

Adur
District
Council



Worthing
Borough
Council



2017-2018

Adur &
Worthing
Councils



BUDGET BOOK

CIVIC BUDGET 2017/2018

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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 Executive Member Portfolio for Adur and Worthing Councils within the service blocks.

The budget reports submitted to Adur and Worthing Executives and the Joint Committee are reproduced within the Introduction and Reports section of this Budget Book.

BUDGET STRATEGY FOR 2017/18

Detailed budget strategies for Adur and Worthing Councils were agreed in September 2016, to underpin the budget process:

Revenue Budget Strategy

- The Councils aim to be self-sufficient by 2020/21 and reliant only on income from Council Tax and Business Rates
- The Councils will aim to keep Council Tax increases to a minimum;
- The Councils will seek to increase income from business rates and council tax by facilitating the creation of new homes and employment space.
- 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 on-going 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: 2% for pay (plus an allowance has been made for increments which are a contractual commitment) and 1% for all other expenditure (except for inflation arising from contractual indexation provisions and energy for which an appropriate provision is to be made);
- The Council aims 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 Council aims not to have any planned call upon the General Fund Working Balance;
- Officers are to identify 'cashable' efficiency savings, options for reducing non-priority services, and undertake a critical review of income.

INTRODUCTION

BUDGET STRATEGY FOR 2017/18

Capital Investment Programme

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

Adur District Council:	£1m core funding (plus £3.6m for the Housing Investment Programme)
Worthing Borough Council:	£2.0m core funding.
- 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 and that the programmes may need to be increased if any unavoidable expenditure that cannot be accommodated within the programme is identified.
- 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 rationale for recharges is sometimes queried.

The concept of recharging '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 total cost includes an appropriate share of all support services and other overheads. Support service costs and overheads should be charged, allocated or apportioned across users and other beneficiaries in accordance with CIPFA principles.

At Adur and Worthing the "back office" functions comprise of the support service and departmental management costs.

Therefore to comply with Accountancy Guidance and best practice, Adur and Worthing Councils' "back office" support services are recharged so that they are included within front line service costs.



REVENUE BUDGET ESTIMATES FOR 2017/18

REPORT BY DIRECTOR FOR DIGITAL AND RESOURCES

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 2017/18 for the Joint Strategic Committee;
- 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 Service within Directorate. In addition, the draft estimates for 2017/18 have been prepared, as always, in accordance with the requirements of the Service Reporting Code of Practice for Local Authorities 2017/18 (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 2017/18 Estimates and Council Tax setting reports are due to be considered by the Worthing Executive on Monday 6th February 2017 and the Adur Executive on Tuesday 7th February 2017. Both the Estimates for Adur District Council and Worthing Borough Council include their respective share of the cost of the Joint Strategic Committee.

2.0 BACKGROUND

2.1 The Joint Strategic Committee considered the 'Outline 5-year forecast for 2017/18 to 2021/22 and the Budget Strategy' on 13th September 2016. This report outlined the Financial Context, the Key Budget Pressures, the Options for Addressing the Budget Gap and the Budget Strategy for Adur and Worthing Councils. The report built on the strategy first proposed last year whose strategic aim was to ensure that the Councils would become community funded by 2020 reliant, by then, on income from trading and commercial activities, council tax income and business rate income.

2.0 BACKGROUND

2.2 On 6th December the “*Outline 5-Year Forecast and Savings Proposals*” was approved by the Joint Strategic Committee, this report updated the members on the latest budget forecast, the options for addressing the budget shortfalls and considered any unavoidable growth. The report updated members on the work of the strategic boards who were responsible for taking key strands of work forward as follows:

- **The Major Projects Board** will lead on delivering projects to increase employment space and additional housing;
- **The Digital Programme Board** will lead on the delivery of the Digital Strategy and ensure that the benefits are realised from this programme of work.
- **The Strategic Asset Management Board** will lead on delivering the income growth associated with the Strategic Property Fund; and
- **The Customer and Commercial Programme Board** will lead on the delivery of the income growth from commercial services and seek to improve the customer experience.

