovascular disease.
DWP Work Experience					30,030.00	This is one year funding by the DWP for a work experience Co-ordinator who will work with Job Centre plus, Council Managers and training providers to place young unemployed for a short work experience placement.
Neighbourhood Workers			26,195.01	4,053.11	5,633.00	This funds the salaries of the Neighbourhood Worker which is now one worker from 1.1.13. Once the Neighbourhood Workers grant has finished there is funding available from the transfer of budget within the Community Cohesion project.
Neighbourhood Workers Projects	Various				6,265.38	This was the projects budget used by the Neighbourhood Workers to tackle priority projects
Health & Wellbeing Partnership						
Cancer Awareness	NHS West Sussex and Brighton & Hove City Council	33,000.00			0.67	This is a budget from Public Health to raise awareness of cancer and early detection. As of Jan 2013, this has all been spent.

SERVICE BLOCK:
Planning Regeneration and Wellbeing

Project Name	Source of External Funding	Funding 13/14 or b/f Joint	Funding 13/14 or b/f Worthing	Funding 13/14 or b/f Adur	Estimated C/FWD 14/15 & New Grant	Brief Overview of Project
		£	£	£	£	£
Health & Wellbeing Partnership						
Mental Health	NHS West Sussex	8,470.79			-	This is a Public Health Health and Wellbeing Partnership budget used to commission others to deliver counselling services and support for Looked After Children. The £8,470.79 remaining has been committed.
Community Engagement						
Community Engagement Strategy	Progress through Partnership	16,687.76			-	This external funding has been allocated for Local Strategic Partnership (LSP) projects commissioned in 2012 but there will be £8470.70 to carry forward for Looked After Children project and £5000 for Warm & Well project, which will both finish by Dec 2013. (NB We started the year with £16,600.69)We spent £5000 and finished with £8470.70 to carry forward for LAC which was moved to Mental Health.
Progress Through Partnership	Progress Through Partnership			20,046.68	-	This external funding was allocated for Local Strategic Partnership (LSP) projects commissioned in 2012 (Activity Apprentices, Business Start Ups and Warm and Well) and is fully committed so there should be no carry forward. (But we started with £19,233.93)

SERVICE BLOCK:
Planning Regeneration and Wellbeing

Project Name	Source of External Funding	Funding 13/14 or b/f Joint	Funding 13/14 or b/f Worthing	Funding 13/14 or b/f Adur	Estimated C/FWD 14/15 & New Grant	Brief Overview of Project
		£	£	£	£	£
Community Engagement Local Area Agreement Outcome 22	WSCC			11,231.79	3,285.00	This external funding was allocated for a Local Strategic Partnership (LSP) project commissioned in 2012 (Business Start Ups) but the final instalment may need to be c/fwd as this will finish later in 2013.
Leisure Development Projects Active Sussex & Leisure Dev. Participation	Department of Health	25,062.94				Healthy Workplace, Inclusive Physical Activity and Inspiring Healthy families.
Worthing based Projects	Various			10,449.33		Includes projects such as maintaining healthy weight, diversionary football, spray can art and coach scholarship grants amongst others.
Adur Based Projects	Various			14,317.73		This has projects including Mental exercise nutrition (MEND), fun family fitness, boxing, health conference and the Parkour project.
Coastal West Sussex	SEEDA & Other LA grants	275,967.00			221,967.00	Regeneration projects along the coast including Arun and Chichester.
Seaconomics	European Regional Dev. Fund		52,898.00		30,000.00	EU project supporting waterfront improvements, Tourism business train'g etc.
"Mary Portas" town centre regeneration	DCLG			10,000.00		Grant committed to Lancing shopfronts improvement scheme
Neighbourhood Plan funding	DCLG			5,000.00		To fund officer time in providing support to progress a neighbourhood plan
Tesco Public Art	Tesco			20,443.00		Public art projects in Adur
Ec Regen - Empty Shops	Arun District Council	10,000.00				Regeneration project - seafront
Shoreham Harbour	DCLG, SEEDA & other LA grants			244,578.00	69,000.00	Shoreham Harbour project
Harbour Eco Town	DCLG			290,000.00	290,000.00	Shoreham Harbour Eco-Town project

CODE LIST SERVICE BLOCK
Planning, Regeneration and Wellbeing

	COST CENTRE	DESCRIPTION
JOINT		
	90391	Exec Head Planning, Regeneration & Wellbeing
	90400	Building Control Manager
	90410	Building Control Officers
	90415	Building Control - Added Value Services
	90421	Building Control Admin
	90430	Community Wellbeing - Core
	90440	Community Planning
	90450	Community Planning - Grants
	90460	Leisure Development
	90480	Community Wellbeing Hub
	90485	Community Wellbeing Hub Projects
	90481	Economic Regeneration
	90482	Coastal West Sussex
	90486	British Heart Foundation - Hearty Lives
	90490	Tourism
	90500	Planning Policy
	92070	Development Control
ADUR		
	11540	Building Control - Defined Activities
	11550	Building Control - Non Defined Activities
	11555	Building Control - Added Value Services
	11860	Community Planning
	12000	Community Development - Deprived Areas
	12020	Community Cohesion
	12070	Development Control
	12270	Economic Regeneration - General
	12290	Strategy & Initiatives
	12580	Leisure Development
	12640	Adur Festival - General
	12720	Planning Policy General
	12740	Adur Local Development Framework
	12750	Shoreham Harbour
	12755	Eco-Town (Shoreham Harbour)
	13200	Streetscene
	13330	Citizens Advice Bureau-Shoreham & Lancing
	13370	Dial-a-Ride
	13390	Adur Council for Vol. Serv.
	13440	Misc Grants (Total Grants Available)
	13450	Misc Small Grants (Community & Welfare)
WORTHING		
	50440	Community Planning
	50630	Grants
	51540	Building Regs Chargeable
	51550	Building Regs Non Chargeable
	51552	Resort Advertising & Publicity
	51570	Visitor Centres
	51871	Seaconomics

CODE LIST SERVICE BLOCK***Planning, Regeneration and Wellbeing***

COST CENTRE	DESCRIPTION
WORTHING	
51792	Building Control
51795	Building Control - Added Value Services
51800	Building Control other
51820	Community Cohesion
51821	Community Development - Deprived Areas
51840	Economic Development
51850	Planning Policy General
51870	Planning Projects & Implementation
51950	Dial a Ride
52070	Development Control
52580	Leisure Development
52720	Worthing Local Development Framework

JOINT SUMMARY SERVICE BLOCK:
Planning, Regeneration and Wellbeing



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Planning, Regeneration & Wellbeing Services		
Executive Office	109,470	105,680
Building Control	683,420	688,650
Community Wellbeing	532,670	489,520
Development Control	1,260,450	1,234,150
Economic Regeneration	567,140	621,540
Planning Policy	389,890	386,880
TOTAL PLANNING, REGENERATION AND WELLBEING SERVICES	3,543,040	3,526,420
ALLOCATION OF COSTS		
Recharged to other joint services	-	6,350
Adur District Council	1,444,430	1,439,170
Worthing Borough Council	2,098,610	2,080,900
	3,543,040	3,526,420

JOINT VARIATIONS:
Planning, Regeneration and Wellbeing

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	3,543,040
CHANGES TO BASE	
Virements planning policy	2,250
INFLATION	77,360
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Agreed Savings	
Reduction in Economic regeneration computing & printing budgets	(3,000)
Community Wellbeing ahead of the game removal of Olympics initiative	(5,200)
Community Wellbeing and planning miscellaneous and printing reductions	(15,000)
Removal of vacant post within Development Control	(40,000)
Reduction in Development Control computing and printing costs	(25,000)
Removal of administrative post in Planning Policy	(13,000)
Agreed Growth	
Tourism Information Centre seasonal staffing	15,000
BUDGET TRANSFERS	
Payroll Changes	(9,500)
Changes in allocation of recharge from other services	(530)
APPROVED ESTIMATE 2014/15	3,526,420

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
Executive Office	1.0	93,030	-	-	350	4,900	-	-	98,280	7,400	-	105,680
Building Control	12.7	552,210	-	2,730	4,040	62,980	-	(15,610)	606,350	82,300	-	688,650
Community Wellbeing	10.4	386,420	-	-	3,450	37,040	-	(4,260)	422,650	66,870	-	489,520
Development Control	24.8	951,870	-	-	5,190	96,140	-	-	1,053,200	180,950	-	1,234,150
Economic Regeneration	12.7	571,480	-	-	5,810	19,100	-	(61,390)	535,000	86,540	-	621,540
Planning Policy	6.7	334,170	-	-	3,200	3,270	-	-	340,640	46,240	-	386,880
TOTAL STAFF	68.3											
TOTAL COST OF JOINT PLANNING, REGENERATION & WELLBEING SERVICES		2,889,180	-	2,730	22,040	223,430	-	(81,260)	3,056,120	470,300	-	3,526,420
Percentage of Direct Costs		92%	0%	0%	1%	7%	0%					
An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent												

ADUR SERVICE BLOCK:
Planning, Regeneration and Wellbeing



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
ENVIRONMENT PORTFOLIO		
Streetscene	64,750	64,890
HEALTH & WELLBEING PORTFOLIO		
Community Planning	75,600	71,610
Community & Welfare Grants	318,730	310,640
Community & Health Development	105,750	62,560
Sports & Leisure Development	90,710	105,920
	590,790	550,730
REGENERATION PORTFOLIO		
Building Control	162,990	138,550
Development Control	378,260	383,090
Planning Policy & Implementation	255,170	254,220
Economic Regeneration	220,800	238,030
	1,017,220	1,013,890
TOTAL DIRECT SERVICES	1,672,760	1,629,510
TOTAL PLANNING, REGENERATION AND WELLBEING SERVICES	1,672,760	1,629,510

ADUR VARIATIONS SERVICE BLOCK:
Planning, Regeneration and Wellbeing



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	1,672,760
CHANGES TO BASE BUDGET	
Virements	2,550
INFLATION	(4,870)
APPROVED VARIATIONS REPORTED TO CABINET	
Approved Savings	
Community Wellbeing base budget review	(5,160)
Planning policy reduction in printing budgets	(1,800)
Economic regeneration reduction in advertising	(1,000)
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	(78,540)
Payroll changes	680
Changes in capital charges	44,890
APPROVED ESTIMATE 2014/2015	1,629,510

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
Environment Portfolio		£	£	£	£	£	£	£	£	£	£	£
Streetscene	0	-	9,910	50	380	38,150	-	(37,180)	11,310	8,690	44,890	64,890
Health & Wellbeing Portfolio												
Community Planning	0	-	66,590	-	-	-	-	-	66,590	5,020	-	71,610
Community & Welfare Grants	0	-	67,650	-	-	229,820	-	-	297,470	13,170	-	310,640
Community & Health Development	1	17,980	31,760	-	-	-	-	-	49,740	12,820	-	62,560
Leisure Development	0	-	104,230	-	-	-	-	-	104,230	1,690	-	105,920
Regeneration Portfolio												
Building Control	0	-	273,740	-	-	-	-	(152,930)	120,810	17,740	-	138,550
Development Control	0	-	496,170	-	-	8,010	-	(209,570)	294,610	88,480	-	383,090
Planning Policy & Implementation	2	84,820	14,870	-	-	16,520	49,270	(132,420)	33,060	221,160	-	254,220
Economic Regeneration	0	-	165,930	-	-	45,810	-	-	211,740	26,290	-	238,030
TOTAL STAFF	2											
TOTAL COST OF ADUR PLANNING, REGENERATION & WELLBEING SERVICES		102,800	1,230,850	50	380	338,310	49,270	(532,100)	1,189,560	395,060	44,890	1,629,510

WORTHING SERVICE BLOCK:
Planning, Regeneration and Wellbeing



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
CUSTOMER SERVICES PORTFOLIO		
Community Centres	188,110	176,980
HEALTH & WELLBEING PORTFOLIO		
General Grants, Bequests and Donations	259,730	264,570
Sports Development and Recreation	102,780	116,590
	362,510	381,160
REGENERATION PORTFOLIO		
Building Control	216,380	146,270
Community Development	153,910	121,920
Elderly People	2,200	-
Development Control	549,240	514,910
Economic Development	335,380	349,840
Planning Policy	343,860	340,890
Tourism	262,690	267,490
	1,863,660	1,741,320
TOTAL DIRECT SERVICES	2,414,280	2,299,460
TOTAL PLANNING, REGENERATION AND WELLBEING SERVICES	2,414,280	2,299,460

WORTHING VARIATIONS SERVICE BLOCK:
Planning Regeneration and Wellbeing



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ORIGINAL ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	2,414,280
CHANGES TO BASE BUDGET	
Virements	7,020
INFLATION	(1,790)
APPROVED VARIATIONS REPORTED TO CABINET	
Savings	
Communities - base budget review	(5,000)
Planning Policy reduction in printing and grants & subscriptions	(3,520)
Deletion of Economic Development Strategy consultation budget	(1,200)
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	(262,590)
Changes to notional capital charges	148,560
Payroll changes	-
Joint Transfers	3,700
APPROVED ESTIMATE 2014/2015	2,299,460

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
		£		£	£	£	£	£		£	£	£
Customer Services												
Community Centres		-	-	36,140	600	-	-	-	36,740	10,930	129,310	176,980
Health & Wellbeing Portfolio												
General Grants, Bequests and Donations	0	23,720	-	-	-	239,800	-	-	263,520	1,050	-	264,570
Sports Development and Recreation	0	-	102,860	-	-	-	-	-	102,860	13,730	-	116,590
Regeneration Portfolio												
Building Control	0	-	375,240	-	-	3,720	-	(256,880)	122,080	24,190	-	146,270
Community Development	0	-	109,340	-	-	-	-	-	109,340	12,580	-	121,920
Development Control	0	-	750,060	-	-	76,780	-	(452,360)	374,480	138,510	1,920	514,910
Economic Development	0	-	232,950	1,390	-	54,390	-	-	288,730	46,120	14,990	349,840
Elderly People	0	-	-	-	-	-	-	-	-	-	-	-
Planning Policy	0	-	14,870	-	-	84,650	-	-	99,520	241,370	-	340,890
Tourism	0	-	140,290	40,260	80	86,020	-	(11,870)	254,780	10,370	2,340	267,490
TOTAL COST OF WORTHING PLANNING, REGENERATION & WELLBEING SERVICES		23,720	1,725,610	77,790	680	545,360	0	(721,110)	1,652,050	498,850	148,560	2,299,460
Percentage of Direct Costs		1%	73%	3%	0%	23%	0%					
An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent												

SERVICE BLOCK:
Technical Services

SERVICE BLOCK:	TECHNICAL SERVICES
MAIN SERVICE AREAS	DETAILED SERVICES INCLUDED
Estates	Asset management, sales, purchases, leases, licences, easements, corporate property terriers, etc.
Surveying and Design Services	Non-housing property repairs, maintenance, refurbishment, improvements, new build, seats in streets, public conveniences, energy management and sustainability.
Engineering	Coast protection, surface water management, flood prevention, coastal monitoring, land drainage, bus shelters, road nameplates, hard surfaces, highways liaison.
Business Services	Facilities management, building cleaning, superintendents/ porters, telephony, desktop printing and reprographics, post, procurement, corporate health and safety, emergency planning, business continuity.
Parking Services	On and off street parking management including enforcement.
Corporate Information Management	With effect from 1 st January 2014 the provision of Corporate geographic information service (GIS) is to be located with Business Services, and local land and property gazetteer, street/house naming and numbering will be carried out under Planning Services.
Parks and Foreshore	Grounds maintenance, parks management including events on parks and open spaces, Parks Watch service, cemetery management, managing beach huts and chalets and Worthing foreshore management
Support Services	Provision of technical, clerical and administrative support to the above sections.

The Council has a statutory obligation to provide the following Technical Services:-

- Coast Protection
- Street/house naming and numbering
- Corporate Health and Safety
- Cemetery provision

All Technical Services became part of Adur and Worthing Joint Shared Services in April 2010 after providing shared services since April 2008 on a rechargeable basis.

Major changes were introduced in January 2013 in the grounds maintenance service with the creation of a single in house operation and reduced service provision for Worthing.

SERVICE BLOCK:
Technical Services

Technical Services are responsible for the following substantial ongoing contracts:-

- ◆ Off Street car parks owned by Worthing Borough Council are managed by NCP on a 10-year agreement with effect from 1st April, 2004. These will be managed by the Council as an in-house service from 1st April 2014.
- ◆ The contract with NSL for on-street car parking management in Worthing, on-street car parking management in Adur and off-street car parking management in Adur expires on 31st March, 2014 and will run on for up to one year while the procurement of a new contract and provider takes place.

CODE LIST SERVICE BLOCK:***Technical Services***

COST CENTRE	DESCRIPTION
JOINT	
90010	Town Hall
90021	Civic Centre
90031	Commerce Way
90040	Portland House
90050	Building Security
90061	Courier
90541	Exec Head Technical Services
90550	Procurement Adur
90560	Technical Support Services
90571	Corporate & Public Safety joint
90580	Surveyor & Design Services
90585	Energy & Sustainability
90586	Utility Verification
90590	Engineers
90600	Business Services
90611	Reprographics
90621	Corporate Information
90631	Estates
90701	Parking Services
92690	Emergency Planning/Local Emergencies
90350	Parks & Cemeteries Admin Support
90351	Grounds Maintenance - Attendants
90352	Grounds Maintenance - Cemeteries
90353	Park Rangers
90366	Arborist
90367	Grounds Maintenance - Highdown
90368	Grounds Maintenance
90370	Parks Management
90377	Foreshore
90612	MFD Printer/Photocopier
90614	Central Stationery
90615	Pool Car Scheme
90616	Kitchen Vending Machines
ADUR	
10380	EDRMS
10701	Car Parks-General
11500	Allotments
11530	Beaches & Amenities
11580	Community Buildings - General
11590	Sompting Com.Cent.(Loose Lane)
11600	Shoreham Com.Cent.(Pond Road)
11610	Southwick.Com.Centre
11640	2 Tarmount Lane Shoreham
11650	8 Taramount Lane

CODE LIST SERVICE BLOCK:***Technical Services***

COST CENTRE	DESCRIPTION
ADUR	
11660	Ropetackle
11670	Cemeteries & Churchyards
11710	Closed Churchyards
11720	Ditch Clearing
11730	Coast Protection
11740	Southwick Beach Pump
11960	On Street Parking Enforcement
12100	Sustainable Development
12450	Highways
12690	Local Emergencies
12770	Parks
12800	Property Management-General
12810	Southwick Square - General
12820	Bank House-Shops & Offices
12840	Southwick Square - Garages
12850	Surveying & design service (non housing)
12860	Public Toilet - General
13170	Street Lighting
13300	Bus Shelters
WORTHING	
50202	Defences Against Flooding
50372	Pedestrian Precincts
50452	Local Direction Signs
50460	Street Nameplates
50470	Public Clock And War Memorial
50480	Seats
50500	Off-Street Parking Enforcement
50520	Teville Gate MSCP
50570	Major Bowls Events (National Brit Isles)
50590	Highdown
50701	Car Parks Holding Account PPP
50840	Beach Huts & Chalets
50860	Foreshore
50870	Parade
50975	Worthing Festival
51320	Lido
50330	Pier
51340	Southern Pavilion
51350	Pier - Amusement Hall
51380	Community Centres

CODE LIST SERVICE BLOCK:***Technical Services***

COST CENTRE	DESCRIPTION
WORTHING	
51390	B/water Parish Rooms
51400	Youth Drop In Centre
51500	Allotments
51530	Brooklands
51670	Cemeteries
51710	Closed Churchyards
51720	Drainage Functions
51730	Coastal Protection
52052	Gordon Room
52060	Meadow Road Depot
52080	Industrial Sites Vatable Leases
52090	Industrial Sites Ground Leases Exempt
52100	Sustainable Development
52102	Estates Ground Rents/Leases Exempt
52112	Estates Leases/Licences Exempt
52120	Estates Leases/Licences Residential
52130	Estates Accesses/Wayleaves Exempt
52140	Estates Leases/Licences Vatable
52150	Estates Support Services
52160	Misc Land/Properties
52190	E-Business
52230	Town Hall
52252	Portland House
52320	Prop & Facilities Management Corp Costs
52450	Highways Liaison
52690	Emergency Planning & Business Continuity
52770	Parks and Open Spaces
52771	Parks Donated Seats & Trees
52860	Public Conveniences
53170	Footway Lighting
53300	Bus Shelters

JOINT SUMMARY SERVICE BLOCK:
Technical Services

SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
Technical Services		
Executive Office	123,030	121,420
Business Services	509,650	501,380
Survey & Design Services	466,930	470,690
Properties Management	1,861,210	1,753,340
Engineers *	566,080	528,560
Corporate Information	295,740	201,670
Car Parks Management *	263,690	278,340
Technical Support Services	331,210	330,830
Parks Foreshore & Cemeteries Administration	162,240	106,140
Parks	572,450	1,066,610
Less: Reprographics - recharged to services per job	(16,070)	(25,440)
TOTAL TECHNICAL SERVICES	5,136,160	5,333,540
ALLOCATION OF COSTS		
Recharged to other joint services	2,201,200	1,401,010
Adur District Council	976,870	1,411,690
Worthing Borough Council	1,958,090	2,520,840
	5,136,160	5,333,540

JOINT VARIATIONS SERVICE BLOCK:
Technical Services



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	5,138,320
CHANGES TO BASE	
Property Management	(4,000)
Parks & Foreshore	411,660
INFLATION	131,710
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Technical Support Services PAT Testing	2,000
Agreed Savings	
Technical Support Services Computer Costs	(5,000)
Reprograhics - P/T Printing post	(9,700)
Business Services Computer Costs	(5,000)
Engineers - EA contribution for regional / national work	(25,000)
Engineers - WSCC drainage agents	(12,000)
Health & Safety post	(27,100)
Corporation Information Service review	(89,900)
BUDGET TRANSFERS	
Virements in 2013/2014	
From Town Hall cleaning to Portland House, Musuem, TIC, and Theatres	(7,360)
Joint Parks Management & Foreshore	(28,000)
Payroll changes	13,360
Changes in allocation of recharge from other services	(150,450)
APPROVED ESTIMATE 2014/2015	5,333,540

JOINT SUBJECTIVE ANALYSIS
SERVICE BLOCK: Technical Services

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party*	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£
Executive Office	1	93,670	-	-	-	-	-	93,670	27,750	121,420
Business Services	13.14	330,690	2,230	4,980	94,650	-	(107,660)	324,890	151,050	475,940
Surveying and design services	7	330,390	-	8,110	-	-	-	338,500	132,190	470,690
Properties management	6	371,520	801,640	3,370	174,630	-	(43,550)	1,307,610	445,730	1,753,340
Engineers	11.5	443,900	-	10,720	-	-	(37,000)	417,620	110,940	528,560
Corporate Information	5	145,210	-	1,000	47,650	-	(40,300)	153,560	48,110	201,670
Car Parks Management	6.5	234,260	-	-	-	-	-	234,260	44,080	278,340
Technical Support Services	7.4	220,330	3,770	250	85,640	-	(10,000)	299,990	30,840	330,830
Parks Foreshore & Cemeteries Administration	3	80,820	-	2,470	10,490	-	(20)	93,760	12,380	106,140
Parks	62.61	1,686,180	-	325,820	261,050	-	(1,297,650)	975,400	91,210	1,066,610
TOTAL STAFF	123.2									
TOTAL COST OF JOINT TECHNICAL SERVICES		3,936,970	807,640	356,720	674,110	-	(1,536,180)	4,239,260	1,094,280	5,333,540
Percentage of Direct Costs		68%	14%	6%	12%	0%				
An explanation of the changes to the budget since last year is provided on the previous page - the Variation page										
Staff FTE = Number of staff based on full time equivalent										

ADUR SUMMARY SERVICE BLOCK:
Technical Services



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
ENVIRONMENT PORTFOLIO	£	£
Car Parks	(111,630)	(95,360)
Highways	21,160	23,550
Street Lighting	39,320	41,130
Transportation	63,590	59,690
Public Toilets	202,980	196,810
Allotments	55,630	60,600
Cemetries & Churchyards	218,790	239,910
Countryside & Open spaces	-	-
Parks	731,510	654,360
Recreation Grounds	-	90,430
	1,221,350	1,271,120
HEALTH & WELLBEING PORTFOLIO		
Land Drainage & Coastal Protection	121,260	100,560
Sustainable Development	18,670	22,310
Beaches & Amenities	(7,860)	(1,470)
Local Emergencies	40,540	42,740
	172,610	164,140
RESOURCES PORTFOLIO		
Community Buildings	283,500	309,870
Property Management	(215,830)	(216,370)
Grounds Maintenance	17,210	-
	84,880	93,500
TRADING ACCOUNTS		
TOTAL DIRECT SERVICES	1,478,840	1,528,760
SALARIES & CENT'L SUPPORT RECHARGED TO OTHER SER'S		
Civic Centre	84,940	90,920
Building Cleaning	-	-
Parks & Grounds Maintenance & Adur Watch	3,740	-
Technical Services	33,360	26,410
	122,040	117,330
TOTAL TECHNICAL SERVICES	1,600,880	1,646,090

ADUR VARIATIONS SERVICE BLOCK:
Technical Services



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	1,600,880
CHANGES TO BASE	
INFLATION	(1,080)
APPROVED VARIATIONS REPORTED TO CABINET	
Committed Growth	
Maintenance of Ropetackle Arts Centre	7,000
Agreed Savings	
Car Parks - Income from the re-opening of Riverside Car Park	(2,000)
Base budget review - Estates	(440)
Base budget review - Bus Shelters	(6,610)
Base budget review - Ditch Clearing	(5,000)
Base budget review - Public Toilets	(3,160)
Civic Centre vending machines	(2,680)
BUDGET TRANSFERS	
Virements for 2013/2014 Estimate	
Grounds Maintenance Recharge	7,360
Parks restructure	(20,480)
Impact of Capital Programme	(1,300)
Changes in allocation of recharge from other services	(389,420)
Changes to notional capital charges	463,020
APPROVED ESTIMATE 2014/2015	1,646,090

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party*	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
Environment												
Car Parks		-	69,590	100,390	-	180,520	-	(507,790)	(157,290)	33,330	28,600	(95,360)
Highways		-	-	2,850	-	13,080	-	(6,560)	9,370	14,180	-	23,550
Street Lighting		-	-	11,980	-	10,060	-	-	22,040	9,350	9,740	41,130
Transportation		-	-	32,890	-	-	-	(980)	31,910	13,300	14,480	59,690
Allotments		-	-	39,030	-	-	-	(39,510)	(480)	60,370	710	60,600
Cemetries & Churchyards		-	71,920	255,200	-	-	-	(158,440)	168,680	56,230	15,000	239,910
Parks		-	43,220	315,980	-	29,830	-	(67,890)	321,140	242,430	90,790	654,360
Recreation Grounds		-	-	95,750	-	48,560	-	(53,880)	90,430	-	-	90,430
Health & Wellbeing		-	-	-	-	-	-	-	-	-	-	-
Land Drainage & Coast Protection		-	-	9,240	-	11,970	-	-	21,210	57,160	22,190	100,560
Sustainable Development		-	22,310	-	-	-	-	-	22,310	-	-	22,310
Local Emergencies		-	28,630	-	-	-	-	-	28,630	14,110	-	42,740
Beaches & Amenities		-	-	16,500	-	8,260	-	(71,220)	(46,460)	35,360	9,630	(1,470)
Resources												
Property Management		3,920	-	248,530	-	18,210	63,480	(591,160)	(257,020)	383,010	255,240	381,230
TOTAL DIRECT SERVICES		3,920	235,670	1,128,340	-	320,490	63,480	(1,497,430)	254,470	918,830	446,380	1,619,680
Salaries & Central Support Recharged to Other Services												
Various	1	19,180	-	-	270	-	-	-	19,450	-	6,960	26,410
TOTAL COST OF ADUR TECHNICAL SERVICES		23,100	235,670	1,128,340	270	320,490	63,480	(1,497,430)	273,920	918,830	453,340	1,646,090

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party*	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
Salaries & Central Support Recharged to Other Services												
Various	1	19,180	-	-	270	-	-	-	19,450	-	6,960	26,410
TOTAL COST OF ADUR TECHNICAL SERVICES		23,100	235,670	1,128,340	270	320,490	63,480	(1,497,430)	273,920	918,830	453,340	1,646,090
Percentage of Direct Costs		1%	13%	64%	0%	18%	4%					
<p>An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent</p>												

WORTHING SUMMARY SERVICE BLOCK:
Technical Services



SERVICE	ESTIMATE 2013/2014	ESTIMATE 2014/2015
	£	£
ENVIRONMENT PORTFOLIO		
Flood Defence and Land Drainage	10,490	33,080
Highways/Roads (Routine)	34,590	34,100
Parking Services	(945,560)	(945,450)
Premises Development	3,640	4,280
Public Conveniences	369,340	363,990
Public Transport	35,210	34,420
Cemeteries	123,830	118,100
Community Parks & Open Spaces	1,299,730	1,703,260
Allotments	68,030	29,570
Outdoor Sports & Recreations	(7,140)	(94,000)
	992,160	1,281,350
CUSTOMER SERVICES PORTFOLIO		
Pier & Lido	168,440	188,480
	168,440	188,480
HEALTH & WELLBEING PORTFOLIO		
Footway Lighting	50,240	50,660
Worthing Festival	3,170	3,230
REGENERATION PORTFOLIO		
Flood Defence & Land Drainage	21,850	16,410
Highways/Roads(Routine)	104,550	73,320
Coast Protection	150,140	147,720
Emergency Planning	56,940	57,220
Sustainable Development	38,860	43,830
Foreshore	492,710	535,550
	865,050	874,050
RESOURCES PORTFOLIO		
Depreciation charged direct to Authority not allocated	311,810	300,730
Property Investment Income	(301,890)	(335,790)
	9,920	(35,060)
TOTAL DIRECT SERVICES	2,088,980	2,362,710
TOTAL TECHNICAL SERVICES	2,088,980	2,362,710

WORTHING VARIATIONS SUMMARY BLOCK:
Technical Services



DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2013/2014	ORIGINAL ESTIMATE 2014/2015
	£
ORIGINAL ESTIMATE 2013/2014	2,088,980
CHANGES TO BASE	
INFLATION	7,840
APPROVED VARIATIONS REPORTED TO CABINET	
Committed Growth	
Joint Grounds Maintenance Recharge	300,000
Loss of income from Beach House Park Café	22,900
Reduced rent from Southern Pavilion on the pier when relet	14,200
Additional income	
Agreed Savings	
Base budget review - Drainage Functions	(4,590)
Base budget review - Highways/Street Nameplates	(3,000)
Base budget review - Public Conveniences	(2,740)
Major Bowls Events no longer at Worthing	(700)
Base budget review - Meadow Road Depot	(6,040)
BUDGET TRANSFERS	
Virements for 2013/14	
Parks restructure	(181,870)
Joint Grounds Maintenance Recharge	20,640
Changes in allocation of recharge from other services	(736,990)
Changes to notional capital charges	844,080
APPROVED ESTIMATE 2014/2015	2,362,710

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
Environment												
Flood Defence & Land Drainage		-	-	-	-	-	-	-	-	33,080	-	33,080
Highways/Roads (Routine)		-	-	16,000	-	-	-	-	16,000	18,100	-	34,100
Parking Services	12	270,850	55,680	598,440	10,000	134,330	-	(2,212,850)	(1,143,550)	43,840	154,260	(945,450)
Premises Development		-	-	4,280	-	-	-	-	4,280	-	-	4,280
Public Conveniences		-	-	280,920	-	60	-	(550)	280,430	36,860	46,700	363,990
Public Transport		-	-	23,090	-	11,330	-	-	34,420	-	-	34,420
Cemeteries		-	80,910	180,850	-	23,070	-	(229,640)	55,190	55,190	7,720	118,100
Community Parks & Open Spaces		-	210,750	1,016,660	-	148,030	-	(204,200)	1,171,240	332,760	199,260	1,703,260
Allotments		-	-	8,820	-	-	-	(35,310)	(26,490)	51,710	4,350	29,570
Outdoor Sports & Recreation		-	-	-	-	-	-	(94,000)	(94,000)	-	-	(94,000)
												-
Health & Wellbeing												
Footway Lighting		-	-	45,260	-	-	-	-	45,260	5,400	-	50,660
Worthing Festival		-	-	-	-	3,230	-	-	3,230	-	-	3,230
												-
Customer Services												
Pier & Lido		-	-	238,750	-	8,510	-	(104,460)	142,800	45,680	-	188,480
												-
Regeneration												
Flood Defence & Land Drainage		-	-	4,170	-	-	-	-	4,170	12,240	-	16,410
Highways/Roads		-	-	8,970	-	1,260	-	(530)	9,700	63,620	-	73,320
Coast Protection		-	-	85,270	-	6,640	-	(21,300)	70,610	58,470	18,640	147,720
Emergency Planning		-	42,940	-	-	-	-	-	42,940	12,510	1,770	57,220
Sustainable Development		-	32,930	-	-	10,900	-	-	43,830	-	-	43,830
Foreshore		-	181,660	425,800	3,410	33,580	-	(314,320)	330,130	126,000	79,420	535,550

WORTHING SUBJECTIVE ANALYSIS
SERVICE BLOCK: Technical Services

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
Resources												
Property Investment Income		110	6,080	164,430	-	22,000	3,760	(1,002,160)	(805,780)	437,260	32,730	(335,790)
Depreciation charged direct to Auth		-	-	-	-	-	-	-	-	1,500	299,230	300,730
TOTAL COST		270,960	610,950	3,101,710	13,410	402,940	3,760	(4,219,320)	184,410	1,334,220	844,080	2,362,710
TOTAL COST OF WORTHING TECHNICAL SERVICES		270,960	610,950	3,101,710	13,410	402,940	3,760	(4,219,320)	184,410	1,334,220	844,080	2,362,710
Percentage of Direct Costs		6%	14%	70%	0%	9%	0%					
An explanation of the changes to the budget since last year is provided on the previous page - the Variation page Staff FTE = Number of staff based on full time equivalent												

SERVICE BLOCK:***Chief Executive, Strategic Directors & Corporate Strategy***

SERVICE BLOCK:	Chief Executive, Strategic Directors & Corporate Strategy
MAIN SERVICE AREAS	DETAILED SERVICES INCLUDED
Corporate Policy	Corporate plans, Councils' Priorities, Improvement Plans, Councils' policies.
Performance Management	Performance Monitoring and Reporting, Audit Commission, complaints management.
Strategic Risk Management	Strategic Risk Assessment and Monitoring
Media and Communications	External communications – press, social media and reputation issues. Internal communications – manager and staff conferences, Teamtalk, staff engagement.
Community Engagement	Citizen panels, community engagement task force, consultation, social media.
Overview and Scrutiny Management	Scrutiny working groups, scrutiny work programmes, improvement reviews, external scrutiny
Support to the Management Team	Support to Management Team, support for the cabinets including informal Cabinet Member briefings, Cabinet Member interviews.
Learning and Development	Staff learning and development, skills training, work experience, training needs analysis.
Equalities and Diversity	Maintaining Adur & Worthing Equalities & Diversity Action Plan, supporting Community Equalities Working Group (with PRW), supporting A & W Equalities & Diversity Working Group
The Money Tree	Worthing's The Money Tree is a participatory budgeting process which has a dedicated budget of £20,000. The process is aimed at projects by or for 11 to 25 year old in the Worthing borough and must contribute towards the delivery of the Every Child Matters Outcomes. Applications can be anything up to £2500.
Pot of Gold	Adur's Pot of Gold is a participatory budgeting process which has a dedicated £70,000 budget. The process is open to resident associations, community groups and charity organisations to apply for anything up to £10,000 the aim of their project must leave and lasting legacy in the district and fall into one of these three themes; wellbeing, improvements to community facilities or appearance of the district.

Joint Services have been in place since 2008/09.

No major changes in services planned for 2013/14.

Corporate Strategy Services are not responsible for any material contracts

CODE LIST**Chief Executive, Strategic Directors & Corporate Centre**

	COST CENTRE	DESCRIPTION
JOINT		
	90811	Chief Executive
	90821	Strategic Director 1
	90831	Strategic Director 2
	90091	Training
	90120	Performance & Scrutiny Joint
	90131	Communications joint
ADUR		
	11800	Strategic Planning
	11810	Adur Outlook and Publicity
	11830	Consultation & Research
	11840	Best Value
	11870	Pot of Gold
WORTHING		
	50060	Public Information
	51810	Communications and Vibe

**JOINT SUMMARY SERVICE BLOCK:
Chief Executive, Strategic Directors & Corporate C'tre**



SERVICE	ESTIMATE 2012/2013	ESTIMATE 2013/2014
	£	£
Chief Executive & Strategic Directors		
Executive Office	509,590	484,300
Corporate Centre	601,320	583,560
TOTAL CHIEF EXECUTIVE, STRATEGIC DIRECTORS & CORPORATE CENTRE	1,110,910	1,067,860
ALLOCATION OF COSTS		
Recharged to other joint services	116,500	136,880
Adur District Council	520,520	422,540
Worthing Borough Council	473,890	508,440
	1,110,910	1,067,860

**JOINT VARIATIONS:
C.E., Strategic Directors & Corporate Centre**

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2012/13	ESTIMATE 2013/14
ORIGINAL ESTIMATE 2012/2013	£ 1,110,910
CHANGES TO BASE Reallocation of print room recharges	(3,160)
INFLATION	15,900
Agreed Savings Major service savings undertaken in 2012/13	
BUDGET TRANSFERS Changes in allocation of recharge from other services	(55,780)
APPROVED ESTIMATE 2013/2014	1,067,870

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support Recharges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£
Executive Office		432,000		100	21,180			453,280	31,020	484,300
Corporate Centre		496,290		180	51,520			547,990	35,570	583,560
TOTAL STAFF	9.81									
TOTAL COST OF CHIEF EXECUTIVE STRATEGIC DIRECTORS		928,290	-	280	72,700	-	-	1,001,270		1,067,860
Percentage Direct Costs		93%	0%	0%	7%	0%				
An explanation of the changes to the budget since last year is provided on the next page - the Variation page										

THREE YEAR
CAPITAL INVESTMENT
PROGRAMME
JOINT REPORT

CAPITAL INVESTMENT PROGRAMME INTRODUCTION

CAPITAL PROGRAMME 2014/15

Three Year Capital Investment Programme

The main purpose of the both Council's Capital Investment Programmes is to provide assets for the provision of services and to deliver both Council's Corporate Priorities. They are prepared by considering resources available and then prioritising capital schemes in line with Corporate Objectives and other criteria. A summary of the current Capital Investment Programme 2014/15 – 2016/17, including funding, is shown from page 469.

Definition of Capital

Expenditure included in the Capital Investment Programmes is for the construction purchase, enhancement or replacement of a component of one the following:

- Property, plant and equipment: assets with physical substance (tangible assets) that are held for use in the production or supply of goods and services, for rental to others, or for administrative purposes, and expected to be used during more than one year.
- Infrastructure: inalienable assets, expenditure on which is only recoverable by continued use of the asset created, examples include footways, cycleways, coast protection works and street furniture.
- Investment Property: property held to earn rentals or for capital appreciation.
- Intangible Assets: assets which lack physical substance but which are identifiable and can be separated and sold, examples include computer software.

In addition the following criteria must also be met:

- It is probable that the future economic benefits or service potential associated with the expenditure will flow to the authority. The authority does not have to own the item, but it must be more than likely that it has gained the rights to generate cash from the asset or to use it in the provision of services.
- The cost of the item can be measured reliably; costs must be identifiable and not an integral of some wider expense.



Joint Strategic Committee
3rd December 2013

Agenda Item No: 6
Ward: All

TITLE: Capital Investment Programme 2014/15 - 2016/17 Adur District Council, Worthing Borough Council and Joint Committee

REPORT BY: Sarah Gobey, Executive Head (Financial Services)

1.0 SUMMARY

1.1 The report recommends the schemes for inclusion in the overall Capital Investment Programme for the three years 2014/2015 - 2016/2017 for Adur District Council, Worthing Borough Council and the Joint Strategic Committee.

1.2 The report informs the Joint Strategic Committee of the resources available for future capital investment, and updates Members about the financing of the proposed three-year programmes.

1.3 The following appendices have been attached to the report:

- (i) **Appendix 1** The approved joint prioritisation system;
- (ii) **Appendix 2** The Adur District Council proposed programme of new General Fund schemes which is recommended for approval;
- (iii) **Appendix 3** The Worthing Borough Council proposed programme of new General Fund schemes, which is recommended for approval;
- (iv) **Appendix 4** The Joint Strategic Committee proposed programme of new schemes, which is recommended for approval;
- (v) **Appendix 5** The Adur District Council proposed Adur Homes Housing Renovation Programme;
- (vi) **Appendix 6** Amendments and additions to the Adur District Council Reserve List.
- (vii) **Appendix 7** Amendments and additions to the Worthing Borough Council Reserve List.

1.4 There were no major changes proposed to the Capital Strategy this year.

1.0 SUMMARY

1.5 The capital bids to be included in the draft programmes were considered first by Members at the individual Councils’ informal Cabinet meetings in October 2013. Their comments and proposals for amending the programmes are included in this report. The final recommendations for the capital programmes will be made to Worthing Council on the 17th December, 2013 and Adur Council on the 19th December, 2013.

2.0 BACKGROUND

2.1 The Adur and Worthing Capital Strategy 2013-2016 was updated and agreed by JSC on 4th July, 2013. The harmonised strategy and financing policy for the proposed Capital Investment Programme was set out in the “Medium Term Financial Plan (MTFP) 2013/18 and Budget Strategy 2014/15” report and agreed by JSC at the same meeting in July.

2.2 The Joint Medium Term Financial Plan, approved in July 2013, set out the following:

- (a) A maximum level of funding available per year for the next 5 years to fund new General Fund schemes:

Adur District Council	£1m (plus £3.1m for the Housing Investment Programme)
Worthing Borough Council:	£1.5m

- (b) The funding of the programmes is to be comprised of prudential borrowing and capital receipts. This reflects concerns about affordability in the medium term. Members of both councils were made aware that the number, age and condition of both Councils’ assets continue to be a cause for concern.
- (c) Additional capital expenditure will only be agreed where additional funding from capital grants, contributions, earmarked receipts, approved additional prudential borrowing or use of reserves has been secured.

2.3 The Capital Strategy agreed in July 2013 included the following changes to resource allocations:

2.0 BACKGROUND

- Following the 2013/14 Pot of Gold event this year, it is clear that very few substantial schemes requiring capital funding are coming forward. The event will be funded from the reserves for 2014/15.
- In 2012/13 there was significant slippage in building schemes. Reduce the allocation to building maintenance by 25% to allow for the delivery of the programme to 'catch up' in 2014/15.
- There are a significant number of vehicles purchased for the delivery of the joint services which are due for renewal over the next two years. The amount to be set aside for partnership working be increased by £200,000 to £700,000. It has since been decided to delay the renewal of a number of vehicles to 2016/17.

2.4 As the July 2013 Capital Strategy explained, the top slicing of the capital programmes in each year to ensure funding for key strategic issues such as the planned building maintenance programme, ICT and the partnership programmes will mean that, of the overall resources available in 2014/2015, only the following resources will remain for other schemes:

- **Adur District Council** – agreed in July £520,000 but now increased to £565,000
- **Worthing Borough Council** - agreed in July £795,000 but now increased to £912,000

2.5 Participatory Capital Budgets for residents and community groups

Adur District Council and Worthing Borough Council both have successful participatory budgets. These will continue but they will concentrate on smaller community projects (below £10,000 and therefore outside of the capital programme) and will be funded from the respective Councils Capacity Issues Reserves.

3.0 UPDATE ON KEY SCHEMES WITHIN THE EXISTING CAPITAL INVESTMENT PROGRAMME

3.1 The following paragraphs are an update on the current progress and status of key issues and investment areas:

3.0 UPDATE ON KEY SCHEMES WITHIN THE EXISTING CAPITAL INVESTMENT PROGRAMME

(a) *Overall size of the programme*

The resources made available in 2014/2015 for new schemes has been outlined in paragraphs 2.2 to 2.4.

(b) *Worthing Splashpoint swimming pool*

Splashpoint is now completed and has recently won the World Architecture Award for Sport.