For 2017/18 the Digital Programme Board, the Customer and Commercial Board and the Strategic Asset Management Board were set explicit targets as part of the budget strategy.

2.2 Since the meeting on 6th December, the Joint Strategic Committee budget has been finalised and the last adjustments have been included. Overall, therefore, the current financial position of the Joint Strategic Committee for 2017/18 can be summarised as:

Original shortfall in funding	£'000 1,460
Transfer of budgets from Adur and Worthing Councils to the Joint Strategic Committee (including the vacancy provision)	-728
Adjusted shortfall in funding	732
Changes identified in December 2016:	
Committed Growth approved in December 2016	198
Impact of SDLT commissioning support services from external providers - reduction in staff costs	-98
Removal of contingency budget	-50
Revised budget shortfall	782
Less: Net savings identified in Adur and Worthing Council reducing the savings required within the Joint Strategic Committee	-42
Less: Net savings approved in December	-740
Remaining shortfall to be addressed	-

2.0 BACKGROUND

- 2.3 This has been an unprecedented period of time for Local Government. The level of funding provided by Central Government has reduced by significantly over the last few years and Revenue Support Grant will be phased out in its entirety over the next 2 years in line with the 4-year offer announced last year.
- 2.4 This will have inevitable consequences for the services of the Joint Strategic Committee which will need to reduce its budget in line with the challenges faced by the constituent Councils.
- 2.5 The Secretary of State for the Department for Communities and Local Government (DCLG) Sajid Javit delivered the provisional Local Government Finance Settlement on the 15th December 2016. Consultation on the provisional settlement closed on the 13th January 2017.
- 2.6 The key issue to emerge from settlement was the proposal to change how New Homes Bonus is calculated. As expected, legacy payments are being reduced from 6 years to 5 years in 2017/18 and then to 4 years in 2018/19. However, a national baseline for housing growth of 0.4% will be introduced; growth below this threshold will not qualify for grant. The impact of this change is that both Councils now need to deliver substantial growth in the numbers of Band D equivalent properties each year before any grant will be awarded.
- 2.7 The implication for the Joint Strategic Committee of the changes proposed to New Homes Bonus is that the requirement for savings will be greater over the next 5 years than originally expected.
- 2.8 A full update on both the Autumn Statement and Settlement is included in the Budget Estimate reports for both Councils

3.0 2016/17 BUDGET – CURRENT POSITION

- 3.1 The latest revenue monitoring report for the Joint Committee was reported on the 8th November 2016 to this committee and forecasts a minor overspend for the year of £40,000.

	Forecast Over/(Under) spend
<p>Homelessness Increasing caseloads combined with vacant posts which have led to increasing staffing costs to address the workloads arising.</p>	75

3.0 2016/17 BUDGET – CURRENT POSITION

	Forecast Over/(Under) spend
Homelessness c/fwd from previous page	75
Waste Management Overspend on Agency staff covering long term sickness and Waste vehicle maintenance repairs to the ageing fleet which is currently being replaced.	110
Salary budgets Pay award was lower than budgeted for.	(216)
Telephony Current net Telephony overspend due to the need to retain the old systems whilst the new system is introduced.	44
Net other variations	27
Forecast Overspend as at 8th November 2016	40

3.2 The ongoing trends that have been identified as part of regular monitoring have been built into the 2017/18 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 will improve as the year progresses, which will be reported when the outturn position come before the Joint Strategic Committee in June/July 2017.

4.0 DRAFT REVENUE ESTIMATES 2017/18

4.1 Detailed budgetary work for the Joint Strategic Committee is now complete (subject to any decisions arising from the Adur and Worthing Executives in February) and the estimate of the budget requirement is £20,744,220. This includes the savings agreed by Joint Strategic Committee on 6th December 2016.

4.2 Details of all of the main changes in the base budget from 2016/17 to 2020/21 are at Appendix 1. A breakdown by Service within Directorate summary budget is attached at Appendix 2. The changes can be summarised briefly as follows:

4.0 DRAFT REVENUE ESTIMATES 2017/18

	£'000	£'000
2016/17 Original Estimate		21,564
Budget transfers in year (vacancy provision)		-728
2016/17 Adjusted budget		20,836
Add: General Pay and Price Increases		342
		21,178
Add: Committed and Unavoidable Growth:	404	
Less: Compensatory Savings	-98	
Less: Savings agreed by members		
Net savings identified in December	-740	
		-434
Net cost to be reallocated to the Councils		20,744
Allocated as follows:		
- Adur District Council		8,464
- Worthing Borough Council		12,280
Cost reallocated to both Councils		20,744

4.3 The Joint Strategic Committee budget will be reflected in both the Adur and Worthing Estimates, which will be approved by their respective Executives on 6^h and 7th February 2017. The allocation of the costs of joint services under the remit of the JSC has again been reviewed this year. There is no significant swing of costs between the two Councils this year.

4.4 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 Emma Thomas (Chief Accountant) or Sarah Gobey (Chief Financial Officer).

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. However, Revenue support Grant will be withdrawn over the next 2 years and following settlement, it is clear that the Councils will continue to have budget shortfalls for the next 4 years. Consequently, the Joint Strategic Committee is likely to show the following shortfalls in line with that experienced by the Constituent Councils:

5.0 IMPACT ON FUTURE YEARS

	Expected shortfall (Cumulative)				
	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
Cumulative budget shortfall	740	2,557	4,149	4,958	5,806
Less:					
Net savings agreed in December and January	-740	-740	-740	-740	-740
Adjusted cumulative budget shortfall	-	1,817	3,409	4,218	5,066
Savings required each year	-	1,817	1,592	809	848

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 2017/18, 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 1.0% inflation has been built into non-pay budgets. Pay budgets include an inflationary allowance of 2.0%. Each 1% increase in inflation is equivalent to the following amount:

6.0 SIGNIFICANT RISKS

(iii) Inflation

	1% increase
	£'000
Pay	204
Non-pay	41

6.2 To help manage these risks, both councils have working balances and other earmarked reserves although these reserves are becoming depleted.

7.0 CONSULTATION

7.1 The Council ran a consultation exercise last year which support the Council's five year budget strategy. In light of this, no consultation exercise was undertaken this year.

8.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

8.1 Section 25 of the Local Government Act 2003 requires an authority's Chief Financial Officer 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.

8.2 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:

- 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.

8.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

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.

8.3 Overall view on the robustness of the estimates:

It will therefore be important for members to maintain a diligent budget monitoring regime during 2017/18.

- 8.4 The Chief Financial Officer 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.

9.0 CONCLUSION

- 9.1 The Councils are implementing a budget strategy which plans for the eventual removal of all general government grant by 2019/20. The strategy outlines a series of proactive steps which would contribute significantly to meeting the financial challenge by increasing income or by promoting business efficiency through the use of digital technology. Overall the Committee has successfully contributed to this strategy by identifying savings of £0.7m to meet the current year's shortfall.
- 9.2 Looking further ahead, 2018/19 will be even more challenging as both Councils expect another significant reduction in grant and have only limited opportunities to lever in New Homes Bonus. Consequently, the strategy of delivering commercial income growth and business efficiencies through the digital agenda assumes a greater importance. The Joint Strategic Committee will make a vital contribution to delivering the strategy.

9.0 CONCLUSION

9.3 However, provided we meet this challenge, the Councils will become increasingly financially resilient over the next 5 years as Revenue Support Grant disappears and we become largely funded by our community through Council Tax and Business Rates and income from our commercial services.

10.0 RECOMMENDATION

10.1 The Joint Strategic Committee is recommended to agree the budgets for 2017/18 at Appendix 2.

Local Government Act 1972

Background Papers:

Report to the Joint Strategic Committee September 2016 Outline forecast 2017/18 to 2021/22 and Budget Strategy

Report to the Joint Strategic Committee 6th December 2016 Updated Outline 5 year forecast and savings proposals.

Local Authority Finance (England) Settlement Revenue Support Grant for 2017/18 and Related Matters: DCLG Letters and associated papers of 15th December 2016.