(c) *Adur and Worthing Affordable Housing*

The need for a budget provision:

The councils have a duty to assess and deal with housing need. They have a Core Strategy requiring affordable provisions on housing developments. Worthing currently has capital receipts set aside as a result of Right to Buy clawback from Worthing Homes and from time to time there are ring fenced s.106 receipts for both Councils from developers in lieu of providing affordable housing on site. In the past, it has been a useful source of funding to top-up schemes part funded from elsewhere, in order to ensure that schemes actually happen and get people off the Housing Register. In many ways it is a back up to the more usual grant funding system through the Homes and Communities Agency, which has reduced. It is also useful for funding small windfall schemes should they occur. The Housing Strategy targets 120 new affordable homes per annum.

The Councils continues to work closely with our Registered Provider (RP) partners to find and part fund sites where there is a compelling case. It is important to sustain an ongoing budget to enable the Council to input where appropriate when a site becomes available.

In theory the more affordable homes that are available, the less pressure there would be on the authority to source and pay for temporary accommodation. The direct effect on these budgets of a housing development is relatively small although in practice the Councils have nomination rights to the properties and at subsequent relets.

The unallocated budget provision in 2013/14 has been re-profiled to 2014/15 as to date there has only been a request for a £50,000 contribution towards a scheme in Worthing with a likely commitment in 2014/15.

3.0 UPDATE ON KEY SCHEMES WITHIN THE EXISTING CAPITAL INVESTMENT PROGRAMME

(c) *Adur and Worthing Affordable Housing*

The Homes and Communities Agency (HCA) contributions to housing developments:

The upcoming £2.8 billion Affordable Homes Programme (AHP) 2015-18 is likely to function in a similar way to the current 2011-15 programme which saw a significantly reduced budget from previous programmes. Registered Providers who register with the programme will be expected to relet an increasing number of current properties at the “affordable rent” level, which is up to 80% of open market rents. This is aimed at ensuring that Registered Social Landlords (RSLs) can use the increased rental stream to borrow more and thus save capital grant funding. Grant levels under the upcoming AHP programme are expected to be at an average of circa £20,000 per rented unit, which is slightly less than for the previous programme.

(d) *Accommodation Strategy – Adur Presence*

Consultation has been completed and planning permission has been granted for the Adur Presence at Pond Road, Shoreham. The project team are now procuring a contractor to build the extension.

(e) *Adur Homes Programme*

There will be slippage in the 2013/14 capital programme, the extent of which cannot be fully determined at this point in the financial year as there are a number of influencing factors which cannot be predicted until contracts are in place and performance assessed.

(f) *Disabled Facilities Grants*

Currently, the councils receive a government grant towards the cost of Disabled Facilities Grant. Whilst this does not cover the full cost of the improvements, it will cover about 60% - 70% of the cost of the improvements.

The intention is that in the future the grant will be included in the Integrated Transformation Fund which will be managed in by West Sussex County Council in its Public Health capacity with the Care Commissioning Groups. The new arrangements will probably be in place from 2015/16 onwards.

3.0 UPDATE ON KEY SCHEMES WITHIN THE EXISTING CAPITAL INVESTMENT PROGRAMME

(g) *Disabled Facilities Grants*

At the moment it is not entirely clear what will happen but it is expected that by end of March 2014 proposals will go to the Health and Wellbeing Board for what will happen from 2015/16. There is a risk that the District Councils will not receive the level of funding that they have in the past as a result of the new arrangements. The concern is that, as it stands, the County will have the funding for Disabled Facilities Grants but the districts will retain the statutory obligation to provide the grants. WSCC are meeting with grants officers across the county early December and it is on the agenda for the Strategic Housing Group but as yet we have not been able to establish from WSCC what their views are. The funding for Disabled Facilities Grants will form a relatively minor part of the overall budget of the ITF but obviously it is important to the districts and boroughs.

3.2 The 2013/14 Capital programme continues to be monitored and reported to the Capital Working Group on a quarterly basis.

4.0 RESOURCES

4.1 There are two influences on the overall size of the capital programmes, namely:

- (i) the level of available resources to fund the programmes;
- (ii) the revenue consequences of the programmes in terms of the cost of borrowing and any associated running costs.

4.2 The financial position for both councils is very challenging over the next five years. The need to invest in existing assets, as well as provide for partnership working, means that both Councils will need to sustain the size of programmes outlined in 2.2 to 2.4 for the foreseeable future. However, there is little change in the method of financing the programmes planned over the next 3 years. In addition, both Councils have approved an *invest-to-save* initiative and specific schemes which meet the criteria will be funded through prudential borrowing.

4.3 Both proposed programmes assume a phased use of the available prudential borrowing, capital receipts, reserves and depreciation set aside for Adur Homes major repairs. Investment will be financed using a mix of the following types of resources:

4.0 RESOURCES

4.3.1 Usable Capital Receipts derived from the sale of assets

Usable capital receipts are generated through the sale of Council owned assets. Both Councils are actively looking for opportunities to increase the available receipts. In the past for Adur District Council this has mainly come from council housing sales however the intended sale of Adur Civic Centre will lead to a substantial capital receipt, the use of which will be determined by members.

Adur has signed up to the DCLG agreement allowing 100% of Right to Buy (RTB) receipts to be retained for new build homes. However, the receipt can only provide 30% of the cost of new build which means that the remaining 70% has to be financed from contribution from revenue (Adur Homes rental income) and borrowing. Other Housing revenue account property or land sales fall outside the 30% agreement and may be 100% retained by Adur provided it is spent on affordable housing, regeneration or the paying off of Housing Revenue Account debt.

Worthing Borough Council also has the right to a proportion of the receipts generated from the sales of homes by Worthing Homes.

Whilst, the revenue implication of using any capital receipts is by no means as much as those incurred by borrowing, this is by no means a 'free' source of funding. The annual revenue costs of using £1m of capital receipts are as follows:-

	Year 1 £	Year 2 £
Interest at say 1.47%	7,350	14,700

In the past capital receipts have been a major source of funding for both Councils' capital programmes. Members will be aware that the Councils now have only limited access to capital receipts as:

- Neither Council owns large tracts of land that can be disposed of when capital receipts are needed. There are some disposals which are currently taking place and which could be made available in time, but these are unlikely to meet all the investment needs of either Council in the immediate future;
- There are very few other options for future disposals of operational assets, owned by either council, without service provision implications;

4.0 RESOURCES

4.3.1 Usable Capital Receipts derived from the sale of assets

- Any benefits that might accrue from the sale of non-operational assets, such as the commercial properties, will be largely negated by the loss of significant rental and lease income. Consequently, the disposal of such assets can only be undertaken when there is a clear business case to justify such an action;
- Market conditions will make any potential sales difficult at the current time;

In light of the budget strategy and the limitations on generating additional capital receipts, the estimated balance of capital receipts to fund the draft Capital Investment Programme will be:

Adur District Council

Adur District Council		Balance at 1st April £'000	* Receipts Generated £'000	Planned Use £'000	Balance at 31 st March £'000
2014/15	General	0	6	(6)	0
	Ring-fenced	1,148	117	(507)	758
	Total	1,148	123	(513)	758
2015/16	General	0	6	(6)	0
	Ring-fenced	758	117	(117)	758
	Total	758	123	(123)	758
2016/17	General	0	6	(6)	0
	Ring-fenced	758	117	(117)	758
	Total	758	123	(123)	758

4.0 RESOURCES

4.3.1 Usable Capital Receipts derived from the sale of assets

Worthing Borough Council

Worthing Borough Council		Balance at 1 st April £'000	Receipts Generated £'000	Planned Use £'000	Balance at 31 st March £'000
2014/15	General	0	0	0	0
	Ring-fenced	4,212	121	(396)	3,937
	Total	4,212	121	(396)	3,937
2015/16	General	0	0	0	0
	Ring-fenced	3,937	121	(500)	3,558
	Total	3,937	121	(500)	3,558
2016/17	General	0	0	0	0
	Ring-fenced	3,558	120	(500)	3,178
	Total	3,558	120	(500)	3,178

The lack of capital receipts as a source of funding is a problem for both councils. It is inevitable that both councils will need to borrow to sustain their respective capital programmes.

4.3.2 Prudential Borrowing

For the General Fund, the Prudential Code generally gives an unlimited ability to borrow, provided it is 'affordable, sustainable and prudent'. In practical terms the amount of the borrowing is inhibited by the associated revenue consequences and is therefore severely restricted by the impact such borrowing would have on council tax.

The position for Adur's Housing Revenue Account is quite different. Since April 2012, any future borrowing for capital investment in the housing stock, will only be allowable subject to repaying existing debt and creating headroom between actual debt and the borrowing limit of £67 million.

4.0 RESOURCES

4.3.2 Prudential Borrowing

Consequently from 2012/13 onwards, the HRA has made a minimum revenue provision (MRP) for the repayment of debt. This will be based on repaying the debt over the life of any asset acquired or the life of improvement made. This can be funded from the depreciation which is set aside into the Major Repairs Reserve (see 4.6 below). There is also the option to make additional voluntary provisions for repayment of debt if this is affordable. The high level financial business plan will be updated and presented to Adur Cabinet in March 2014.

The annual revenue costs of each additional £1m of Prudential Code borrowing are estimated to be as follows:-

	Year 1 £	Year 2 £
Principal repayment – 7% average revenue provision*	0	70,000
Interest at say 3.80%	19,000	38,000
Total costs	19,000	108,000

* Both Councils have a policy of repaying any debt over the life of the asset acquired. On average the assets funded will have a life of 15 years which is equivalent to a 7% revenue provision each year.

MRP= Minimum Revenue Provision – the amount of ‘capital’ that has to be repaid each year, notionally this is the amount set aside to repay debts which have accumulated to finance schemes.

4.3.3 Adur Housing Revenue Account Major Repairs Reserve contribution

This is the second year of the new self financing regime. The Council will be allowed to set-aside amounts into a Major Repairs Reserve, equivalent to at least the annual depreciation charge for the housing stock made to the Housing Revenue Account. This can be used to fund the repayment of debt or to finance capital expenditure. For the first five years of the self-financing regime it is permissible to limit the depreciation set aside to the equivalent value of the major repairs allowance previously received under the subsidy regime. The major repairs allowance calculation for 2012/13 was set at £2.081 million.

4.0 RESOURCES

4.3.3 Adur Housing Revenue Account Major Repairs Reserve contribution

New capital expenditure on housing will be financed from direct revenue contributions, capital receipts, the new Major Repairs Reserve or from Prudential Borrowing (if overall borrowing is less than the 'borrowing limit' of £67 million). The latter source of funding requires amounts to be set aside for repayment of debt.

4.3.4 Revenue Contributions and Reserves

Worthing Borough Council has a specific capital reserve set aside to fund the capital improvements at the Crematorium. The Crematorium makes an annual contribution to the reserve from the additional income generated by the agreed improvements.

The Adur Housing Revenue Account has traditionally made a revenue contribution towards the Adur Homes capital programme and for 2014/15; £914,000 has been provisionally allocated out of the Housing Revenue Account. The Joint Strategic Committee will be considering the Housing Revenue Account budget in February 2014, and any changes to this amount will be reported then.

4.3.5 Capital Grants and other external funding

The following capital grants and other contributions are expected and have been taken into account within the overall resources for the 2013/14 capital programme:

Adur District Council External Funding

	£
Disabled Facilities Grant (DFG)	229,720
Worthing Borough Council	140,250

Worthing Borough Council External Funding

	£
Disabled Facilities Grant (DFG)	436,720

4.0 RESOURCES

4.3.5 Capital Grants and other external funding

Disabled Facilities grants are mandatory and each Council has to approve all eligible grants. All approvals are for 12 months and works can be undertaken at any time in this period. For the last 3 years Worthing has had significant overspends on this budget. However, this year demand has bottomed out and no overspend is anticipated.

5.0 DRAFT PROGRAMMES

General Fund Programme

5.1 The three-year draft General Fund programmes are attached at Appendices 2 and 3. The indicative programmes have been prepared on the basis of the agreed guidelines and the estimated resources. Each scheme has been scored using the priority scoring system devised under the Capital Strategy, producing a balanced programme in accordance with the overall available funding.

5.2 Members are asked to consider the proposed programme. Members can remove schemes if they consider that they should not be supported at this time or add schemes which merit support provided that the overall programme remains affordable. Additional information is provided below on the proposed invest to save schemes and other issues which members should be aware of when considering the overall programme.

5.3 Other matters:

5.3.1 Decoy Farm

A capital bid for £2m has been submitted for the works required to clear and prepare the land in Worthing at Decoy Farm for relocation of businesses. The capital bid is subject to an external funding bid where the outcome will not be known until later in the financial year. In November JSC considered a survey assessment of the site to meet the preparation requirements of the next stage of the external funding bid. This is due to be reconsidered once the contaminated land survey has been completed. Due to the timing of this scheme and the unknown outcome of the bid, this scheme and will need to be considered outside of the capital bidding process.

5.0 DRAFT PROGRAMMES

5.3.2 Replacement of vehicles – refuse and recycling

The refuse, recycling and street cleansing vehicles will be coming to the end of their economically viable lives by the end of 2016/17, they were mostly purchased nine years ago and extending their lives any further would have a detrimental revenue and operational impact on the service. The borrowing cost associated with the current vehicles is contained within the revenue budget, with the borrowing being repaid over a nine year period. Overall, the current revenue budget is as follows:

	Adur	Worthing	Total
	£	£	£
Original amount borrowed:	1,229,600	2,148,430	3,378,030
Revenue cost in 2014/15:			
Revenue provision for the repayment of debt	136,620	238,710	375,330
Interest costs based on the average interest rate of each Council - reduces as debt is paid off	21,450	31,000	52,450
Overall budget for revenue costs	158,070	269,710	427,780

Consequently the revenue impact of any replacement vehicles will be the difference between the current financing budget and an assessment of the new financing costs for the vehicles which are expected to cost around £3.1m - £3.5m.

Given the strategic nature of this investment and the relatively minor revenue impact that it is likely to have on the Councils, it is proposed that this is dealt with separately from the general capital programme.

5.3.2 Homefield Park

It is intended that an external funding bid will be submitted to the Heritage Lottery Fund for Homefield Park, Worthing in February 2014. This bid will require some match funding and £50,000 of S106 receipts will be ring-fenced for match funding.

5.0 DRAFT PROGRAMMES

5.4 Invest to save schemes

The Councils will consider 'invest to save' capital proposals which produce revenue savings that exceed the cost of borrowing by at least 10% over the life of the investment.

(i) Empty Properties

The tables below show the anticipated additional income from empty properties, if brought back into use, over the next 5 years for both Adur and Worthing. It is recommended that a proportion of the income generated is ring-fenced for empty properties work to bring more empty properties back into use over the 5 years.

This scheme may be affected by the comprehensive spending review in 4 years and also the additional homes bonus may continue beyond the 5 years, but in any event the effectiveness of the scheme needs to be reviewed annually.

Adur District Council Additional New Homes Bonus Anticipated as a result of bringing an estimated 8 properties back into use each year

Year	Estimated Bonus Year 1 £	Estimated Bonus Year 2 £	Estimated Bonus Year 3 £	Estimated Bonus Year 4 £	Estimated Bonus Year 5 £	Total Estimated Bonus £
1	10,195	10,195	10,195	10,195	10,195	50,975
2		10,195	10,195	10,195	10,195	40,780
3			10,195	10,195	10,195	30,585
4				10,195	10,195	20,390
5					10,195	10,195
	10,195	20,390	30,585	40,780	50,975	152,925

5.0 DRAFT PROGRAMMES

5.4 Invest to save schemes

(i) Empty Properties

Worthing Borough Council Additional New Homes Bonus Anticipated as a result of bringing an estimated 20 properties back into use each year

Year	Estimated Bonus Year 1 £	Estimated Bonus Year 2 £	Estimated Bonus Year 3 £	Estimated Bonus Year 4 £	Estimated Bonus Year 5 £	Total Estimated Bonus £
1	24,258	24,258	24,258	24,258	24,258	121,290
2		24,258	24,258	24,258	24,258	97,032
3			24,258	24,258	24,258	72,774
4				24,258	24,258	48,516
5					24,258	24,258
	24,258	48,516	72,774	97,032	121,290	363,870

The success of this initiative will be monitored to ensure that the bonus is generated as expected.

The programme is now up and running. The Councils are working in partnership with a private sector letting agent to manage the properties and this is proving successful. There has been some interest in the schemes and officers are continuing to investigate new approaches to promote the funding to Empty Property owners. Increasing the supply of private sector rental properties available at Local Housing Allowance levels remains a key objective.

THE Councils have recently withdrawn from the HCA Grant funding and are now focusing on working with partners in the charitable sector who have still have an HCA grant. The YMCA are keen to work with us and we are hoping to develop the EPAP to support the YMCA leasing schemes and increase the overall funding available to bring homes back into use. This will enable the Councils to increase the supply of affordable housing as these properties are let at social rents.

5.0 DRAFT PROGRAMMES

5.4 Invest to save schemes

(ii) Partnership schemes - Solar panels

The installation of solar panels will make a contribution to the following projects:-

- Replacement of roof at the Commerce Way Vehicle Workshop. 75% (£190,000) of the cost of the roof workshop to be invest-to-save
- Provision of storage facilities at Commerce Way for Grounds Maintenance. 45% (£80,000) of the cost to be invest-to-save.

5.5 Schemes currently below programme financial cut-off

5.5.1 The updated outline MTFP forecast elsewhere on this agenda shows that both Councils may need to balance their revenue budgets by drawing down from reserves. This means that the Councils do not have any financial capacity to bring in additional schemes. However, if a scheme falls below the cut-off that merits support then to build capacity within the programme, members will have to identify schemes which should be taken out of the proposed programme.

5.6 Adur Housing Investment Programme

5.6.1 The estimated resources available to fund the 2014/15 HRA renovation programme of £2,746,000 are sufficient to fund all the proposed schemes. Under the new self financing regime, the HRA is in a much more sustainable position.

5.6.2 The first priority is the continued maintenance of decent homes standards for the benefit of existing tenants.

The decent homes standard requirement is that homes:-

- a) meet the current statutory minimum standard for housing
- b) are in a reasonable state of repair
- c) have reasonably modern facilities and services
- d) provide a reasonable degree of thermal comfort.

5.0 DRAFT PROGRAMMES

Overall

5.7 The following assumptions have been used in preparing the draft programmes:

- (a) Maximise use of external funding where possible, e.g. Landfill Communities Fund, Specific Grants
- (b) Continuation of Specific Grant Aided Funding for Mandatory Disabled Facilities Grants up to Government allocation.
- (c) The proposed Capital Programme and Reserve Lists include a number of the larger planned maintenance schemes. Only schemes which meet the criteria for capital funding are included.

5.8 The following table is a summary of total resources used to fund the new schemes included in the draft programme.

Adur District Council

Programme Year	Revenue Contributions and Reserves £	Major Repairs Reserve £	Capital Grants and Contributions £	Usable Capital Receipts £	Borrowing £	TOTAL £
2014/2015						
General Fund	34,750	0	369,970	6,000	1,121,000	1,531,720
HRA	400,000	2,081,000	0	116,600	148,400	2,746,000
Total	434,750	2,081,000	369,970	122,600	1,269,400	4,277,720
2015/2016						
General Fund	36,000	0	229,720	6,000	989,510	1,261,230
HRA	400,000	2,081,000	0	116,600	1,007,400	3,605,000
Total	436,000	2,081,000	229,720	122,600	1,996,910	4,866,230

5.0 DRAFT PROGRAMMES

Adur District Council

Programme Year	Revenue Contributions and Reserves £	Major Repairs Reserve £	Capital Grants and Contributions £	Usable Capital Receipts £	Borrowing £	TOTAL £
2016/2017						
General Fund	36,000	0	229,720	6,000	2,087,840	2,359,560
HRA	400,000	2,081,000	0	116,600	1,087,400	3,685,000
Total	436,000	2,081,000	229,720	122,600	3,175,240	6,044,560
TOTAL						
General Fund	106,750	0	829,410	18,000	4,198,350	5,152,510
HRA	1,200,000	6,243,000	0	349,800	2,243,200	10,036,000
GRAND TOTAL	1,306,750	6,243,000	829,410	367,800	6,441,550	15,188,510

5.9 Members will note that the total planned new spending over the next three years, is £15,188,510. The table above indicates how this proposed programme will be financed.

5.10 Worthing Borough Council

Programme Year	Revenue Contributions and Reserves £	Capital Grants and Contributions £	Usable Capital Receipts £	Borrowing £	TOTAL £
2014/2015					
General Fund	107,800	436,720	0	1,643,000	2,187,520

5.0 DRAFT PROGRAMMES

5.10 Worthing Borough Council

Programme Year	Revenue Contributions and Reserves	Capital Grants and Contributions	Usable Capital Receipts	Borrowing	TOTAL
	£	£	£	£	£
2015/2016 General Fund	110,000	436,720	500,000	1,532,000	2,578,720
2016/2017 General Fund	120,000	436,720	500,000	2,850,220	3,906,940
GRAND TOTAL	337,800	1,310,160	1,000,000	6,025,220	8,673,180

5.10 Members will note that the total planned new spending over the next three years, is £8,673,180. The table above indicates how this proposed programme will be financed.

6.0 REVENUE IMPLICATIONS

6.1 The revenue implications (excluding the revenue impact of financing the Capital Investment Programme) of all the capital projects in the draft programmes are shown in last column of appendices 2 and 3. An assessment of the revenue implications of the planned programme has already been built into the Medium Term Financial Plan. This has already been recognised as a genuine expenditure within the overall revenue budget. There is, of course, no obligation to spend merely because resources are available. In considering the merits of any capital investment proposal, the opportunity cost of using the resources, the revenue cost associated with any borrowing and the interest earnings foregone by utilising capital receipts and reserves, require full consideration.

6.0 REVENUE IMPLICATIONS

6.2 The full year revenue impact of financing the capital programme is shown below:-

Adur District Council

Programme Year	Revenue Impact		Cumulative		Full-Year Impact in
	General Fund £	HRA £	General Fund £	HRA £	
2014/2015	107,440	17,741	107,440	17,741	2015/2016
2015/2016	106,955	110,513	214,395	128,254	2016/2017
2016/2017	225,575	119,153	439,970	247,408	2017/2018

Worthing Borough Council

Programme Year	Revenue Impact		Cumulative		Full-Year Impact in
	Borrowing £	Capital Receipts £	Borrowing £	Capital Receipts £	
2014/2015	162,000	0	162,000	0	2015/2016
2015/2016	108,000	7,350	270,000	7350	2016/2017
2016/2017	307,824	7,350	577,824	14700	2017/2018

The above figures, for both councils, do not include any other direct revenue implications, which could be either positive or negative, depending on the particular schemes. The draft programmes show the other on-going annual running costs of servicing and maintaining the proposed schemes and savings generated from the capital investment.