Autumn Statement 2016. 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 2015/16

Report to Joint Strategic Committee 6th December 2015 – 2nd Revenue Budget Monitoring 2015/16

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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:
Revenue Budget Report

JOINT STRATEGIC COMMITTEE - APPENDIX 1
Revenue Budget Summary Statement 2016/17 - 2021/22

	2016/17 Base	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation						
Base budget	24,666	24,666	24,666	24,666	24,666	24,666
(a) Budget adjustments						
Budget transferred from Adur and Worthing Councils during the year		(728)	(728)	(728)	(728)	(728)
Increase in internal recharges within the Joint Committee		649	649	649	649	649
(b) Annual Inflation						
Estimated inflation		508	1,285	2,085	2,891	3,736
Less : Over provision for pay award in previous year		(166)	(166)	(166)	(166)	(166)
(c) Committed budget items						
Impact of Pension contribution increase		165	168	171	174	177
Reprocurement of IT systems		41	41	41	41	41
Impact of SDLT commissioning support services from external providers - reduction in staff costs		(98)	(98)	(98)	(98)	(98)
Growth items identified by Heads of Service approved in December		198	198	198	198	198
Total Budget Requirements	24,666	25,235	26,015	26,818	27,627	28,475
Less: Recharges within the Joint Strategic Committee	(3,102)	(3,751)	(3,751)	(3,751)	(3,751)	(3,751)
Net cost to be reallocated to the Councils	21,564	21,484	22,264	23,067	23,876	24,724
Adur District Council	8,528	8,464	8,041	7,719	7,719	7,719
Worthing Borough Council	13,036	12,280	11,666	11,199	11,199	11,199
Total income for services provided to the constituent councils	21,564	20,744	19,707	18,918	18,918	18,918
(Surplus) / Shortfall in Resources		740	2,557	4,149	4,958	5,806
Savings approved in December:						
Commercial activities and commissioning Commercial and Customer Board		197	197	197	197	197
Efficiency Measures Digital Strategy Board		119	119	119	119	119
Restructures and service plan savings not included above		424	424	424	424	424
Total savings identified		740	740	740	740	740
Cumulative savings still to be found		-	1,817	3,409	4,218	5,066
Savings required in each year		740	1,817	1,592	809	848

JOINT SERVICE BLOCK ACTIVITY RECHARGED TO ADUR AND WORTHING COUNCILS



APPENDIX 2

SERVICE BLOCKS	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
Chief Executive, Organisational Development & Communications	414,360	458,260
Director for Communities	5,918,310	5,690,090
Director for Customer Services	6,675,630	6,711,610
Director for Digital & Resources	8,597,500	8,314,130
Director for the Economy	3,272,990	3,321,220
TOTAL SERVICES	24,878,790	24,495,310
ALLOCATION OF COSTS		
Recharged to other joint services	(3,150,880)	(3,751,090)
	21,727,910	20,744,220
Adur District Council	(8,581,060)	(8,464,000)
Worthing Borough Council	(13,146,850)	(12,280,220)
TOTAL SERVICE BLOCK ALLOCATIONS	(21,727,910)	(20,744,220)

**JOINT SUMMARY SERVICE BLOCK:
Chief Executive & Communications**



SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
CHIEF EXECUTIVE		
Chief Executive Office	252,840	262,910
	252,840	262,910
Head of Communications		
Head of Communications - Office	66,570	61,140
Policy and Consultation	-	-
Communications	94,950	134,210
	161,520	195,350
TOTAL FOR CEO AND COMMUNICATIONS	414,360	458,260
ALLOCATION OF COSTS		
Recharged to other joint services	(10)	(20)
Adur District Council	199,540	229,140
Worthing Borough Council	199,540	229,140
South Downs Leisure Trust	15,290	-
	414,360	458,260

JOINT - CHIEF EXECUTIVE AND COMMUNICATIONS DIRECTORATE - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Direct Recharges	Support Services	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£
CHIEF EXECUTIVE											
Chief Executive Office	2	237,630	-	1,050	7,020	-	-	245,700	490	16,720	262,910
Head of Communications											
Head of Communications - Office	1	56,940	-	-	-	-	-	56,940	-	4,200	61,140
Policy and Consultation	0	-	-	-	-	-	-	0	-	-	0
Communications	4	96,200	-	390	18,320	-	(9,360)	105,550	960	27,700	134,210
	7										
TOTAL COST		390,770	0	1,440	25,340	0	(9,360)	408,190	1,450	48,620	458,260
Percentage Direct Cost		94%	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 CHIEF EXECUTIVE OFFICER - 2017/2018 - VARIANCE ANALYSIS

SERVICE / ACTIVITY	Original Budget 2015/16	Inflation	One-off Items	Committed Growth	Savings	Impact of Capital Programme	Additional Income	Non Committed growth	Non-MTFP other changes	Virements	Payroll	Recharges	Joint transfers	TOTAL BUDGET
	£		£	£	£	£	£		£			£	£	£
CHIEF EXECUTIVE														
Chief Executive Office	252,840	90	-	-	-	-	-	-	9,980	(1,740)	13,430	(1,710)	-	262,910
Head of Communications														
Head of Communications Office	66,570	-	-	-	-	-	-	-	(5,430)	(590)	(2,530)	(2,310)	-	61,140
Policy and Consultation Communications	-	-	-	-	-	-	-	-	-	-	-	-	-	0
	79,660	-	-	-	-	-	-	-	54,550	15,890	27,600	11,060	-	134,210
TOTAL COST	399,070	90	0	0	0	0	0	0	59,100	13,560	38,500	7,040	0	458,260

**JOINT SUMMARY SERVICE BLOCK:
Communities Directorate**

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR COMMUNITIES		
Director for Communities office	136,240	184,350
Leisure Support residual costs	-	-
	136,240	184,350
HEAD OF HOUSING		
Head of Housing	187,090	304,440
Housing	577,120	806,730
Environmental Health / Protection Team	325,240	322,650
Home Improvement Assistance	199,420	175,200
Housing Strategy	76,610	-
	1,365,480	1,609,020
HEAD OF ENVIRONMENT		
Head of Environment	110,760	113,100
Parks	1,591,740	1,015,700
Foreshores	195,620	203,770
Environmental Health	97,980	99,660
	1,996,100	1,432,230
HEAD OF WELLBEING		
Head of Wellbeing	182,440	235,430
Community Wellbeing	517,020	791,050
Community Safety	271,500	-
Environmental Health - Commercial	477,530	370,740
Environmental Health - Domestic	350,600	480,810
Licensing	311,950	257,210
Democratic Services	309,450	329,250
	2,420,490	2,464,490
TOTAL FOR COMMUNITIES	5,918,310	5,690,090
ALLOCATION OF COSTS		
Recharged to other joint services	120	50
Adur District Council	2,324,600	2,328,000
Worthing Borough Council	3,587,400	3,362,040
South Downs Leisure Trust	6,190	-
	5,918,310	5,690,090

JOINT - DIRECTOR FOR COMMUNITIES - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£		£	£	£	£	£	£	£	£
DIRECTOR OF COMMUNITIES											
Director of Communities Office	1	163,110	490	-	-	3,710	-	-	167,310	17,040	184,350
Leisure Support		-	-	-	-	-	-	-	0	-	0
Head of Housing											
Head of Housing	1	187,040	730	-	760	96,000	-	-	284,530	19,910	304,440
Housing	15.6	689,040	3,380	-	10,300	7,300	-	-	710,020	96,710	806,730
Environmental Health - Domestic	7.6	304,610	-	-	7,310	6,440	-	-	318,360	4,290	322,650
Home Improvement Assistance	4.1	136,640	960	-	2,140	1,940	-	-	141,680	33,520	175,200
Housing Strategy	1	-	-	-	-	-	-	-	0	-	0
Head of Environment											
Head of Environment	1	106,440	240	-	-	-	-	-	106,680	6,420	113,100
Parks	58	1,880,220	-	-	285,510	282,620	-	(1,534,870)	913,480	102,220	1,015,700
Foreshores	5.9	198,250	-	-	-	-	-	(5,300)	192,950	10,820	203,770
Environmental Health	2.4	82,190	-	-	3,810	14,990	-	(4,270)	96,720	2,940	99,660
Head of Wellbeing											
Head of Wellbeing	3.3	183,900	720	-	2,120	22,560	-	-	209,300	26,130	235,430
Community Wellbeing	33.9	1,279,100	5,800	-	5,720	36,410	-	(795,490)	531,540	259,510	791,050
Community Safety	0	-	-	-	-	-	-	-	0	-	0
Environmental Health- Commercial	5.5	298,410	1,700	-	7,590	3,270	-	-	310,970	59,770	370,740
Environmental Health- Domestic	7.6	402,890	1,930	-	6,480	1,080	-	-	412,380	68,430	480,810
Licensing	5.8	187,500	1,700	-	4,560	4,830	-	-	198,590	58,620	257,210
Democratic Services	6	249,240	1,450	-	170	16,840	-	-	267,700	61,550	329,250
	158.7										
TOTAL COST		6,348,580	19,100	0	336,470	497,990	0	(2,339,930)	4,862,210	827,880	5,690,090
Percentage Direct Cost		88%	0%	0%	5%	7%	0%				