7.0 PRUDENTIAL INDICATORS

7.1 Part of the core process for the Prudential Code is for Members to set Prudential Indicators against which the performance of the Capital Investment Programme and Treasury Management can be measured and monitored throughout the year. These indicators will be calculated once the programme has been fixed and reported to the Cabinet as part of the Revenue Budget report.

8.0 EQUALITIES IMPACT ASSESSMENT

8.1 Individual schemes within the three proposed capital programmes have been subjected to equalities impact assessment. Schemes which have a positive impact on equalities include:

- Affordable housing schemes – Schemes are targeted at the most vulnerable;
- Disability Discrimination Act works to improve accessibility of Council buildings;
- Disabled facilities grants – Improvements and adaptations to private housing to meet specific needs;
- Home repair assistance grants – Grants to enable those in need to stay in their homes;
- Resurfacing of hard surfaces – Provides an improved surface for wheelchair users and other people with reduced mobility;
- Parks – Replacement of play area and outdoor fitness equipment which is designed to be more accessible and inclusive;
- Car Parks – Replacement of payment equipment and signage which will be simpler and clearer to use for the visually impaired. The new pay machines will be lower which will be more accessible;
- Leisure Centres – Replacement of fitness equipment which will enable some people with disabilities to use the facilities;
- ICT Hardware Replacement Programme – Provision of special keyboards and screens where required;
- Empty Property Grants – Increase the supply of affordable housing in the locality.

There will be no negative equalities and diversity outcomes arising from the proposed programmes.

9.0 CONCLUSION

- 9.1 Whilst both Councils have only limited resources with which to fund the capital programme, it has been possible to provide for a modest programme of £1.0m for Adur District Council, £1.5m for Worthing Borough Council each year and £3.1m for Adur Homes. Both Councils have insufficient capital resources available to meet all of the identified demands for capital investment over the next three years, and therefore some schemes must remain on the respective Reserve List.
- 9.2 The implication of this restriction in capital investment is that some maintenance needs are not currently being met. Both Councils will need to continue to critically review their asset base over the coming years with a view to retaining a sustainable level of assets to support service delivery. This will be reflected in the Councils' revised Asset Management Plan.
- 9.3 The continuing constraints on the availability of capital resources in the medium to long term and the direct impact on the revenue budget leaves little room for manoeuvre. Work needs to commence now to ensure sufficient resources are available to both Councils to provide adequate funds for financing the respective Capital Investment Programmes from 2014/2015 onwards. In any event, the revenue consequences of spending scarce resources must always be borne in mind in judging the merits of any capital investment proposal.

10.0 RECOMMENDATIONS

10.1 The Joint Strategic Committee is recommended to:

- (a) Consider the three General Fund Capital Investment Programmes for the three-year period 2014/2015 to 2016/2017 and confirm the schemes to be included as detailed in Appendix 2; 3 and 4;**
- (b) Agree the Adur Housing Renovation Programme for the three-year period 2014/2015 to 2016/2017 as detailed at Appendix 5;**
- (c) Agree the amendments and additions to the reserve lists as detailed in Appendices 6 and 7;**
- (d) Recommend the 3 Year Programmes for approval by the respective Councils on the 19th December 2013 and 17th December 2013**

SARAH GOBEY

Executive Head (Financial Services)

ANDREW GARDINER

Strategic Director

Local Government Act 1972

Background Papers:

CIPFA Prudential Code for Capital Finance in Local Government 2003

Capital Estimates 2014/15 – Working papers

Capital Strategy 2013/15 – Report to Joint Strategic Committee on 4th July 2013

Medium Term Financial Plan (MTFP) 2013/15 and 2018/19 Budget Strategy -Report to Joint Strategic Committee on 4th July 2013

SCHEDULE OF OTHER MATTERS

1.0 COUNCIL PRIORITY

1.1 The budget supports the Council's achievement of all its priorities.

2.0 SPECIFIC ACTION PLANS

2.1 Matters considered and no issues identified.

3.0 SUSTAINABILITY ISSUES

3.1 Matter considered and no issues identified

4.0 EQUALITY ISSUES

4.1 The capital programme prioritisation model awards points for capital project proposals that address DDA requirements and reduce inequalities (see para. 7).

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

7.0 REPUTATION

7.1 Matter considered and no issues identified

8.0 CONSULTATIONS

8.1 Matter considered and no issues identified

9.0 RISK ASSESSMENT

9.1 Matter considered and no issues identified

10.0 HEALTH AND SAFETY ISSUES

10.1 Matter considered and no issues identified

11.0 PROCUREMENT STRATEGY

11.1 Matter considered and no issues identified

12.0 PARTNERSHIP WORKING

12.1 The report considers the impact that partnership working has on the overall budget.

ADUR DISTRICT COUNCIL AND WORTHING BOROUGH COUNCIL THREE YEAR CAPITAL INVESTMENT PROGRAMMES




1. **Financial Control** - In view of the requirements of the Councils' Financial Regulations concerning the control of capital expenditure, the Capital Investment Programmes have been prepared in order to distinguish between:
 - (a) **Committed Schemes - £100,000 and Under** – Schemes where resources have been committed and which do not require approval as a Key Decision.
 - (b) **Committed Schemes – Key Decisions** – Schemes that result in the Council incurring capital expenditure in excess of £100,000 and where resources have been committed.
 - (c) **Future Programme** – Schemes which the Council intends to undertake in future years depending on resources available and the Council's Priorities and Strategic Objectives.
 - (d) **New Schemes** – These schemes are shown in bold.
2. **Capital Strategy** – The Councils approved the Joint Capital Strategy 2013 - 2016 in July 2013 and the preparation of this year's programmes has been carried out in line with the principles contained in the agreed strategy. The strategy sets out the basis for the prioritisation of bids for schemes to be included in the three-year programmes covering all services, including Housing.
3. **Prioritisation of Schemes** – The programmes have been prepared in light of the scoring mechanism agreed in the Joint Capital Strategy and is used by Officers as a guide to identify the schemes recommended to the Joint Strategic Committee for inclusion in the programmes.
4. **Contingency for Inflation and Fluctuations** - The Housing Programmes, which provide resources to meet the needs identified in the Councils' Housing Strategies, are estimated at outturn prices. Estimates for all other schemes are at November 2013 prices as, for most projects, it is not practical at this stage to forecast the effects of future inflation. In order to ensure that adequate finance is available to meet inflationary increases over the three years, a general contingency has been included in each Cabinet Member's programme.
5. **VAT** – The HMRC have advised that Worthing Borough Council might not incur a liability to repay blockable VAT to Customs and Excise on certain capital schemes due to their related exempt activities, provided the Council does not exceed the limit over a 7 year period up to and including 2014/2015; an annual provision has been included in the relevant Cabinet Member's programmes pending the final outcome. Adur District Council has no VAT liability. # **Worthing Borough Council Schemes which may incur VAT.**
6. **Annual Revenue Costs** - The schedules indicate in column (12) the estimated amount of interest foregone in utilising resources, which are currently invested and earning much needed interest to support the General Fund Revenue Budgets, or the cost of using Prudential Borrowing to fund the Capital Investment Programmes. Additional costs (or savings) of servicing and maintaining the proposed schemes are shown in column (13).
7. **Worthing Borough Council and Adur District Council Partnership Schemes** – Capital schemes which enhance the partnership between the Worthing and Adur Councils are included in each Cabinet Member's portfolio and are listed in the partnership scheme schedule.
8. **Capitalised Planned Maintenance Schemes** - The Capital Investment Programmes include a number of the larger planned maintenance schemes. Only schemes which meet the criteria for capital funding are approved.
* **Capitalised planned maintenance schemes included in the 2013/14–2016/17 Cap. Investment Prog.**


INDEX OF LEAD OFFICERS

AE	Andy Edwards	Parks & Foreshore Manager
AN	Andy Northeast	Transport Manager
AO	Amanda O'Reilly	Commercial Manager Worthing Theatres
BC	Bryan Curtis	Principal Engineer
BCL	Bob Cliff	Estates Officer
CM	Clare Mangan	Regeneration Manager
CR	Christine Ryder	Head of Adur Homes
CS	Carol Stephenson	Adur & Worthing Partnership Programme Manager
DA	Duncan Anderson	Leisure Facilities Manager
DS	David Steadman	Adur Town Centres and Street Manager
GC	Gary Cushing	Environmental Health Manager
HB	Helen Buck	Surveying & Design Services Manager
JA	James Appleton	EHoS (Planning, Regeneration & Wellbeing)s
JACR	Jo-Anne Chang-Rogers	Finance Manager
JM	John Mitchell	Strategic Director
KJ	Karen James	Senior Human Resources Project Officer
LS	Lynda Spain	Programme Manager (Regeneration)
MA	Mandy Ainsworth	Parking Services Manager
MG	Mark Gawley	ICT Services Manager
PS	Paul Spedding	EHoS (Housing Health and Community Safety)
SG	Sarah Gobey	EHoS (Financial Services)
SH	Sue Hart	Supported Housing Manager
SS	Sarah Stride	Consultation Officer
TC	Terry Cutler	Finance Manager
TI	Tim Ivamy	Senior Building Surveyor
TP	Tony Patching	Recycling and Waste Management

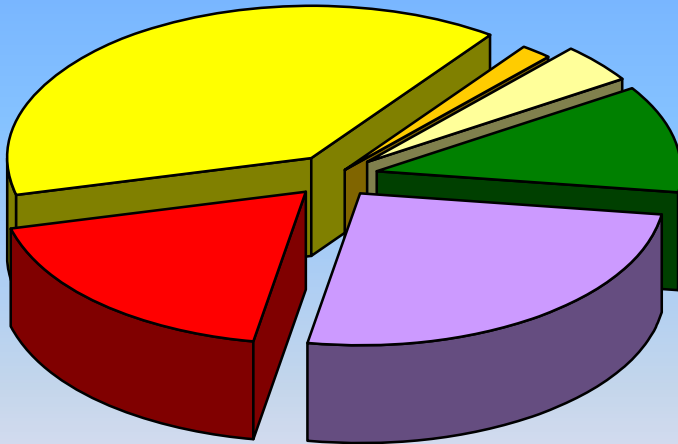
**ADUR DISTRICT COUNCIL AND WORTHING BOROUGH COUNCIL PARTNERSHIP SCHEMES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES						
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £
					Original £	Revised £				
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
<u>PARTNERSHIP SCHEMES</u>										
<i>Admin Buildings</i>										
Commerce Way - Depot new drainage system	18602	BC	66,000	4,050	56,590	61,950	-	-	-	-
Commerce Way - Renewal of main office building roof covering	18602	HB	27,500	-	-	-	27,500	-	-	-
Commerce Way - Vehicle Workshop replacement of roof including the provision of solar panels	18602	HB	253,000	-	-	-	253,000	-	-	-
<i>Compliance Service</i>										
Replacement of 2 vehicles	98068	AN	28,000	-	28,000	28,000	-	-	-	-
<i>Environmental Health</i>										
Replacement of 4 vehicles	98069	AN	74,500	-	35,000	35,000	15,500	24,000	-	-
<i>Grounds Maintenance</i>										
Provision of a storage building with solar panels at Commerce Way for grounds maintenance vehicles and equipment	98070	HB	176,000	-	-	-	176,000	-	-	-
Purchase of equipment, plant and vehicles for the new joint service	98066 98067	AE	650,000	507,970	85,000	142,030	-	-	-	-
Vehicle replacements - 2 small flat bed tippers	98067	AN	23,000	-	-	-	23,000	-	-	-
<i>Information and Communications Technology</i>										
CenSus ICT Partnership Schemes - Provision for a disaster recovery service	98058	MG	40,000	-	40,000	40,000	-	-	-	-

**ADUR DISTRICT COUNCIL AND WORTHING BOROUGH COUNCIL PARTNERSHIP SCHEMES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

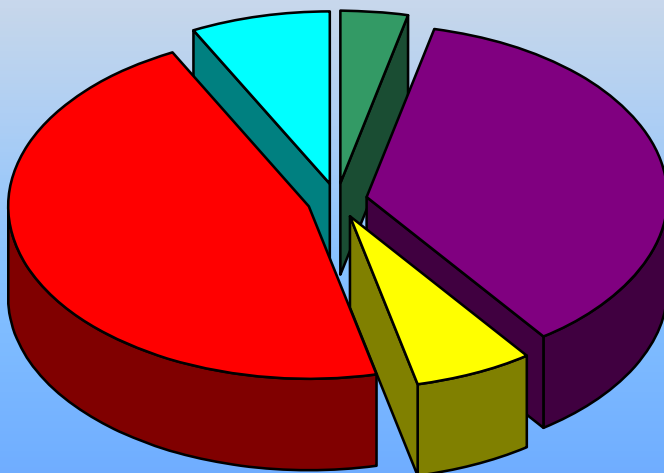
 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES						
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £
					Original £	Revised £				
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
PARTNERSHIP SCHEMES (continued)										
Refuse/Recycling Service (continued)										
Vehicle Replacements	98061	AN	3,369,820	-	280,000	-	324,820	-	3,045,000	-
Refuse/Recycling/Street Cleansing										
Vehicle Communications and Data Transfer System	98048	TP	123,750	112,240	-	11,510	-	-	-	-
Street Cleansing										
Vehicle Replacements	98062	AN	189,000	-	50,000	50,000	31,000	45,000	63,000	-
Vehicle Workshop										
Upgrade of MOT equipment	98071	AN	30,000	-	-	-	30,000	-	-	-
TOTAL			8,011,960	1,563,180	979,060	1,130,850	1,319,820	350,110	3,378,000	270,000

Capital Expenditure




- Regeneration: £1.945m
- Customer Services (Adur Homes): £4.176m
- Customer Services (Other): £0.161m
- Resources: £0.433m
- Environment: £1.218m
- Health and Wellbeing: £2.738m

Capital Financing



- Capital Receipts: £0.372m
- Reserves and Revenue Contributions: £3.894m
- Capital Grants: £0.684m
- Borrowing: £4.906m
- External Contributions: £0.815m

SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME


	CAPITAL ESTIMATES								ANNUAL REVENUE COSTS	
	Total Estimate £	Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
			Original £	Current £						
Column Reference (1)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>BUDGETS</u>										
Cabinet Member for Customer Services	19,722,610	44,280	4,987,020	4,134,020	4,336,310	3,685,000	3,761,000	3,762,000	481,530	-
Cabinet Member for Environment	3,998,920	176,040	1,012,680	450,200	1,218,340	227,010	1,338,560	588,770	348,940	(14,490)
Cabinet Member for Health and Wellbeing	3,386,210	63,170	366,460	451,290	2,737,750	49,500	48,500	36,000	321,630	(539)
Cabinet Member for Regeneration	5,008,260	-	1,980,620	480,310	1,944,950	861,000	861,000	861,000	303,860	(56,000)
Cabinet Member for Resources	1,494,270	430,370	343,470	478,100	433,580	56,220	48,000	48,000	85,290	4,240
	33,610,270	713,860	8,690,250	5,993,920	10,670,930	4,878,730	6,057,060	5,295,770	1,541,250	(66,789)
<u>FINANCING</u>										
<i>Capital Grants and Contributions</i>										
Communities and Local Government			680,990	272,637	671,470	229,720	229,720	229,720		
Department for Climate and Energy Change			-	22,680	-	-	-	-		
Environment Agency			12,500	12,500	12,500	12,500	12,500			
Homes and Communities Agency			20,000	-	-	-	-			
S106 Contributions from Planning Agreements			477,000	73,210	497,000	-	-			
Other Contributions			239,400	113,370	317,850	-	-			
<i>Prudential Borrowing</i>			2,807,900	1,225,483	4,905,750	1,996,910	3,175,240	2,426,450		
<i>Revenue Contributions and Reserves</i>										
Revenue Contributions			1,962,000	1,930,030	44,750	36,000	36,000	36,000		
Revenue Reserves			2,055,460	2,140,770	3,849,010	2,481,000	2,481,000	2,481,000		
<i>Usable Capital Receipts</i>			435,000	203,240	372,600	122,600	122,600	122,600		
			8,690,250	5,993,920	10,670,930	4,878,730	6,057,060	5,295,770		

**SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME**




	CAPITAL ESTIMATES					
	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £
	Original £	Current £				
Column Reference (1)	(6)	(7)	(8)	(9)	(10)	(11)
<u>DETAILED FUNDING</u>						
<i>Capital Grants and Contributions</i>						
<u>Communities and Local Government</u>						
Planning Delivery Grant						
(Ferry Road Environmental Improvements)	80,000	11,000	79,000	-	-	-
Shoreham Harbour Growth Point Grant						
(Shoreham Harbour Projects)	333,490	15,000	320,250	-	-	-
(Ferry Road Environmental Improvements)	42,500	-	42,500	-	-	-
Specified Capital Grant						
(Disabled Facilities Grant)	225,000	246,637	229,720	229,720	229,720	229,720
	680,990	272,637	671,470	229,720	229,720	229,720
<u>Department for Energy and Climate Change</u>						
Energy Efficiency Grant						
(Housing Revenue Account - Energy efficiency schemes)	-	22,680	-	-	-	-
	-	22,680	-	-	-	-
<u>Environment Agency</u>						
Coast Protection Grant						
(Strategic Monitoring Project for the South East Phase 3)	12,500	12,500	12,500	12,500	12,500	-
	12,500	12,500	12,500	12,500	12,500	-
<u>Homes and Communities Agency</u>						
Empty Homes Grant Award						
(Empty Properties - Grants and loans to bring empty properties back into use. Grant withdrawn as the Council's proposed scheme could not meet the HCA's funding criteria)	20,000	-	-	-	-	-
	20,000	-	-	-	-	-

SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME


 Column Reference (1)	CAPITAL ESTIMATES					
	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £
	Original £	Current £				
	(6)	(7)	(8)	(9)	(10)	(11)
DETAILED FUNDING (continued)						
Capital Grants and Contributions (continued)						
<u>S106 Contributions from Planning Agreements</u>						
(Affordable Housing - Unallocated provision)	477,000	-	477,000	-	-	-
(Lancing United Football Club - Contribution to a new changing rooms building)	-	-	20,000	-	-	-
(WSCC Infrastructure Schemes - Road traffic safety schemes)	-	73,210	-	-	-	-
	477,000	73,210	497,000	-	-	-
<u>Other Contributions</u>						
Impulse Leisure						
(Lancing Leisure Centre - Car park lighting improvements)	17,400	-	17,400	-	-	-
Salix Interest Free Funding for the Public Sector						
(Commerce Way - Energy saving schemes)	22,000	21,310	-	-	-	-
Veolia Environmental Trust						
(Croft Avenue Rest Gardens Improvement Project)	-	12,650	200	-	-	-
West Sussex County Council						
(Lower Beach Road Car Park - Enhancements)	200,000	40,000	160,000	-	-	-
Worthing Borough Council						
(Commerce Way - Depot new drainage system)	-	39,410	-	-	-	-
(Commerce Way - Main office renewal of roof covering)	-	-	13,750	-	-	-
(Commerce Way - Vehicle Workshop replacement of roof covering)	-	-	126,500	-	-	-
	239,400	113,370	317,850	-	-	-
Prudential Borrowing						
<u>Adur Homes Capital Investment Programme</u>	836,000	-	372,400	1,007,400	1,087,400	1,087,400

SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME




 Column Reference (1)	CAPITAL ESTIMATES					
	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £
	Original £	Current £				
	(6)	(7)	(8)	(9)	(10)	(11)
DETAILED FUNDING (continued)						
Prudential Borrowing (continued)						
<u>Invest to Save Schemes</u>						
(Compliance Service - Vehicle replacements)	11,200	11,200	-	-	-	-
(Commerce Way - Vehicle Workshop replacement of roof covering)	-	-	95,000	-	-	-
(Grounds Maintenance - Provision of a storage building at Commerce Way)	-	-	32,000	-	-	-
(Purchase and installation of new beach huts)	20,000	20,000	-	-	-	-
(Purchase of equipment, plant and vehicles for the Parks Joint Service)	17,000	28,410	-	-	-	-
<u>General Fund Schemes</u>						
(Replacement of refuse/recycling fleet)	-	-	-	-	1,133,280	-
(Other Schemes)	1,923,700	1,165,873	4,406,350	989,510	954,560	1,339,050
	2,807,900	1,225,483	4,905,750	1,996,910	3,175,240	2,426,450
Revenue Contributions and Reserves						
<u>Revenue Contributions</u>						
Community Alarm Service						
(Purchase of community alarm equipment)	-	11,980	24,750	25,000	25,000	25,000
Parks						
(Croft Avenue Rest Gardens Improvement Project)	-	1,650	-	-	-	-
Housing Revenue Account						
(Adur Homes Capital Investment Programme)	1,950,000	1,907,500	-	-	-	-
New Homes Bonus						
(Empty Properties - Grants and loans to bring empty properties back into use)	12,000	8,900	20,000	11,000	11,000	11,000
	1,962,000	1,930,030	44,750	36,000	36,000	36,000


SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME

 Adur District Council	CAPITAL ESTIMATES					
	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £
	Original £	Current £				
Column Reference (1)	(6)	(7)	(8)	(9)	(10)	(11)
DETAILED FUNDING (continued)						
Revenue Contributions and Reserves (continued)						
<u>Revenue Reserves</u>						
Capacity Issues Reserve						
(Street scene environmental improvements)	3,110	40,380	-	-	-	-
(West Sussex Transit Site for gypsies and travellers)	-	-	162,500	-	-	-
Community Alarm Equipment Reserve						
(Purchase of community alarm equipment)	-	8,020	-	-	-	-
ICT Disaster Recovery Reserve						
(Corporate ICT Infrastructure - Public Network Accreditation)	-	2,870	-	-	-	-
ICT Repairs Reserve						
(Corporate ICT Infrastructure - Public Network Accreditation)	-	15,000	-	-	-	-
Reserve for Development and Refurbishment of Housing						
(Acquisition of Council Dwellings)	-	-	825,510	400,000	400,000	400,000
Insurance Reserve						
(Fishersgate Community Building - Demolition of the dome and renovation works)	86,000	108,500	-	-	-	-
Major Repairs Reserve						
(Adur Homes Capital Investment Programme)	1,966,350	1,966,000	2,861,000	2,081,000	2,081,000	2,081,000
	2,055,460	2,140,770	3,849,010	2,481,000	2,481,000	2,481,000
Usable Capital Receipts						
Adur Homes Capital Investment Programme	100,000	100,000	116,600	116,600	116,600	116,600
General Fund Schemes	6,000	6,000	6,000	6,000	6,000	6,000
Ring-Fenced						
(Fishersgate Community Building - Demolition of the dome and renovation works)	29,000	29,000	-	-	-	-
(Shoreham Renaissance - Lower Beach Car Park refurbishment)	250,000	-	250,000	-	-	-
(Shoreham Renaissance - New Ways of Working ICT Projects)	50,000	68,240	-	-	-	-
	435,000	203,240	372,600	122,600	122,600	122,600


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>COMMITTED SCHEMES - £100,000 AND UNDER</u>												
<i>CenSus ICT Partnership Schemes</i> Provision of a Disaster Recovery Service	18020	MG	20,000	-	20,000	20,000	-	-	-	-	2,160	-
<i>Lancing Leisure Centre</i> Improvements to car park lighting (Contribution of £17,400 from Impulse Leisure)	18091	HB	34,800	-	34,800	-	34,800	-	-	-	1,880	-
<i>Southwick Leisure Centre</i> * Tennis Courts - Refurbishment of the hard surfaces of the eastern set of three tennis courts, including improvements to existing surfaces and colour spraying to the surfaces to prolong the life of the courts and encourage usage	18520	BC	22,000	-	22,000	-	22,000	-	-	-	2,380	-
<i>Wadurs Swimming Pool</i> * Renewal of original poolside tiles	18117	HB	19,190	13,190	-	6,000	-	-	-	-	2,070	-
			95,990	13,190	76,800	26,000	56,800	-	-	-	8,490	-
<u>COMMITTED SCHEMES - KEY DECISIONS</u>												
<i>CenSus ICT Partnership</i> Provision for ICT schemes (Partnership scheme with CenSus Partners)	18020	MG	211,840	-	56,200	111,840	100,000	-	-	-	22,880	-
			211,840	-	56,200	111,840	100,000	-	-	-	22,880	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>FUTURE PROGRAMME</u>												
<i>CenSus ICT Partnership</i> Provision for ICT schemes (Partnership scheme with CenSus Partners)	18020	MG	225,000	-	-	-	-	75,000	75,000	75,000	24,300	-
<i>Contingency: Inflation and Fluctuations</i>	18599		12,000	-	1,670	-	4,000	5,000	1,000	2,000	1,300	-
			237,000	-	1,670	-	4,000	80,000	76,000	77,000	25,600	-
TOTAL GENERAL FUND SCHEMES			544,830	13,190	134,670	137,840	160,800	80,000	76,000	77,000	56,970	-
<u>ADUR HOMES - HOUSING INVESTMENT PROGRAMME</u>												
<u>COMMITTED SCHEMES</u>												
1 Disability Adaptations for Homes On-going programme providing access and home facilities for Council tenants with disabilities	18056	TI	529,000	-	279,000	225,000	304,000	-	-	-	4,760	-
2 Flat Roof Recovering/Replacement Programme	18057	TI	350,000	-	150,000	60,000	290,000	-	-	-	3,150	-
3 Re-Pointing Programme and Structural Works Essential work to keep buildings water tight and maintain structures	18058	TI	175,000	-	134,000	55,000	120,000	-	-	-	1,580	-
4 Kitchen and Bathroom Improvements Refurbishment programme to meet Government decency standards	18060	TI	3,520,000	-	2,455,000	2,100,000	1,420,000	-	-	-	31,680	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
ADUR HOMES - HOUSING INVESTMENT PROGRAMME (continued)												
COMMITTED SCHEMES (continued)												
5 Environmental Improvements Provision of improvements to external communal areas to include estate lighting, fencing, pathways, planting and landscaping	18063	TI	21,000	-	11,000	11,000	10,000	-	-	-	190	-
6 Communal Way Refurbishments Replacement floor coverings, door entry replacement systems, lighting and window replacements	18064	TI	71,000	-	21,000	41,000	30,000	-	-	-	640	-
7 Pitched Roofs Recovering/Replacement Renewal of roof coverings, timber structures, chimney stacks and firewalls	18065	TI	57,000	-	32,000	32,000	25,000	-	-	-	510	-
8 Upgrade of Electrical Systems Upgrade of circuits and fittings including additional sockets and external lighting	18068	TI	21,000	-	11,000	11,000	10,000	-	-	-	190	-
9 External Joinery and Window Replacements Replacement of double glazed windows, external doors and timber frames	18069	TI	93,000	-	13,000	13,000	80,000	-	-	-	840	-
10 Central Heating Installation Programme	18070	TI	335,000	-	295,000	60,000	275,000	-	-	-	3,020	-
11 Boiler & Central Heating Replacements Replacement of failing boilers and heating systems with high efficiency boilers	18071 18072	TI	625,000	-	295,000	350,000	275,000	-	-	-	5,630	-
12 Replacement of Door Entry Systems	18073	TI	59,000	-	21,000	34,000	25,000	-	-	-	530	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
ADUR HOMES - HOUSING INVESTMENT PROGRAMME (continued)												
COMMITTED SCHEMES (continued)												
13 Upgrade/Repair Car Park Areas and Garages Major repairs to garages, compound and car park resurfacing and lighting	18076	TI	53,000	-	27,000	18,000	35,000	-	-	-	480	-
14 Upgrade of Remaining Sheltered Accommodation TV Aerial Systems Some sheltered accommodation blocks with older systems require replacement with full integrated reception systems	18077	TI	9,000	-	9,000	9,000	-	-	-	-	80	-
15 Fishersgate Area External and Communal Areas Repairs Completion of repointing, structural repairs, paving replacements, bin store area improvements, and essential work required under Fire Safety Order legislation	18078	TI	603,000	-	543,000	593,000	10,000	-	-	-	5,430	-
16 Insulation Upgrade and Energy Related Improvements Rolling annual programme to increase levels of insulation to new standards or introduce energy efficiency/environmentally related measures into residents homes	18501	TI	21,000	-	11,000	11,000	10,000	-	-	-	190	-
17 Replacement Smoke Detectors Completion of the replacement smoke detector programme	18504	TI	245,000	-	118,000	240,000	5,000	-	-	-	2,210	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
ADUR HOMES - HOUSING INVESTMENT PROGRAMME (continued)												
COMMITTED SCHEMES (continued)												
18 Fire Safety Order Works Rolling programme of works to meet Regulatory Reform (Fire Safety) Order 2005	18505	TI	340,000	-	290,000	110,000	230,000	-	-	-	3,060	-
19 Stock Condition Survey To inform and develop future strategy and budget planning	18508	TI	90,000	-	-	-	90,000	-	-	-	810	-
20 Lift Refurbishment and Major Works Replacement controllers, drives, door operators and car refurbishment to current DDA standards	18509	TI	106,000	-	-	-	106,000	-	-	-	950	-
21 Property Acquisitions Acquisition of former Council properties for relet by Adur Homes on secure tenancies	18506	CR	826,010	-	137,350	500	825,510	-	-	-	7,430	-
22 Energy Efficiency Schemes (Funded by the Department of Energy and Climate Change)	18616	HB	53,770	31,090	-	22,680	-	-	-	-	-	-
			8,202,780	31,090	4,852,350	3,996,180	4,175,510	-	-	-	73,360	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
FUTURE PROGRAMME												
1 Disability Adaptations for Homes On-going programme providing access and home facilities for Council tenants with disabilities	18056	TI	810,000	-	-	-	-	270,000	270,000	270,000	25,920	-
2 Flat Roof Recovering/Replacement Programme	18057	TI	542,000	-	-	-	-	142,000	200,000	200,000	17,340	-
3 Re-Pointing Programme and Structural Works Essential work to keep buildings water tight and maintain the structure	18058	TI	420,000	-	-	-	-	140,000	140,000	140,000	13,440	-
4 Kitchen and Bathroom Improvements Refurbishment programme to meet Government decency standards	18060	TI	5,200,000	-	-	-	-	1,600,000	1,800,000	1,800,000	166,400	-
5 Environmental Improvements Provision of improvements to external communal areas to include estate lighting, fencing, pathways, planting and landscaping	18063	TI	30,000	-	-	-	-	10,000	10,000	10,000	960	-
6 Communal Way Refurbishments Replacement floor coverings, door entry replacement systems, lighting and window replacements	18064	TI	110,000	-	-	-	-	30,000	40,000	40,000	3,520	-
7 Pitched Roofs Recovering/Replacement Renewal of roof coverings, timber structures, chimney stacks and firewalls	18065	TI	90,000	-	-	-	-	30,000	30,000	30,000	2,880	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
ADUR HOMES - HOUSING INVESTMENT PROGRAMME (continued)												
FUTURE PROGRAMME (continued)												
8 Upgrade of Electrical Systems Upgrade of circuits and fittings including additional sockets and external lighting	18068	TI	75,000	-	-	-	-	15,000	30,000	30,000	2,400	-
9 External Joinery and Window Replacements Replacement of double glazed windows, external doors and timber frames	18069	TI	60,000	-	-	-	-	20,000	20,000	20,000	1,920	-
10 Central Heating Installation Programme	18070	TI	460,000	-	-	-	-	200,000	130,000	130,000	14,720	-
11 Boiler & Central Heating Replacements Replacement of failing boilers and heating systems with high efficiency boilers	18071 18072	TI	850,000	-	-	-	-	300,000	275,000	275,000	27,200	-
12 Replacement of Door Entry Systems	18073	TI	80,000	-	-	-	-	30,000	25,000	25,000	2,560	-
13 Upgrade/Repair Car Park Areas and Garages Major repairs to garages, compound and car park resurfacing and lighting	18076	TI	165,000	-	-	-	-	55,000	55,000	55,000	5,280	-
14 Upgrade of Remaining Sheltered Accommodation TV Aerial Systems Some sheltered accommodation blocks with older systems require replacement with full integrated reception systems	18077	TI	28,000	-	-	-	-	28,000	-	-	900	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
ADUR HOMES - HOUSING INVESTMENT PROGRAMME (continued)												
FUTURE PROGRAMME (continued)												
15 Insulation Upgrade and Energy Related Improvements Rolling annual programme to increase levels of insulation to new standards or introduce energy efficiency/environmentally related measures into residents homes	18501	TI	30,000	-	-	-	-	10,000	10,000	10,000	960	-
16 Fire Safety Order Works Rolling programme of works to meet Regulatory Reform (Fire Safety) Order 2005	18505	TI	730,000	-	-	-	-	230,000	250,000	250,000	23,360	-
17 Sheltered Accommodation - Community Alarms Systems Replacement of existing community alarm communication/alert system	18520	TI	95,000	-	-	-	-	95,000	-	-	3,040	-
18 Property Acquisitions Acquisition of former Council properties for relet by Adur Homes on secure tenancies	18506	TI	1,200,000	-	-	-	-	400,000	400,000	400,000	38,400	-
			10,975,000	-	-	-	-	3,605,000	3,685,000	3,685,000	351,200	-
TOTAL HOUSING INVESTMENT PROGRAMME			19,177,780	31,090	4,852,350	3,996,180	4,175,510	3,605,000	3,685,000	3,685,000	424,560	-
TOTAL			19,722,610	44,280	4,987,020	4,134,020	4,336,310	3,685,000	3,761,000	3,762,000	481,530	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER												
Allotments												
Provision of a new allotment site north of Halewick Lane, North Sompting	18085	AE	47,340	31,540	15,800	15,800	-	-	-	-	5,110	-
* The Meads Allotment Site - Refurbishment of land drainage pipework (Replacement of existing land drainage system to address flooding at allotment site and adjacent playing field)	18085	BC	33,000	-	-	-	33,000	-	-	-	3,560	-
Car Parks												
* South Street Lancing car park resurfacing of hard surfaces	18095	BC	32,000	-	22,000	-	32,000	-	-	-	3,460	-
* Southwick Square - Rebuild of boundary wall	18214	HB	27,500	-	27,500	27,500	-	-	-	-	2,970	-
Cemeteries and Churchyards												
* Resurfacing of Hard Surfaces - Mill Lane Cemetery Phase 2	18112	BC	21,500	1,000	-	20,500	-	-	-	-	2,320	-
Compliance Service												
Replacement of 2 vehicles (Invest to Save Partnership scheme with Worthing Borough Council Total cost £28,000)	18212	AN	11,200	-	11,200	11,200	-	-	-	-	-	(1,587)
Environmental Health												
Replacement of 3 vehicles (Partnership scheme with Worthing Borough Council. Total cost £50,500)	18213	AN	25,250	-	17,500	17,500	7,750	-	-	-	2,730	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER (continued)												
<i>Grounds Maintenance Service</i>												
Replacement of 2 tippers (Partnership scheme with Worthing Borough Council. Total cost £23,000)	18207	AN	9,200	-	-	-	9,200	-	-	-	990	-
<i>Parks and Open Spaces</i>												
* Buckingham Park South Pavilion - Renewal of water main and showers	18215	HB	27,500	-	27,500	27,500	-	-	-	-	2,970	-
<i>Parks and Open Spaces (continued)</i>												
* Buckingham Park - Resurfacing and repair of hard surfaced areas adjacent to café and improvements to north/south footway link to Upper Shoreham Road	18113	BC	22,000	-	22,000	-	22,000	-	-	-	2,380	-
Croft Avenue Rest Gardens Improvement Project (Provision of a second entrance, linking pathway, landscaping, bulb planting and tree work. £12,850 funded from a Veolia Environmental Grant)	18215	AE	14,500	-	-	14,300	200	-	-	-	-	-
Lancing United Football Club - Contribution to a new changing rooms building at Boundstone Lane Recreation Ground (Funded from S106 contributions)	18220	JA	20,000	-	-	-	20,000	-	-	-	-	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

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				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER (continued)												
Play Area Improvements 2013-2014 Buckingham Park - Installation of outdoor play equipment	18209	AE	27,000	-	25,190	-	27,000	-	-	-	2,920	-
Halewick Recreation Ground - Replacement play equipment	18209	AE	42,000	-	42,000	42,000	-	-	-	-	4,540	-
Shoreham Beach Green - Outdoor fitness equipment	18209	AE	30,000	-	30,000	30,000	-	-	-	-	3,240	-
Play Area Improvements 2014-2015 Southwick Green play area improvements	18209	AE	75,000	-	-	-	75,000	-	-	-	8,100	-
* Southwick Recreation Ground - Provision of a footpath along the southern side of the access road adjacent to the Bowls Club and refurbishment of the main access	18113	BC	25,000	-	-	-	25,000	-	-	-	2,700	-
* Southwick Recreation Ground - Refurbishment of access road	18113	BC	25,000	-	25,000	25,000	-	-	-	-	2,700	-
Traveller exclusion measures (Provision of bunds, ditches and barriers to reduce incursions on to Council Land)	18211	AE	35,990	-	16,500	19,490	16,500	-	-	-	3,750	(1,000)
Public Conveniences Provision for upgrade and refurbishment	18097	HB	50,000	1,000	40,000	10,000	39,000	-	-	-	5,400	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

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				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER												
(continued)												
Refuse/Recycling Service Provision of wheeled bins (Partnership scheme with Worthing Borough Council. Total cost £20,000 p.a.)	18100	TP	14,560	-	7,280	7,280	7,280	-	-	-	1,570	-
Refuse/Recycling/Street Cleansing Vehicle Communications and Data Transfer System (Partnership scheme with Worthing Borough Council. Total cost £123,750)	18103	TP	45,170	40,910	-	4,260	-	-	-	-	4,880	-
Street Cleansing Replacement of 4 vehicles (Partnership scheme with Worthing Borough Council. Total cost £81,000)	18102	AN	31,910	-	19,700	19,700	12,210	-	-	-	3,450	(11,903)
Street Lighting Enhancements to WSCC lighting in Conservation Areas or near Heritage Sites (Upgrade of WSCC street lighting)	18216	BC	30,000	-	-	-	30,000	-	-	-	3,240	-
Streetscene Rolling programme of works to improve the environment of Adur District	18096	DS	167,270	-	80,000	84,200	83,070	-	-	-	14,300	-
Vehicle Workshop Upgrade of MOT equipment (Partnership scheme with Worthing Borough Council. Total cost £30,000)	18217	AN	12,000	-	-	-	12,000	-	-	-	1,300	-
			901,890	74,450	429,170	376,230	451,210	-	-	-	88,580	(14,490)


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - KEY DECISIONS												
Car Parks Lower Beach Road Car Park - Enhancements	18095	BC	450,000	-	450,000	40,000	410,000	-	-	-	3,680	-
Grounds Maintenance Provision of a storage building with solar panels at Commerce Way for vehicles and equipment (Partnership scheme with Worthing Borough Council. Total cost £176,000)	18218	HB	70,400	-	-	-	70,400	-	-	-	7,600	-
Purchase of equipment, plant and vehicles for the new joint service (Partnership Scheme with Worthing Borough Council. Total cost £650,000)	18207	AE	130,000	101,590	17,000	28,410	-	-	-	-	-	-
Parks and Open Spaces Contribution to a West Sussex Local Authorities Partnership Transit Site for gypsies and travellers (Funded from Capacity Issues Reserve)	18219	JM	162,500	-	-	-	162,500	-	-	-	2,390	-
Refuse/Recycling Replacement of 2 vehicles (Partnership scheme with Worthing Borough Council. Total cost £324,820)	18202	AN	118,230	-	101,920	-	118,230	-	-	-	12,770	-
			931,130	101,590	568,920	68,410	761,130	-	-	-	26,440	-
FUTURE PROGRAMME												
Car Parks Resurfacing programme following audit of car parks	18200	BC	60,500	-	-	-	-	17,000	43,500	-	6,530	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

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				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
FUTURE PROGRAMME (continued)												
Cemeteries and Churchyards												
* Programme of resurfacing of paths and hard surfaces	18112	BC	56,000	-	-	-	-	23,000	16,500	16,500	6,050	-
Environmental Health Service												
Replacement of 1 Dog Warden's Van (Partnership scheme with Worthing Borough Council. Total cost £24,000)	18213	AN	12,000	-	-	-	-	12,000	-	-	1,300	-
Lancing Manor												
* Boundary wall repairs	18200	HB	30,000	-	-	-	-	15,000	15,000	-	3,240	-
Parks and Open Spaces												
* Buckingham Park Changing Rooms - Renew flooring and drainage to modular units	18215	HB	20,000	-	-	-	-	20,000	-	-	2,160	-
Play Area Improvements	18209	AE	225,000	-	-	-	-	75,000	75,000	75,000	24,300	-
* Refurbishment of hard surfaces (Rolling programme)	18113	BC	75,000	-	-	-	-	25,000	25,000	25,000	8,100	-
Refuse/Recycling Service												
Provision of wheeled bins (Partnership scheme with Worthing Borough Council. Total cost £20,000 p.a.)	18100	TP	21,840	-	-	-	-	7,280	7,280	7,280	2,360	-
Refuse/Recycling/Street Cleansing												
Replacement of vehicles for the joint service (Partnership scheme with Worthing Borough Council. Total cost £4,344,000)	18102 18202	AN	1,594,000	-	-	-	-	17,730	1,133,280	442,990	172,150	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<i>Contingency: Inflation and Fluctuations</i>	18114		71,560	-	14,590	5,560	6,000	15,000	23,000	22,000	7,730	-
			2,165,900	-	14,590	5,560	6,000	227,010	1,338,560	588,770	233,920	-
TOTAL			3,998,920	176,040	1,012,680	450,200	1,218,340	227,010	1,338,560	588,770	348,940	(14,490)


**CABINET MEMBER FOR HEALTH AND WELLBEING
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>COMMITTED SCHEMES - £100,000 AND UNDER</u>												
<i>Coastal Protection</i>												
* Kingston Beach - Groyne extensions	18309	BC	25,000	-	-	-	25,000	-	-	-	2,700	-
Strategic Monitoring Project for the South East Phase 3. Contribution to the partnership scheme between Maritime Authorities (Funded by the Environment Agency)	18306	BC	68,100	18,100	12,500	12,500	12,500	12,500	12,500	-	-	-
<i>Community Alarm Service</i>												
Purchase of community alarm equipment to replace old equipment and also to expand the service (Funded from the Community Alarm Service)	18307	SH	44,750	-	-	20,000	24,750	-	-	-	-	-
<i>Community Development</i>												
Fishersgate Community Building - Demolition of the dome, renovation of the two remaining wings, construction of a link building, drainage works and resurfacing of the roller rink (£127,000 funded from insurance claim)	18008	HB/BC	211,000	20,290	140,000	190,710	-	-	-	-	9,070	-
Shoreham Community Centre - Extension for New Ways of Working	18617	HB	2,500,000	-	71,500	80,000	2,420,000	-	-	-	270,000	-
<i>Community Safety</i>												
WSCC Infrastructure Priority Schemes - Traffic safety schemes (Funded from S106 receipts)	18308	JA	73,210	-	-	73,210	-	-	-	-	-	-


**CABINET MEMBER FOR HEALTH AND WELLBEING
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER												
(continued)												
Equalities												
Disability Discrimination Act Improvements - Provision of minor alterations and improvements to Council properties	18031	HB	57,500	1,000	27,000	20,000	36,500	-	-	-	6,210	-
Foreshore Management												
Beach Huts - Purchase and installation of new huts (Invest to Save Scheme)	18305	HB	20,000	-	20,000	-	20,000	-	-	-	-	(539)
Kingston Beach - Environmental improvements	18309	AE	20,000	2,000	20,000	-	18,000	-	-	-	2,160	-
Shoreham Beach - Extension of existing boardwalk path on Shoreham Beach to improve access to the beach	18031	BC	112,000	-	-	-	112,000	-	-	-	12,100	-
* Southwick Beach promenade resurfacing	18116	BC	90,780	21,780	44,000	44,000	25,000	-	-	-	9,800	-
Public Health												
Asbestos Removal - Provision for removal of asbestos from Council buildings	18039	HB	41,870	-	30,870	10,870	31,000	-	-	-	4,520	-
			3,264,210	63,170	365,870	451,290	2,724,750	12,500	12,500	-	316,560	(539)


**CABINET MEMBER FOR HEALTH AND WELLBEING
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>FUTURE PROGRAMME</u>												
Community Alarm Service Purchase of community alarm equipment to replace old equipment and also to expand the service (Funded from the Community Alarm Service)	18307	SH	75,000	-	-	-	-	25,000	25,000	25,000	-	-
Public Health Asbestos Removal - Provision for removal of asbestos from Council buildings	18039	HB	33,000	-	-	-	-	11,000	11,000	11,000	3,560	-
Contingency: Inflation and Fluctuations	18399		14,000	-	590	-	13,000	1,000	-	-	1,510	-
			122,000	-	590	-	13,000	37,000	36,000	36,000	5,070	-
TOTAL			3,386,210	63,170	366,460	451,290	2,737,750	49,500	48,500	36,000	321,630	(539)


**CABINET MEMBER FOR REGENERATION
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>COMMITTED SCHEMES - £100,000 AND UNDER</u>												
<i>Housing</i> Empty property grants and loans to bring empty properties back into use (Funded from additional 'New Homes Bonus' based on number of properties brought back into use)	18403	PS	28,900	-	32,000	8,900	20,000	-	-	-	-	(14,000)
<i>Housing Renewal Assistance</i> <u>Discretionary Grants</u> Home Repair Assistance Grants	18006	GC	115,000	-	65,000	50,000	65,000	-	-	-	12,420	-
<u>Mandatory Grants</u> Disabled Facilities Grants (Part funded by a Government Grant anticipated at £229,700 p.a.)	18005	GC	740,000	-	440,000	390,000	350,000	-	-	-	24,520	-
<i>Lancing Vision Regeneration</i> Refurbishment of Beach Green public conveniences and creation of a flexible space to accommodate a concession outlet	18404	CM	90,200	-	-	-	90,200	-	-	-	9,740	-
			974,100	-	537,000	448,900	525,200	-	-	-	46,680	(14,000)
<u>COMMITTED SCHEMES - KEY DECISIONS</u>												
<i>Affordable Housing (LASHG)</i> Grants to Registered Social Landlords for the provision of affordable housing (£477,000 funded from S106 receipts)	18080	PS	810,000	-	810,000	-	810,000	-	-	-	35,960	-


**CABINET MEMBER FOR REGENERATION
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - KEY DECISIONS (continued)												
Economic Development												
Ferry Road Environmental Improvements (To include paving improvements, street furniture, cycle racks and landscaping. Funded by £90,000 Planning Delivery Grant, £42,500 Shoreham Harbour Growth Point Grant and £10,000 Council Resources)	18404	DS	142,500	-	132,500	11,000	131,500	-	-	-	1,080	-
Lancing Vision Regeneration												
Queensway and Queens Parade - Replace existing paving and public realm improvements	18404	CM	163,000	-	163,000	5,000	158,000	-	-	-	17,600	-
Shoreham Harbour Projects (Funded from Shoreham Harbour Growth Point Grant)												
	18054	JA	335,250	-	333,490	15,000	320,250	-	-	-	-	-
			1,450,750	-	1,438,990	31,000	1,419,750	-	-	-	54,640	-
FUTURE PROGRAMME												
Affordable Housing (LASHG)												
Grants to Registered Social Landlords for the provision of affordable housing	18080	PS	1,500,000	-	-	-	-	500,000	500,000	500,000	162,000	-
Housing												
Empty property grants and loans to bring empty properties back into use (Funded from additional 'New Homes Bonus' based on number of properties brought back into use)	18403	GC	33,000	-	-	-	-	11,000	11,000	11,000	-	(42,000)


**CABINET MEMBER FOR REGENERATION
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>FUTURE PROGRAMME</u> (continued)												
<u>Housing Renewal Assistance</u>												
<u>Discretionary Grants</u>												
Home Repair Assistance Grants	18006	GC	150,000	-	-	-	-	50,000	50,000	50,000	16,200	-
<u>Mandatory Grants</u>												
Disabled Facilities Grants (Part funded by a Government Grant anticipated at £229,700 p.a.)	18005	GC	900,000	-	-	-	-	300,000	300,000	300,000	24,300	-
<i>Contingency: Inflation and Fluctuations</i>	18499		410	-	4,630	410	-	-	-	-	40	-
			2,583,410	-	4,630	410	-	861,000	861,000	861,000	202,540	(42,000)
TOTAL			5,008,260	-	1,980,620	480,310	1,944,950	861,000	861,000	861,000	303,860	(56,000)


**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER												
Admin Buildings												
Commerce Way - Depot new drainage system (Contribution of £41,980 from Worthing Borough Council)	18602	BC	66,000	4,050	56,950	61,950	-	-	-	-	2,590	-
* Commerce Way - Renewal of main office building roof covering (Contribution of £13,750 from Worthing Borough Council)	18602	HB	27,500	-	-	-	27,500	-	-	-	1,490	-
Energy Efficiency Projects in Council owned properties (Funded from an interest free external loan to be repaid from energy savings)	18608	HB	21,310	-	22,000	21,310	-	-	-	-	-	(4,140)
Building Services												
Replacement of 6 operational vehicles and purchase of 3 new vehicles	18607	AN	111,200	-	50,200	84,200	27,000	-	-	-	5,420	(12,620)
Information & Communications Technology												
Corporate ICT hardware and infrastructure replacement programme 2013/2014 and 2014/2015 (Partnership scheme with Worthing Borough Council. Total cost 2013/2014 and 2014/2015 £403,250)	18121	MG	237,840	-	50,000	153,520	84,320	-	-	-	24,020	-


**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER (continued)												
<i>Information and Communications Technology</i> (continued)												
Desktop ICT Energy Saving Programme Provision of new energy saving PCs and associated equipment (Partnership scheme with Worthing Borough Council. Total cost £122,000)	18601	MG	60,190	32,660	-	27,530	-	-	-	-	6,500	-
Human Resources/Payroll - Renewal of licence (Partnership scheme with Worthing Borough Council. Total cost of five year licence renewal £49,400)	18618	TC	23,220	-	-	-	23,220	-	-	-	2,510	-
EDRMS - Electronic Document and Records Management System Phase 2 (Partnership scheme with Worthing Borough Council. Total cost £40,000)	18615	CS	18,800	-	18,800	18,800	-	-	-	-	2,030	-
Financial Management System Total licence extension, Total documents and document service facilities, and asset management (Partnership scheme with Worthing Borough Council. Total cost £46,310)	18619	JACR	21,760	-	-	-	16,540	5,220	-	-	2,350	-
Integrated Human Resources System To provide a fully integrated and combined HR system (Partnership scheme with Worthing Borough Council. Total cost £208,280)	18028	KJ	69,440	67,630	-	1,810	-	-	-	-	7,500	21,000

**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>COMMITTED SCHEMES - £100,000 AND UNDER</u> (continued)												
<i>Information and Communications Technology</i> (continued)												
Storage Area Network	18606	MG	12,000	-	12,000	12,000	-	-	-	-	1,300	-
<i>Participatory Schemes Determined in Consultation with the Local Community</i>												
Pot of Gold Schemes	18125	SS	41,500	12,760	80,000	28,740	-	-	-	-	4,480	-
			710,760	117,100	289,950	409,860	178,580	5,220	-	-	60,190	4,240
<u>COMMITTED SCHEMES - KEY DECISIONS</u>												
* Commerce Way Vehicle Workshop - Replacement of roof including the provision of solar panels (Contribution of £126,500 from Worthing Borough Council)	18602	HB	253,000	-	-	-	253,000	-	-	-	3,400	-
<i>Information and Communications Technology</i>												
New Ways of Working ICT Requirements (Partnership scheme with Worthing Borough Council. Total cost £817,560)	18615	MG	381,510	313,270	50,000	68,240	-	-	-	-	5,610	-
			634,510	313,270	50,000	68,240	253,000	-	-	-	9,010	-

**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>FUTURE PROGRAMME</u>												
<i>Information and Communications Technology</i>												
Corporate hardware and infrastructure replacement programme (Partnership scheme with Worthing Borough Council.Total cost £100,000 p.a.)	18121	MG	141,000	-	-	-	-	47,000	47,000	47,000	15,230	-
<i>Contingency: Inflation and Fluctuations</i>	18650		8,000	-	3,520	-	2,000	4,000	1,000	1,000	860	-
			149,000	-	3,520	-	2,000	51,000	48,000	48,000	16,090	-
TOTAL			1,494,270	430,370	343,470	478,100	433,580	56,220	48,000	48,000	85,290	4,240



ADUR'S
CAPITAL SCHEMES
RESERVE LISTS

	Estimates £
<p>(a) <u>YEARS 4-7</u></p> <p>LANCING LEISURE CENTRE * Renewal of reception and entranceway roof coverings and associated works</p> <p>SOUTHWICK LEISURE CENTRE Tennis Courts - Fencing renewal</p>	<p>15,400</p> <p>19,800</p>
<p>N/C = Not Costed * = New Scheme</p>	

	Estimates £
(a) <u>YEARS 4-7</u>	
<i>ALLOTMENTS</i>	
Security and gate fencing at allotment sites (Annual provision)	22,000
<i>CAR PARKS</i>	
Rolling programme of works to resurface car parks' hard surfaces (Annual provision)	22,000
Fishersgate Recreation Ground Car Park - Enhancement and reconstruction	68,000
<i>CEMETERIES AND CHURCHYARDS</i>	
Rolling programme of works to resurface hard surfaces in cemeteries and churchyards (Annual provision)	16,500
<i>HIGHWAYS</i>	
* Upgrading and enhancing WSCC new or planned highway street lights in Conservation Areas or near to Heritage Sites or Listed Buildings (Annual provision)	30,000
<i>OPERATIONAL VEHICLES</i>	
Provision for the replacement of operational vehicles for Adur District Council and Worthing Borough Council joint services (2017/2018 - 2020/2021)	74,800
<i>PARKS</i>	
Adur Recreation Ground - Cycleway link between the railway bridge and the highway	70,520

N/C = Not Costed * = New Scheme

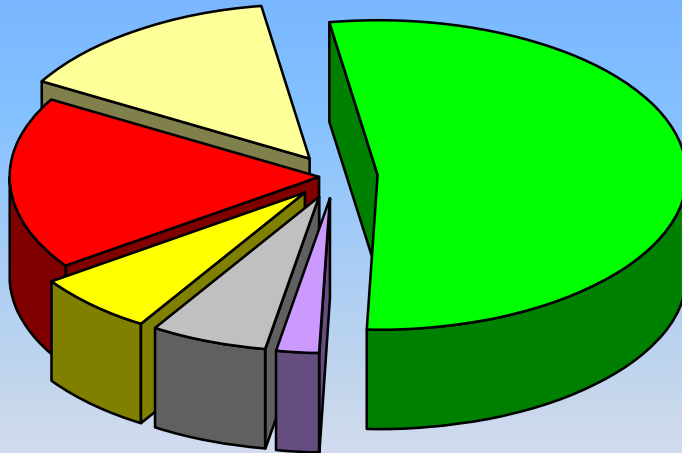
	Estimates £
(a) <u>YEARS 4-7</u> (continued)	
<i>PARKS</i> (continued)	
* Buckingham Park - Refurbishment of South Pavilion	260,000
* Buckingham Park - Renewal of fencing	20,000
* Buckingham Park - Replacement of groundsman's building	66,000
Programme of works to resurface hard surfaces in the Council's parks (Annual provision)	22,000
Play Area Equipment - Children and teenagers electronic outside games unit	39,000
* Travellers Exclusion Measures - Provision of bunds, ditches, height barriers, gates, etc.	16,500
<i>PUBLIC CONVENIENCES</i>	
Programme of works to improve and upgrade the Council's public conveniences (Annual provision)	33,000
<i>REFUSE/RECYCLING/STREET CLEANSING SERVICE</i>	
Provision for the replacement of vehicles for the joint service 2017/2018 - 2020/2021 (Partnership scheme with Worthing Borough Council. Total cost £1,191,000)	442,990
Wheeled bins replacement programme - Annual provision (Partnership scheme with Worthing Borough Council. Total annual provision £20,000)	7,280
<i>STREET SCENE</i>	
Rolling programme of works to improve the environment of Adur District	50,000
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u>	
COMMUNITY ALARM SERVICE	
* Purchase of community alarm equipment (Annual provision)	25,000
DISABILITY DISCRIMINATION ACT IMPROVEMENTS	
Shoreham Coastal Footway - Provision of a footpath to improve and extend the existing footpath from Ferry Road to Beach Road	420,000
FORESHORE	
Kingston Beach Coast Protection Works - Programme of structural works	500,000
PUBLIC HEALTH	
Asbestos removal from Council buildings (Annual provision)	11,000
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u>	
<p>AFFORDABLE HOUSING (LASHG) Partnership schemes with Registered Social Landlords to provide affordable housing (Annual provision)</p>	500,000
<p>DISABLED FACILITIES GRANTS Mandatory grants for adaptations to private housing (Annual provision)</p>	300,000
<p>HOME REPAIR ASSISTANCE GRANTS Discretionary grants and loans to finance home repairs and home insulation works (Annual provision)</p>	50,000
<p>HOUSING Empty Properties - Provision of grants and loans to bring empty properties back into use (Annual provision)</p>	11,000
<p>N/C = Not Costed * = New Scheme</p>	

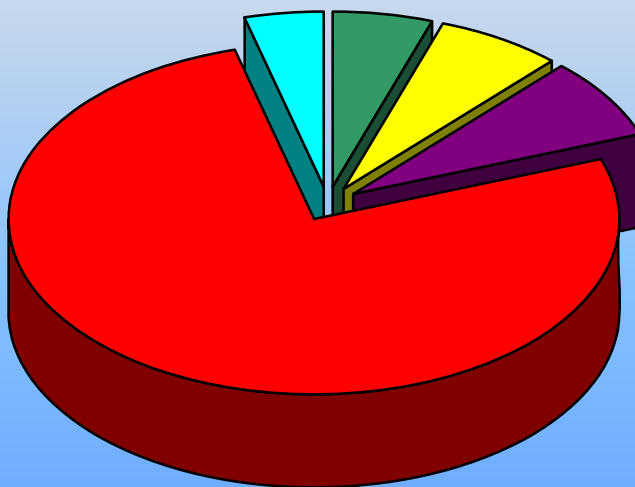
	Estimates £
<p>(a) <u>YEARS 4-7</u></p> <p>ADMIN BUILDINGS Commerce Way Improvements to south car park area (Partnership scheme with Worthing Borough Council)</p> <p>INFORMATION AND COMMUNICATIONS TECHNOLOGY ICT Corporate Hardware Replacement Programme (Partnership scheme with Worthing Borough Council. Total annual provision £100,000)</p>	<p>N/C</p> <p>50,000</p>
<p>N/C = Not Costed * = New Scheme</p>	

Capital Expenditure




- Regeneration: £0.382m
- Customer Services (Affordable Housing): £0.396m
- Customer Services (Other): £1.109m
- Resources: £0.885m
- Environment: £3.278m
- Health and Wellbeing: £0.136m

Capital Financing



- Capital Receipts: £0.331m
- Reserves and Revenue Contributions: £0.411m
- Capital Grants: £0.454m
- Prudential Borrowing: £4.738m
- External Contributions: £0.252m

SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME


 Column Reference (1)	Total Estimate £ (4)	CAPITAL ESTIMATES						ANNUAL REVENUE COSTS		
		Prior to 1.4.2013 £ (5)	2013/2014		2014/2015 Estimate £ (8)	2015/2016 Estimate £ (9)	2016/2017 Estimate £ (10)	Future Years £ (11)	Interest Foregone/ Cost of Borrowing £ (12)	Net Other £ (13)
			Original £ (6)	Current £ (7)						
BUDGETS										
Cabinet Member for Customer Services	7,180,910	122,580	1,517,970	1,148,130	1,505,200	1,501,000	1,474,000	1,430,000	323,560	(107,460)
Cabinet Member for Environment	31,492,730	21,401,000	3,017,460	2,919,240	3,278,210	884,330	2,246,940	763,010	1,426,290	(95,880)
Cabinet Member for Health and Wellbeing	261,690	-	105,200	8,500	135,690	39,500	39,500	38,500	28,260	-
Cabinet Member for Regeneration	657,550	18,950	202,540	188,600	381,500	34,500	34,000	-	39,110	(17,585)
Cabinet Member for Resources	4,968,010	1,983,810	1,926,830	1,704,140	885,170	136,890	130,000	128,000	449,300	41,223
	44,560,890	23,526,340	6,770,000	5,968,610	6,185,770	2,596,220	3,924,440	2,359,510	2,266,520	(179,702)
FINANCING										
Capital Grants and Contributions										
Communities and Local Government			468,320	461,710	436,720	436,720	436,720	436,720		
Environment Agency			17,500	17,500	17,500	17,500	17,500	-		
Homes and Communities Agency			30,000	-	-	-	-	-		
S106 Contributions from Planning Agreements			20,000	20,000	84,500	-	-	-		
Other Contributions			93,150	248,870	167,200	-	-	-		
Prudential Borrowing			5,607,030	4,940,820	4,737,850	948,000	2,798,220	1,250,790		
Revenue Contributions and Reserves										
Revenue Contributions			132,000	61,450	182,100	634,000	92,000	92,000		
Revenue Reserves			100,000	168,260	228,500	60,000	80,000	80,000		
Usable Capital Receipts										
General			302,000	50,000	331,400	500,000	500,000	500,000		
			6,770,000	5,968,610	6,185,770	2,596,220	3,924,440	2,359,510		

**SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME**




Worthing Borough Council	CAPITAL ESTIMATES					
	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £
	Original £	Current £				
Column Reference (1)	(6)	(7)	(8)	(9)	(10)	(11)
<u>DETAILED FUNDING</u>						
<i>Capital Grants and Contributions</i>						
<u><i>Communities and Local Government</i></u>						
Planning Delivery Grant (EDRMS - Electronic Document and Records Management)	36,320	21,200	-	-	-	-
(New Ways of Working - ICT Requirements)	-	3,790	-	-	-	-
Specified Capital Grant (Disabled Facilities Grant)	432,000	436,720	436,720	436,720	436,720	436,720
	468,320	461,710	436,720	436,720	436,720	436,720
<u><i>Environment Agency</i></u>						
Coast Protection Grant (Contribution to the Strategic Monitoring Project for the South East Phase 3)	17,500	17,500	17,500	17,500	17,500	-
	17,500	17,500	17,500	17,500	17,500	-
<u><i>Homes and Communities Agency</i></u>						
Empty Homes Grant Award (Empty Properties - Grants and loans to bring empty properties back into use. Grant withdrawn as the Council's proposed scheme could not meet the HCA's funding criteria)	30,000	-	-	-	-	-
	30,000	-	-	-	-	-
<u><i>S106 Contributions from Planning Agreements</i></u>						
(Children's Play Area Improvements - Homefield Park)	20,000	20,000	-	-	-	-
(WSCC Scheme to pedestrianise the area at the Montague Street end of Portland Road)	-	-	19,500	-	-	-
(Northbrook College Affordable Housing Development - One disabled unit)	-	-	65,000	-	-	-
	20,000	20,000	84,500	-	-	-

SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME


 Column Reference (1)	CAPITAL ESTIMATES					
	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £
	Original £	Current £				
	(6)	(7)	(8)	(9)	(10)	(11)
DETAILED FUNDING (continued)						
Capital Grants and Contributions (continued)						
<u>Other Contributions</u>						
Chapman Group (Highdown Gardens - Resurfacing of vehicular access)	18,300	-	18,300	-	-	-
Salix Interest Free Funding for the Public Sector (Council properties - Energy saving schemes)	74,850	97,770	-	-	-	-
West Sussex County Council Kickstart Grant (Active Seafront Zone - Seafront improvements)	-	151,100	148,900	-	-	-
	93,150	248,870	167,200	-	-	-
Prudential Borrowing						
<u>Invest to Save Schemes</u>						
(Compliance Service - Vehicle replacements)	16,800	16,800	-	-	-	-
(Contribution to Adur District Council to provide solar panels on Commerce Way Vehicle Workshop roof)	-	-	95,000	-	-	-
(Field Place - Installation of gas supply, provision of gas fired heating and kitchen equipment)	106,000	106,000	-	-	-	-
(Field Place - Purchases of presentation technology to provide a Conference and Training Centre)	30,000	30,000	-	-	-	-
(Grounds Maintenance - Provision of a storage building at Commerce Way)	-	-	48,000	-	-	-
(Purchase and installation of new beach huts)	143,000	20,000	121,000	-	-	-
(Purchase of equipment, plant and vehicles for the Parks Joint Service)	68,000	68,000	-	-	-	-
(Solar renewable energy projects)	-	-	368,500	-	-	-
(Worthing Leisure Centre - Replacement of astroturf and refurbishment of match pitches)	-	10,000	441,390	-	-	-
(General Provision)	74,500	-	74,500	-	-	-

**SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME**




 Column Reference (1)	CAPITAL ESTIMATES						
	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	
	Original £	Current £					(6)
DETAILED FUNDING (continued)							
Prudential Borrowing (continued)							
<u>General Fund Schemes</u>							
(Car Parks - Replacement of payment and barrier equipment)	-	282,780	-	-	-	-	
(Replacement of refuse/recycling fleet)	-	-	-	-	1,974,720	-	
(Other Schemes)	3,353,810	2,592,320	3,589,460	948,000	823,500	1,250,790	
<u>Reprovision of Leisure Facilities</u>							
(New Swimming Pool)	1,814,920	1,814,920	-	-	-	-	
	5,607,030	4,940,820	4,737,850	948,000	2,798,220	1,250,790	
Revenue Contributions and Reserves							
<u>Revenue Contributions</u>							
Car Parking Income							
(Replacement of payment equipment, signage and CCTVs)	-	-	-	542,000	-	-	
Crematorium Trading Account							
(Crematorium Improvement Scheme repaid from additional income estimated at the rate of £52,000 p.a. over the next 17 years)	70,000	51,450	52,000	52,000	52,000	52,000	
New Homes Bonus							
(Empty Properties - Grants and loans to bring empty properties back into use)	62,000	10,000	101,300	40,000	40,000	40,000	
Splashpoint Leisure Centre							
(Replacement of spinning bikes)	-	-	28,800	-	-	-	
	132,000	61,450	182,100	634,000	92,000	92,000	


SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME

 Column Reference (1)	CAPITAL ESTIMATES					
	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £
	Original £	Current £				
(6)	(7)	(8)	(9)	(10)	(11)	
DETAILED FUNDING (continued)						
Revenue Contributions and Reserves (continued)						
<u>Revenue Reserves</u>						
Capacity Issues Reserve						
(Connaught Theatre - Purchase of a digital projector)						
	-	8,000	-	-	-	-
(Denton Lounge - Provision of floor covering for kitchen and entranceway)						
	-	28,900	-	-	-	-
(Corporate ICT Infrastructure - Public Network Accreditation)						
	-	39,360	-	-	-	-
(Theatres - Purchase of new box office system)						
	20,000	60,000	20,000	-	-	-
(West Sussex Transit Site for gypsies and travellers)						
	-	-	162,500	-	-	-
Theatres Restoration Levy						
(Worthing Theatres - Capital improvements)						
	80,000	32,000	46,000	60,000	80,000	80,000
	100,000	168,260	228,500	60,000	80,000	80,000
Usable Capital Receipts						
Affordable Housing						
	302,000	50,000	331,400	500,000	500,000	500,000
	302,000	50,000	331,400	500,000	500,000	500,000


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER												
Affordable Housing												
Grants to Registered Social Landlords (Funded by Right to Buy Clawback Receipts and Housing Capital Receipts)												
Raglan Housing Association												
Drake Avenue Development (9 Units)												
	58054	PS	50,000	-	-	50,000	-	-	-	-	740	-
Worthing Homes												
Northbrook College Site - One disabled unit (£65,000 funded from S106 receipts)												
	58054	PS	77,500	-	-	-	77,500	-	-	-	180	-
Assembly Hall												
* Renewal of electrical distribution boards												
	58501	HB	27,500	-	27,500	27,500	-	-	-	-	2,970	-
Connaught Theatre												
Purchase of a digital projector (Invest to Save Scheme)												
	58509	AO	74,600	66,600	-	8,000	-	-	-	-	-	(7,460)
Denton Lounge												
Provision of floor covering for kitchen and entranceway (Funded from Capacity Issues Reserve)												
	58502	AO	28,900	-	-	28,900	-	-	-	-	420	-
Housing												
Empty property grants and loans to bring empty properties back into use (Funded from additional 'New Homes Bonus' based on number of properties brought back into use)												
	58505	PS	111,300	-	92,000	10,000	101,300	-	-	-	-	(40,000)


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER												
(continued)												
Housing Renewal Assistance												
<u>Discretionary Grants</u>												
Home Repair Assistance Grants	58506	GC	150,000	-	117,000	60,000	90,000	-	-	-	16,200	-
<u>Mandatory Grants</u>												
Disabled Facilities Grants (Government Grant allocation anticipated at £436,720 p.a.)	58049	GC	1,600,000	-	850,000	850,000	750,000	-	-	-	113,970	-
Museum and Art Gallery												
# Conversion of ground floor area vacated by Tourist Information Centre into useable accommodation/exhibition space	58503	HB	27,500	-	27,500	-	27,500	-	-	-	2,970	-
Pier Central Pavilion												
* Renew electrical mains and rewiring	58504	HB	16,510	9,780	-	6,730	-	-	-	-	1,780	-
Theatres												
Capital improvements to Worthing Theatres (Funded from the Theatres Restoration Levy)	58502	AO	118,000	-	80,000	47,000	71,000	-	-	-	-	-
Theatres												
Purchase of new box office system (£80,000 funded from the Capacity Issues Reserve)	58015	AO	126,200	46,200	20,000	60,000	20,000	-	-	-	6,170	-
Worthing Pier												
* Refurbishment of deck light fittings	58510	BC	26,000	-	-	-	26,000	-	-	-	2,810	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER (continued)												
<i>Worthing Pier</i> (continued) * Replacement of pier decking	58510	BC	22,000	-	-	-	22,000	-	-	-	2,380	-
			2,456,010	122,580	1,214,000	1,148,130	1,185,300	-	-	-	150,590	(47,460)
COMMITTED SCHEMES - KEY DECISIONS												
Affordable Housing Grants to Registered Social Landlords for the provision of affordable housing (Funded by Right to Buy Clawback Receipts and Housing Capital Receipts)	58054	PS	318,900	-	302,000	-	318,900	-	-	-	4,690	-
			318,900	-	302,000	-	318,900	-	-	-	4,690	-
FUTURE PROGRAMME												
Affordable Housing Grants to Registered Social Landlords for the provision of affordable housing (Funded by Right to Buy Clawback Receipts and Housing Capital Receipts)	58054	PS	1,500,000	-	-	-	-	500,000	500,000	500,000	22,050	-
Housing Empty property grants and loans to bring empty properties back into use (Funded from additional 'New Homes Bonus' based on number of properties brought back into use)	58505	PS	120,000	-	-	-	-	40,000	40,000	40,000	-	(60,000)


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
FUTURE PROGRAMME (continued)												
Housing Renewal Assistance												
<u>Discretionary Grants</u>												
Home Repair Assistance Grants	58506	GC	180,000	-	-	-	-	60,000	60,000	60,000	19,440	-
<u>Mandatory Grants</u>												
Disabled Facilities Grants (Government Grant allocation anticipated at £436,720 p.a.)	58049	GC	2,250,000	-	-	-	-	750,000	750,000	750,000	112,100	-
Pier/Pavilion Theatre/Denton Lounge												
* Replacement handrails	58500	HB	20,000	-	-	-	-	-	20,000	-	2,160	-
Ritz Theatre												
* Renewal of slate roof covering	58500	HB	66,000	-	-	-	-	66,000	-	-	7,130	-
Theatres												
Capital improvements to Worthing Theatres (Funded from the Theatres Restoration Levy)	58502	AO	220,000	-	-	-	-	60,000	80,000	80,000	-	-
Worthing Pier												
* Replacement of pier decking	58510	BC	44,000	-	-	-	-	22,000	22,000	-	4,750	-
Contingency: Inflation and Fluctuations												
	58025		6,000	-	1,970	-	1,000	3,000	2,000	-	650	-
			4,406,000	-	1,970	-	1,000	1,501,000	1,474,000	1,430,000	168,280	(60,000)
TOTAL			7,180,910	122,580	1,517,970	1,148,130	1,505,200	1,501,000	1,474,000	1,430,000	323,560	(107,460)


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER												
<i>Allotments</i>												
* Resurfacing of paths and access roads	58004	BC	49,500	-	16,500	-	49,500	-	-	-	5,350	-
* Fencing Renewals	58219	HB	22,000	-	22,000	22,000	-	-	-	-	2,380	-
<i>Beach House Park</i>												
Bowling Greens - Replacement of irrigation system	58212	AE	65,000	-	65,000	-	65,000	-	-	-	7,020	-
* New Pavilion - Renew electrical mains and rewiring	58212	HB	22,000	-	-	22,000	-	-	-	-	2,380	-
* Old Pavilion - Renew electrical mains and rewiring	58212	HB	22,000	-	-	22,000	-	-	-	-	2,380	-
* Reconstruction of western access road	58212	BC	66,000	-	-	-	66,000	-	-	-	7,130	-
<i>Car Parks</i>												
* Grafton Multi Storey Car Park - Structural works	58123	HB	52,800	-	52,800	52,800	-	-	-	-	5,700	-
* Grafton Multi Storey Car Park - Renew asphalt to deck walkway	58123	HB	33,000	-	-	-	33,000	-	-	-	3,560	-
<i>Cemeteries</i>												
Durrington Cemetery - Initial assessment of works required to provide additional burial space	58213	BC	49,300	9,300	-	40,000	-	-	-	-	5,320	-


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER												
(continued)												
Compliance Service												
Replacement of 2 vehicles (Invest to Save Partnership Scheme with Adur District Council. Total cost £28,000)	58220	AN	16,800	-	16,800	16,800	-	-	-	-	-	(2,380)
Crematorium												
# * Replacement and resiting of car park attendant's kiosk	58217	HB	19,800	-	19,800	-	19,800	-	-	-	2,140	-
Davisons Leisure Centre												
# Contribution to WSCC Scheme to refurbish the tennis courts to improve the drainage	58226	BC	30,000	-	-	-	15,000	15,000	-	-	3,240	-
Environmental Health Service												
Replacement of 3 vehicles (Partnership scheme with Adur District Council. Total cost £50,500)	58221	PS	25,250	-	17,500	17,500	7,750	-	-	-	2,730	-
Field Place												
# * Main house refurbishment of toilets	58204	HB	36,000	-	-	-	36,000	-	-	-	3,890	-
# * The Barn - Renew specialist flooring and bar	58204	HB	66,000	-	-	-	66,000	-	-	-	7,130	-
# Provision of a conference and training centre (Invest to save scheme to purchase the latest presentation technology)	58204	DA	30,000	-	30,000	30,000	-	-	-	-	-	(5,500)


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS		
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £	
					Original £	Revised £							
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
COMMITTED SCHEMES - £100,000 AND UNDER													
(continued)													
Grounds Maintenance													
Replacement of 2 tippers (Partnership scheme with Adur District Council. Total cost £23,000)	58218	AN	13,800	-	-	-	13,800	-	-	-	-	1,490	-
Leisure Centre (Worthing)													
# General Improvements Programme 2012/2013	58009	DA	23,820	23,340	-	480	-	-	-	-	-	2,570	(2,000)
# Replace jacuzzi and upgrade jacuzzi plant	58205	DA	58,680	-	55,000	58,680	-	-	-	-	-	6,340	(5,000)
# * Replacement of service pipework	58205	HB	92,000	1,200	92,000	10,800	80,000	-	-	-	-	9,940	-
Parks and Open Spaces													
* Brooklands Park - Stabilization of the lake bank adjacent to the toilet block (Works will prevent further deterioration of the banks which could collapse and cause flooding flooding upstream)	58227	BC	44,000	-	-	-	44,000	-	-	-	-	4,750	-
* Goring Recreation Ground - Renewal of a high level fence	58222	HB	30,200	-	30,200	-	30,200	-	-	-	-	3,260	-
* Highdown Gardens - Resurfacing of vehicular access (Contribution of £18,300 from the Chapman Group)	58223	BC	55,000	-	55,000	-	55,000	-	-	-	-	3,960	-


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>COMMITTED SCHEMES - £100,000 AND UNDER</u>												
(continued)												
<i>Parks and Open Spaces (continued)</i>												
Homefield Park - Programme of improvements	58228	AE	154,000	-	-	-	77,000	77,000	-	-	16,630	-
Outdoor Fitness Equipment Areas (Pond Lane and seafront)	58229	AE	48,400	-	-	-	48,400	-	-	-	5,230	-
Play Area Improvements												
Dominion Open Space and Bourne Close Site	58224	AE	82,500	-	-	-	82,500	-	-	-	8,910	-
Homefield Park - Play area refurbishment (£20,000 funded from S106 receipts)	58224	AE	99,000	-	99,000	99,000	-	-	-	-	8,530	-
* Pond Lane Recreation Ground - Reconstruction of footway and NE access road	58215	BC	25,300	-	24,300	25,300	-	-	-	-	2,730	-
* Pond Lane Recreation Ground Pavilion - Renewal of roof covering	58215	HB	16,500	-	16,500	16,500	-	-	-	-	1,780	-
* Resurfacing and repair of hard surfaces	58003	BC	49,500	1,980	31,020	-	47,520	-	-	-	5,350	-
Traveller exclusion measures (Provision of bunds, ditches and barriers to reduce incursions on to Council land)	58216	AE	39,010	-	16,500	22,510	16,500	-	-	-	4,210	-


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER												
<i>(continued)</i>												
Public Conveniences												
Improvement and upgrading (Seafront sites and sites to be agreed with the Cabinet Member)	58225	HB	110,000	-	55,000	-	110,000	-	-	-	11,880	-
Refuse/Recycling Service												
Provision of wheeled bins (Partnership scheme with Adur District Council. Total cost £20,000 p.a.)	58036	TP	25,440	-	12,720	12,720	12,720	-	-	-	2,750	-
Refuse/Recycling/Street Cleansing												
Vehicle Communications and Data Transfer System (Partnership scheme with Adur District Council. Total cost £123,750)	58042	TP	78,580	71,330	-	7,250	-	-	-	-	8,490	-
Splashpoint Leisure Centre												
Replacement of spinning bikes (Funded from revenue resources)	58230	DA	28,800	-	-	-	28,800	-	-	-	-	-
Street Cleansing												
Replacement of 4 vehicles (Partnership scheme with Adur District Council. Total cost £81,000)	58209	AN	49,090	-	30,300	30,300	18,790	-	-	-	5,300	-
Street Lighting Enhancements in Conservation Areas or near Heritage Sites												
(Upgrade of WSCC street lighting)	58231	BC	30,000	-	-	-	30,000	-	-	-	3,240	-


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>COMMITTED SCHEMES - £100,000 AND UNDER</u>												
(continued)												
Tennis Courts												
* Resurfacing Programme	58022	BC	41,000	-	78,000	-	41,000	-	-	-	4,430	-
Vehicle Workshop												
Upgrade of MOT equipment (Partnership scheme with Adur District Council. Total cost £30,000)	58232	AN	18,000	-	-	-	18,000	-	-	-	1,940	-
			1,818,070	107,150	835,940	506,640	1,112,280	92,000	-	-	184,060	(14,880)
<u>COMMITTED SCHEMES - KEY DECISIONS</u>												
Beach House Park Grounds												
Car parking, landscaping and other ancillary works (£34,000 funded from S106 receipts)	58201	BC	500,000	426,080	-	73,920	-	-	-	-	50,330	-
Car Parks												
Replacement of payment and barrier equipment	58234	MA	282,780	-	-	282,780	-	-	-	-	30,540	-
Crematorium												
# Driveway works:	58217	BC	305,200	-	-	5,000	300,200	-	-	-	32,960	-
i) Upgrade of ICT connection												
ii) Replacement of gas main												
iii) Driveway resurface												
# Replacement of cremators and provision of mercury abatement plant (£379,000 funded from the Mercury Abatement Reserve)	58203	HB	2,339,670	2,323,670	-	16,000	-	-	-	-	206,140	(59,000)


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - KEY DECISIONS (continued)												
<i>Field Place</i>												
#	58204	HB	234,000	4,400	106,000	229,600	-	-	-	-	12,640	(22,000)
Installation of gas supply, provision of gas fired heating and kitchen equipment (Partial invest to save scheme)												
<i>Grounds Maintenance</i>												
	58233	HB	105,600	-	-	-	105,600	-	-	-	5,700	-
Provision of a storage building with solar panels at Commerce Way for grounds maintenance vehicles and equipment (Partnership scheme with Adur District Council. Total cost £176,000)												
	58218	AE	520,000	406,380	68,000	113,620	-	-	-	-	-	-
Purchase of equipment, plant and vehicles for the new joint service (Partnership Scheme with Adur District Council funded from revenue savings. Total cost £650,000)												
<i>Parks and Open Spaces</i>												
	58235	JM	162,500	-	-	-	162,500	-	-	-	2,390	-
Contribution to a West Sussex Local Authorities Partnership Transit Site for gypsies and travellers (Funded from Capacity Issues Reserve)												
<i>Refuse/Recycling</i>												
	58208	AN	206,590	-	178,080	-	206,590	-	-	-	22,310	-
Replacement of 2 vehicles (Partnership scheme with Adur District Council. Total cost £324,820)												


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>COMMITTED SCHEMES - KEY DECISIONS</u>												
(continued)												
<i>Reprovision of Leisure Facilities</i>												
#	58019	HB	19,815,000	18,133,320	1,814,920	1,681,680	-	-	-	-	424,540	-
Procurement of the new swimming pool (Includes Invest to Save Schemes valued at £1,275,000)												
#	58205	DA	451,390	-	-	10,000	441,390	-	-	-	-	-
Worthing Leisure Centre Replacement of current astroturf and convert the area into 8 pitches, upgrade the current changing area and install floodlighting (Invest to Save Scheme)												
			24,922,730	21,293,850	2,167,000	2,412,600	1,216,280	-	-	-	787,550	(81,000)
<u>FUTURE PROGRAMME</u>												
<i>Allotments</i>												
*	58004	BC	33,000	-	-	-	-	16,500	16,500	-	3,560	-
Resurfacing of paths and access roads												
<i>Car Parks</i>												
	58200	MA	542,000	-	-	-	-	542,000	-	-	-	-
Replacement of payment equipment, signage and CCTVs (Funded from car park income)												
*	58200	HB	45,000	-	-	-	-	15,000	15,000	15,000	4,860	-
Surface car parks - Renew boundary fencing and railings												
*	58200	HB	98,500	-	-	-	-	25,000	73,500	-	10,640	-
MSCP and surface car parks structural repairs												


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
FUTURE PROGRAMME (continued)												
<i>Environmental Health</i>												
Replacement of 1 Dog Warden's Van (Partnership scheme with Adur District Council. Total cost £24,000)	58221	PS	12,000	-	-	-	-	12,000	-	-	1,300	-
<i>Field Place</i>												
# * Main house renewal of asphalt roof	58204	HB	22,000	-	-	-	-	22,000	-	-	2,380	-
<i>Parks and Open Spaces</i>												
# * Replace irrigation system to bowls pitch	58204	HB	20,000	-	-	-	-	-	20,000	-	2,160	-
Play Area Improvements	58224	AE	165,000	-	-	-	-	82,500	82,500	-	17,820	-
* Resurfacing and repair of hard surfaces	58003	BC	33,000	-	-	-	-	16,500	16,500	-	3,560	-
<i>Refuse/Recycling Service</i>												
Provision of wheeled bins (Partnership scheme with Adur District Council. Total cost £20,000 p.a.)	58036	TP	25,440	-	-	-	-	12,720	12,720	-	2,750	-
<i>Refuse/Recycling/Street Cleansing</i>												
Replacement of vehicles for the joint service (Partnership scheme with Adur District Council. Total cost £4,344,000)	58200	AN	2,750,000	-	-	-	-	27,270	1,974,720	748,010	297,000	-
<i>VAT Provision</i>			926,650	-	1,500	-	926,650	-	-	-	100,080	-
<i>Contingency: Inflation and Fluctuations</i>	58044		79,340	-	13,020	-	23,000	20,840	35,500	-	8,570	-
			4,751,930	-	14,520	-	949,650	792,330	2,246,940	763,010	454,680	-
TOTAL			31,492,730	21,401,000	3,017,460	2,919,240	3,278,210	884,330	2,246,940	763,010	1,426,290	(95,880)


**CABINET MEMBER FOR HEALTH AND WELLBEING
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Revised £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>COMMITTED SCHEMES - £100,000 AND UNDER</u>												
<i>Equalities</i>												
Disability Discrimination Act Improvements - Provision of minor alterations and improvements to Council properties	58301	HB	56,690	-	34,690	-	56,690	-	-	-	6,120	-
Disability Discrimination Act Improvements - Town Hall Gordon Room provision of a disabled access ramp	58301	HB	53,000	-	53,000	-	53,000	-	-	-	5,720	-
<i>Public Health</i>												
Asbestos removal from Council buildings	58302	HB	33,000	-	16,500	8,500	24,500	-	-	-	3,560	-
			142,690	-	104,190	8,500	134,190	-	-	-	15,400	-
<u>FUTURE PROGRAMME</u>												
<i>Equalities</i>												
Disability Discrimination Act Improvements - Provision of minor alterations and improvements to Council properties	58301	HB	66,000	-	-	-	-	22,000	22,000	22,000	7,130	-
<i>Public Health</i>												
Asbestos removal from Council buildings	58302	HB	49,500	-	-	-	-	16,500	16,500	16,500	5,350	-
<i>Contingency: Inflation and Fluctuations</i>												
	58399		3,500	-	1,010	-	1,500	1,000	1,000	-	380	-
			119,000	-	1,010	-	1,500	39,500	39,500	38,500	12,860	-
TOTAL			261,690	-	105,200	8,500	135,690	39,500	39,500	38,500	28,260	-


**CABINET MEMBER FOR REGENERATION
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER												
Coast Protection Strategic Monitoring Project for the South East Phase 3. Contribution to the partnership scheme between Maritime Authorities (Funded by the Environment Agency)	58403	BC	84,950	14,950	17,500	17,500	17,500	17,500	17,500	-	-	-
Foreshore Management Purchase and installation of new beach huts (Invest to Save Scheme)	58000	HB	145,000	4,000	143,000	20,000	121,000	-	-	-	-	(17,585)
* Promenade - Resurfacing of areas between George V Avenue and pier	58000	BC	16,500	-	-	-	16,500	-	-	-	1,780	-
Regeneration Contribution to WSCC scheme to pedestrianise the area at the Montague Street end of Portland Road (Funded from S106 receipts)	58068	CM	19,500	-	-	-	19,500	-	-	-	-	-
			265,950	18,950	160,500	37,500	174,500	17,500	17,500	-	1,780	(17,585)
COMMITTED SCHEMES - KEY DECISIONS												
Economic Development Active Seafront Zone - Environmental improvements (£300,000 funded from WSCC Kickstart Grant)	58402	LS	356,100	-	40,000	151,100	205,000	-	-	-	33,490	-
			356,100	-	40,000	151,100	205,000	-	-	-	33,490	-


**CABINET MEMBER FOR REGENERATION
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>FUTURE PROGRAMME</u>												
<i>Foreshore Management</i>												
* Promenade - Resurfacing programme	58000	BC	33,500	-	-	-	-	17,000	16,500	-	3,620	-
<i>Contingency: Inflation and Fluctuations</i>	58499		2,000	-	2,040	-	2,000	-	-	-	220	-
			35,500	-	2,040	-	2,000	17,000	16,500	-	3,840	-
TOTAL			657,550	18,950	202,540	188,600	381,500	34,500	34,000	-	39,110	(17,585)


**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER												
Admin Buildings												
Commerce Way - Depot new drainage system (Contribution to Adur District Council scheme. Total cost £66,000)	58607	BC	41,980	2,570	36,410	39,410	-	-	-	-	4,530	-
* Commerce Way - Renewal of main office building roof covering (Contribution to Adur District Council scheme. Total cost £27,500)	58607	HB	13,750	-	-	-	13,750	-	-	-	1,490	-
Information and Communications Technology												
EDRMS - Electronic Document and Records Management System Phase 2 (Partnership scheme with Adur District Council. Total cost £40,000. Funded from Planning Delivery Grant)	58056	CS	21,200	-	39,470	21,200	-	-	-	-	-	-
Financial Management System Total licence extension, Total documents and document service facilities and asset management (Partnership scheme with Adur District Council. Total cost £46,310)	58060	JACR	24,550	-	-	-	18,660	5,890	-	-	2,650	-
Provision of a Disaster Recovery Service (CenSus ICT Partnership scheme)	58601	MG	20,000	-	20,000	20,000	-	-	-	-	2,160	-
Desktop ICT Energy Saving Programme Provision of new energy saving PCs and associated equipment (Partnership scheme with Adur District Council. Total cost £122,000)	58602	MG	61,810	36,830	-	24,980	-	-	-	-	6,680	-


**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - £100,000 AND UNDER (continued)												
<i>Information and Communications Technology</i> (continued)												
Human Resources/Payroll - Renewal of licence (Partnership scheme with Adur District Council. Total cost of a 5 year licence renewal £49,400)	58620	TC	26,180	-	-	-	26,180	-	-	-	2,830	-
Storage Area Network	58610	MG	18,000	-	18,000	18,000	-	-	-	-	1,940	-
<i>Invest to Save Schemes</i> General Provision	58604	SG	74,500	-	74,500	-	74,500	-	-	-	-	-
<i>Properties</i> 2 The Waterfront (23 Eirene Road) - Improvement works	58066	BCL	52,360	360	43,640	-	52,000	-	-	-	5,620	-
* Pier Southern Pavilion - External refurbishment	58608	HB	93,500	-	93,500	93,500	-	-	-	-	10,100	-
			447,830	39,760	325,520	217,090	185,090	5,890	-	-	38,000	-
COMMITTED SCHEMES - KEY DECISIONS												
<i>Admin Buildings</i> New Ways of Working - Portland House and Town Hall refurbishment	58616	HB	2,464,800	1,406,160	1,379,800	1,058,640	-	-	-	-	266,200	-


**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - KEY DECISIONS (continued)												
Admin Buildings (Continued)												
Commerce Way Vehicle Workshop - Replacement of roof including the provision of solar panels (Contribution to Adur District Council Scheme. Total cost £253,000)	58607	HB	126,500	-	-	-	126,500	-	-	-	3,400	-
Information and Communications Technology												
CenSus Partnership - Provision for ICT schemes (CenSus ICT Partnership scheme)	58601	MG	245,000	49,360	40,000	95,640	100,000	-	-	-	26,460	-
Corporate ICT hardware and infrastructure replacement programme 2013/2014 and 2014/2015 (Partnership scheme with Adur District Council. Total cost 2013/2014 and 2014/2015 £403,250)	58055	MG	213,720	-	50,000	118,640	95,080	-	-	-	19,410	-
Integrated Human Resources System - Procurement of a new system (Partnership scheme with Adur District Council. Total cost £208,280)	58069	KJ	138,840	135,270	-	3,570	-	-	-	-	2,410	51,000
New Ways of Working ICT Requirements (Partnership scheme with Adur District Council. Total cost £817,560)	58615	MG	436,050	353,260	50,000	82,790	-	-	-	-	47,090	-
Properties												
Energy efficiency projects (Funded from an interest free external loan to be repaid from energy savings)	58606	HB	97,770	-	74,850	97,770	-	-	-	-	-	(9,777)

**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMITTED SCHEMES - KEY DECISIONS (continued)												
<i>Properties (Continued)</i>												
Meadow Road Depot - Safety improvements to the road lay out	58619	BC	30,000	-	-	30,000	-	-	-	-	3,240	-
Solar Renewable Energy Projects Portland House - Solar array Assembly Hall - Solar photovoltaic system Worthing Leisure Centre - Solar array and water source heat pump and thermal store (Funded from energy savings)	58618	HB	368,500	-	-	-	368,500	-	-	-	-	-
			4,121,180	1,944,050	1,594,650	1,487,050	690,080	-	-	-	368,210	41,223
FUTURE PROGRAMME												
Information and Communications Technology Corporate hardware and infrastructure replacement programme (Partnership scheme with Adur District Council. Total cost £100,000 p.a.)	58055	MG	159,000	-	-	-	-	53,000	53,000	53,000	17,170	-
CenSus Partnership - Provision for ICT schemes (Partnership scheme with CenSus Partners. Total cost £150,000 p.a.)	58601	MG	225,000	-	-	-	-	75,000	75,000	75,000	24,300	-

**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2013 £	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Future Years £	Interest Foregone/ Cost of Borrowing £	Net Other £
					Original £	Current £						
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>FUTURE PROGRAMME</u> (continued)												
<i>Contingency: Inflation and Fluctuations</i>	58076		15,000	-	6,660	-	10,000	3,000	2,000	-	1,620	-
			399,000	-	6,660	-	10,000	131,000	130,000	128,000	43,090	-
TOTAL			4,968,010	1,983,810	1,926,830	1,704,140	885,170	136,890	130,000	128,000	449,300	41,223



WORTHING'S
CAPITAL SCHEMES
RESERVE LISTS

	Estimates £
(a) <u>YEARS 4-7</u>	
AFFORDABLE HOUSING	
Partnership schemes with Registered Social Landlords to provide affordable housing (Annual provision)	500,000
ASSEMBLY HALL	
Boilers - Replacement of controls	20,000
* Building - Repairs to asphalt roof	30,000
Dressing Rooms - Refurbishment	25,000
Flooring - New carpet and flooring to the main dance area, bar area, bar surround, foyer and reception area	39,600
Parking - Access roads parking management	16,500
Theatre - Renew blackout facilities	N/C
Theatre - Renewal of temporary storage rollalong units	N/C
Theatre - Re-upholstery of auditorium seating (stalls)	38,000
Theatre - Seating replacement	203,500
Theatre - Stage extensions	15,000
CONNAUGHT THEATRE	
Building - Repairs to asphalt roof	15,000
Building - Repairs to external brickwork and rendering	27,000
Dressing Rooms - Refurbishment	40,000
Theatre - Improvements to auditorium ventilation	N/C
Theatre - Rebuild stage	N/C
N/C = Not Costed * = New Scheme	

	Estimates £
(a) YEARS 4-7 (continued)	
CONNAUGHT THEATRE (continued)	
Theatre - Improvements to auditorium ventilation	N/C
Toilets - Refurbishment of first floor toilets	15,000
DENTON LOUNGE	
Bar Area - Improvements	N/C
Ceilings - Repairs and redecoration to ornate ceiling	40,000
Entrance - Provision of a canopy	N/C
Toilets - Refurbishment	22,000
HOUSING	
Empty Properties - Provision of grants and loans to bring empty properties back into use (Annual provision)	40,000
HOUSING RENEWAL ASSISTANCE	
Discretionary grants and loans to finance home repairs and home insulation works (Annual provision)	90,000
MUSEUM AND ART GALLERY	
Building - Renewal of existing electrics	N/C
Refurbishment and redevelopment	6,350,000
Replacement of display cases	16,200
PIER AND PAVILION	
Dressing rooms - Refurbishment	30,000
Theatre - Improvements to auditorium ventilation	80,000
Windows - Replacement of office windows	32,000
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u> (continued)	
<i>RICHMOND ROOM</i>	
Internal screen door - Replacement	27,500
Main hall ceiling - Replacement	22,000
Roof - Renewal of felt covering	51,700
<i>RITZ THEATRE</i>	
Auditorium - Provision of air conditioning	33,000
Building - Renewal of existing electrics	N/C
Fire escape - Replacement	15,000
Toilets - Refurbishment	15,500
<i>THEATRES</i>	
Replacement of operational vehicle	19,000
(b) <u>LONG TERM LIST</u>	
<i>ASSEMBLY HALL</i>	
Provide sales kiosk on west side of foyer	N/C
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u>	
ALLOTMENTS	
Chesswood Allotment Site - Provision of toilet facilities	20,000
Rolling programme of renewals to boundary and entrance fencing (Annual provision)	15,000
BEACH HOUSE GROUNDS	
Chalets - Replacement of front elevations	95,000
BROOKLANDS	
Provision of services (waste disposal, water and electricity)	25,000
Repair of surface water sewer Phase 2	81,000
CAR PARKS	
* Buckingham Multi-Storey Car Park - Concrete repairs	250,000
Buckingham Multi-Storey Car Park - Major structural works	2,100,000
* Buckingham Multi-Storey Car Park - Renew car parking deck surface coating	300,000
* Grafton Multi-Storey Car Park - Concrete repairs to car park structure	100,000
Grafton Multi-Storey Car Park - Major structural works	5,200,000
* Grafton Multi-Storey Car Park - Renewal of lifts	160,000
* Grafton Multi-Storey Car Park - Replace profilit glazing to stairways with new system	450,000
N/C = Not Costed * = New Scheme	

(a) <u>YEARS 4-7</u> (continued)	Estimates £
CAR PARKS (continued)	
* High Street Multi-Storey Car Park - Concrete repairs	50,000
* High Street Multi-Storey Car Park - General replacement of doors, refurbishment of lift lobbies, floor repairs, etc.	250,000
High Street Multi-Storey Car Park - Major structural works	3,120,000
* High Street Multi-Storey Car Park - Renew car parking deck surface coating	230,000
* High Street Multi-Storey Car Park - Replace/refurbish lifts	150,000
Teville Gate Multi-Storey Car Park - Major repairs and refurbishment	N/C
Teville Gate Multi-Storey Car Park - Renew profilit glazing panels	11,000
Teville Gate Multi-Storey Car Park - Resurface the top deck	88,000
CEMETERIES	
Durrington Cemetery - Additional burial plots	N/C
CREMATORIUM	
Main building fascias replacement	11,000
Toilet refurbishment	16,500
Window replacement	44,000
CYCLE STRATEGY	
Seafront Cycle Route Phase 3	256,000
Seafront Cycle Route Phase 4	35,000
N/C = Not Costed * = New Scheme	

(a) <u>YEARS 4-7</u> (continued)	Estimates £
HIGHWAYS	
Graham Road access improvements	29,000
Reconstruction of highway at Dale Road	N/C
Upgrading and enhancing WSCC new or planned highway street lights in Conservation Areas or near to Heritage or Listed Buildings	100,000
LIDO	
Major substructure repairs	N/C
Renewal of hand rails	50,000
OPERATIONAL VEHICLES	
Provision for the replacement of operational vehicles for Adur District Council and Worthing Borough Council joint services (2017/2018 - 2020/2021)	102,200
PARKS AND OPEN SPACES	
Boundary Fencing Replacements (Annual provision)	30,000
Hard surfaces refurbishment programme (Annual provision)	16,500
* Homefield Park - Installation of a new public convenience	97,900
* Play Areas - Rolling programme of replacements, upgrades and improvements to include outdoor fitness equipment (Annual provision)	100,000
* Travellers Exclusion Measures - Provision of bunds, ditches, height barriers, gates, etc. to reduce incursions on to Council land (Annual provision)	16,500
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u> (continued)	
<i>PARKS AND OPEN SPACES</i> (continued)	
West Durrington - Provision of a skateboard park	N/C
<i>PAVILIONS</i>	
Fernhurst Recreation Ground - Provision of a new pavilion	N/C
* Highdown Field - Refurbishment of changing rooms	27,500
Highdown Field - Refurbishment of football pavilion	125,000
Hillbarn Recreation Ground - Separation of changing rooms and possible creation of public conveniences	N/C
<i>PUBLIC CONVENIENCES</i>	
Brooklands Western Road - Structural repairs	46,200
Selected refurbishment programme (Annual provision)	55,000
<i>REFUSE / RECYCLING / STREET CLEANSING</i>	
Provision for the replacement of vehicles for the joint service 2017/2018 - 2020/2021 (Partnership scheme with Adur District Council. Total cost £1,191,000)	748,010
Wheeled bins replacement programme - Annual provision (Partnership scheme with Adur District Council. Total annual provision £20,000)	12,720
<i>REPROVISION OF LEISURE FACILITIES</i>	
Refurbishment of the Durrington Leisure Centre	5,860,000
<i>SPLASH POINT LEISURE CENTRE</i>	
Pool terrace works phase 2	N/C
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u> (continued)	
WORTHING LEISURE CENTRE	
Athletics Track - Replacement	220,000
Building - Renew external cladding	15,000
Building - Rewire whole complex	192,500
Car Park - Provision of additional spaces	210,000
Entrance - Provision of a canopy	N/C
Garages - Conversion to social use	N/C
General improvements - Annual provision	28,000
Play Park - Replace play equipment	16,500
* Roof Areas - Renewal of flat roof areas	209,000
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u>	
COMMUNITY CENTRES	
Broadwater Community Centre - Contribution to new building	330,000
Broadwater Community Centre - Contribution to future scheme	50,000
COMMUNITY DEVELOPMENT	
West Durrington community leisure facility	N/C
West Durrington sports changing rooms/pavilion	300,000
EQUALITIES	
Disability Discrimination Act Improvements - Provision of minor alterations and improvements to Council properties (Annual provision)	22,000
HEALTH PROTECTION	
Asbestos removal from Council offices (Annual provision)	16,500
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u>	
<i>COAST PROTECTION</i>	
* Worthing Beach Management Plan Delivery	4,030,000
<i>FORESHORE MANAGEMENT</i>	
Alinora Avenue Boat Launching Ramp - Extension to hard surface	14,300
Alinora Avenue Boat Launching Ramp - Renewal	N/C
Beach Huts - Refurbishment programme	126,000
Chalets and Kiosks - Renewal of fronts	60,000
Coastal Path (George V Avenue to Sea Lane, Goring) - Replacement	165,000
Inshore Water Speed Restriction/Byelaws Control Zone Markers - Replacement	15,000
Promenade - Provision of railing or walling along northern side	231,100
(b) <u>LONG TERM LIST</u>	
<i>FORESHORE MANAGEMENT</i>	
Sea Wall - Extension westwards of Splash Point	N/C
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u>	
ADMIN BUILDINGS	
Commerce Way	
Improvements to south car park area (Contribution to Adur District Council scheme)	N/C
Portland House	
Building - Provision of comfort cooling	N/C
Building - Replacement of soffits and fascias	38,500
Windows - Replacements	126,000
Town Hall	
Building - Provision of independent electrical metering	14,500
Committee Suite and Mayor's Parlour - Replace carpeting in rooms and all landing areas immediately outside on first floor	N/C
Goods lift - Reactivation	55,000
* New Ways of Working Phase II - Upgrade listed toilets	N/C
Roofing - Renewal of asphalt roofs	26,000
Roofing - Renewal of slate roof coverings	168,000
Windows - Replacement of 2nd floor windows with double glazing	74,800
INFORMATION AND COMMUNICATIONS TECHNOLOGY	
Desktop equipment, software and infrastructure replacement (Partnership scheme with Adur District Council. Total cost £100,000)	50,000
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u> (continued)	
OFFICE EQUIPMENT	
Replacement of committee rooms conference microphones	25,000
PROPERTY MANAGEMENT	
Colonnade House	
Renewal of metal windows	39,000
2 The Waterfront	
Structural works	51,700
7 High Street	
Renew roof covering	33,000
Highdown Gardens Bungalow	
Conversion of former staff accommodation	N/C
Meadow Road	
Main Building - Replace asbestos cement roofs/walls	88,000
Office - Windows renewal	49,500
Provision of wheeled bin storage facilities and demolition of existing building	49,500
South Boundary Wall - Rebuild	33,000
Pier Southern Pavilion	
* Renew main electrical panel	25,000
The Lodge Durrington Cemetery	
Renew roof covering	18,000
Sea Place Road	
Access improvements to Yacht Club	N/C
Woods Way	
Renew roof coverings to industrial units	50,000
N/C = Not Costed * = New Scheme	

GLOSSARY OF TERMS

<i>Band D Equivalents</i>	This term relates to one of the Council Tax Valuation Bands (see Council Tax). The Bands A to C and E to H are weighted to the equivalent of Band D. The derived band D Equivalent is used as a basis for calculating the Council Tax.
<i>Business Rates - (NNDR)</i>	A national rate levied on business and commercial property based upon rateable values measured every five years. Sums collected are paid to Central Government and redistributed to local authorities via the Business Rate Retention Scheme.
<i>Capital Charges</i>	Capital charges are borne by service revenue accounts. They comprise a depreciation charge for the use of tangible fixed assets, plus any impairment resulting from a significant decline in a fixed asset's market value, obsolescence or physical damage.
<i>Capital Expenditure</i>	Expenditure exceeding £10,000 in value on the creation, acquisition or enhancement of a fixed asset. A fixed asset is one which generally yields benefits to the local authority for a period exceeding one year.
<i>Capital Financing Requirement</i>	The Capital Financing Requirement (CFR) measures the Councils' underlying need to borrow for capital purposes - i.e. capital expenditure funded from external borrowing or other credit arrangements. The CFR is derived from the amounts held in the Balance Sheet relating to capital expenditure and financing, being the amounts shown for non-Current Assets, Long-term debtors for capital transactions, the Revaluation Reserve, the Capital Adjustment Account, Donated Assets Reserve and any other balances treated as capital expenditure.
<i>Capital Receipts</i>	Income exceeding £10,000 from the sale of land and buildings or other assets, which can be used to finance capital expenditure.
<i>Capital Strategy</i>	A corporate document setting out the policy framework for managing assets and deploying capital resources. It operates through strong partnership working to address corporate priorities.
<i>Collection Fund</i>	A fund administered by Adur and Worthing Councils as billing authority (each District Council in the County area is a billing authority). All proceeds from Council Tax are paid into the fund to meet the net budget requirements of the County, Police and Crime Commissioner, and District Council for the area (see note on Precepts).
<i>Corporate Management</i>	Corporate Management includes the head of paid service (Chief Executive), maintaining statutory registers, providing information to members of the public (e.g. Freedom of Information requests) Statement of Accounts and government returns, external audit, bank charges, treasury management costs and costs associated with supporting local partnerships.

GLOSSARY OF TERMS

<i>Council Tax</i>	Council Tax is paid on most residential properties in a local authority's area. Properties are valued within eight valuation bands (A - H). Households of two or more adults normally pay the whole bill. Single adult households receive a personal discount of 25% of the bill.
<i>Council Tax Benefit</i>	An income related social security benefit designed to help people with low income to pay their Council Tax. It is administered and paid for by local authorities.
<i>DCLG</i>	Department for Communities and Local Government, the Central Government department which oversees the affairs and finances of local government.
<i>Debt Limit for Housing Revenue Account (HRA)</i>	With the introduction of Self-Financing for the Housing Revenue Account, the DCLG imposed debt limits for housing authorities in order to regulate public sector borrowing. For Adur Council the debt limit is £68.912m, and represents the maximum permitted amount of debt outstanding at any time to fund HRA capital expenditure.
<i>External Finance From Government</i>	The value of financial support received from Central Government via the Revenue Support Grant, Specific Grants and a contribution from the Business Rates Retention Scheme.
<i>Fixed Assets</i>	Land, building and equipment which have a value to the Council over a number of years.
<i>Housing Investment Programme (HIP)</i>	The HIP is prepared annually together with Housing Strategy updates for the Council. The three year housing investment programme is submitted to the DCLG as a basis for distributing Housing Specified Capital Grants and Supported Capital Expenditure.
<i>Housing Revenue Account (HRA)</i>	A ring-fenced account of all expenditure in respect of Adur Council's housing stock.
<i>Joint Strategic Committee</i>	On 25 th July, 2007 Adur District Council and Worthing Borough Council agreed to embark on an extensive programme of partnership working. This committee has been set up with Members of both Councils to manage the services that are working in partnership.
<i>Non-distributed Costs</i>	Non-distributed costs include backfunded retirement benefit costs, redundancy payments and pension added years.
<i>Outturn</i>	The actual expenditure for a particular period.
<i>Precepts</i>	The County Council and Police and Crime Commissioner make a charge, or "precept", on the District (Borough) Council's Collection Fund for the share of their net budget requirement relating to the borough's area. The net budget requirement is calculated after allowing for receipts from Formula Grant and Non-Domestic Rates.

GLOSSARY OF TERMS

<i>Prudential Code for Capital Finance</i>	The Local Government Act 2003 provided for a major change in the way councils finance capital expenditure. From 1 st April, 2004, councils were given freedom under the CIPFA Prudential Code for Capital Finance in Local Authorities to determine their own borrowing for capital investment subject to the considerations of prudence, sustainability and affordability.
<i>Reserves</i>	Reserves are accumulated to finance future spending.
<i>Revenue Expenditure</i>	This is expenditure on recurring items, including the running costs of services and the financing of capital spending.
<i>Revenue Support Grant (RSG)</i>	A Government Grant which can be used to finance revenue expenditure on any service.
<i>Self-Financing for Housing Revenue Account (HRA)</i>	From 1 April 2012 the Localism Act replaced the former HRA subsidy system with a new self-financing regime for housing authorities. The new regime allows Adur Council more freedom to determine its own budget and retain its rental income, albeit some financial restrictions still apply, most notably around the use of Right To Buy (RTB) capital receipts and prudential borrowing limits
<i>Service Reporting Code of Practice (SRCOP)</i>	Service Reporting Code of Practice is an authoritative guide to financial accounting for local authorities. The Code provides a framework for local authority accounting.
<i>Single Capital Pot</i>	The Single Capital Pot is a cross-service allocation, which has the aim of delivering the bulk of central government capital support to Local Authorities.
<i>Subjective Analysis</i>	This is the analysis of income and expenditure by reference to its different sources e.g. employers pay.
<i>Vacancy Savings</i>	This is a target vacancy saving allocated to each service block but held centrally in Corporate Management. The achievement of these savings is dependant on staff turnover and the time lag that arises when vacancies are not filled immediately.
<i>Virement</i>	<p>The transfer of budget provision from one budget to another (usually restricted to a particular service) to reflect changes in service requirements and spending patterns (see the Borough Council's Financial Regulation A.26 below for details including limits for delegation to members and officers).</p> <p>A.26 (a) <i>A Strategic Director or an Executive Head may, after consultation with the Executive Head of Financial Services, vire up to £10,000 within the approved revenue or capital budget.</i></p> <p>(b) <i>A Cabinet Member may vire up to £40,000 between any heads of income or expenditure within their approved revenue budget, or capital budget.</i></p>

GLOSSARY OF TERMS

- Virement**
- (c) *The Cabinet may incur, without Council approval, expenditure not within the approved budget provided that the following criteria applies:*
 - (i) *The cost is to be met from contingency set up for the purpose; or*
 - (ii) *It is to be met from proven savings elsewhere in the revenue budget and does not exceed £100,000; or*
 - (iii) *It is to be met from proven savings in that financial year in the Capital programme and does not exceed £100,000 per project; and*
 - (iv) *The expenditure does not have the affect of changing Council policy.*
 - (d) *Any proposal to vire, which is not covered in A26(c), must be approved by the Full Council.*

Working Balance A sum set aside for purposes such as general contingencies and cash flow management.

W.S.C.C. West Sussex County Council

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