JOINT COMMUNITIES DIRECTORATE - 2017/2018 - VARIANCE ANALYSIS

SERVICE / ACTIVITY	Original Budget 2016/17	Inflation	One-off Items	Committed Growth	Savings	Impact of Capital Programme	Additional Income	Non Committed growth	Non-MTFP other changes	TOTAL BUDGET
	£		£	£	£	£	£		£	£
DIRECTOR OF COMMUNITIES										
Director of Communities Office	136,240	40	-	-	-	-	-	-	48,070	184,350
Leisure Support	-	-	-	-	-	-	-	-	-	0
Head of Housing										
Head of Housing	187,090	970	-	-	-	-	-	-	116,380	304,440
Housing	577,120	270	-	70,000	-	-	-	-	159,340	806,730
Environmental Health - Domestic	325,240	140	-	-	-	-	-	-	(2,730)	322,650
Home Improvement Assistance	199,420	40	-	-	-	-	-	-	(24,260)	175,200
Housing Strategy	76,610	-	-	-	-	-	-	-	(76,610)	0
Head of Environment										
Head of Environment	110,760	-	-	-	-	-	-	-	2,340	113,100
Parks	1,585,550	(1,300)	-	15,270	(70,000)	-	-	-	(513,820)	1,015,700
Foreshores	195,620	(20)	-	-	-	-	-	-	8,170	203,770
Environmental Health	97,980	80	-	-	(40)	-	-	-	1,640	99,660
Head of Wellbeing										
Head of Wellbeing	182,440	360	-	-	-	-	-	-	52,630	235,430
Community Wellbeing	517,020	350	-	-	(45,690)	-	-	-	319,370	791,050
Community Safety	271,500	-	-	-	-	-	-	-	(271,500)	0
Environmental Health- Commercial	477,530	130	-	-	-	-	-	-	(106,920)	370,740
Environmental Health- Domestic	350,600	80	-	-	-	-	-	-	130,130	480,810
Licensing	311,950	110	-	-	(25,000)	-	-	-	(29,850)	257,210
Democratic Services	309,450	190	-	-	(2,000)	-	-	-	21,610	329,250
TOTAL COST	5,912,120	1,440	0	85,270	(142,730)	0	0	0	(166,010)	5,690,090

**JOINT SUMMARY SERVICE BLOCK:
Customer Services Directorate**

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF CUSTOMER SERVICES		
Director for Customer Services office	164,300	206,480
Head of Waste & Cleansing		
Waste Management	326,960	306,620
Commerce Way Depot	108,290	105,700
Clinical Waste Collection	(5,880)	(6,750)
Recycling	(1,017,030)	(1,114,830)
Refuse Collection	1,631,740	1,573,810
Street Sweeping & Cleansing	1,496,740	1,495,790
Trade Refuse Collection	439,940	451,600
Vehicle Workshop	611,840	610,660
Pest Control	34,000	1,420
Waste Strategy	254,390	261,090
	3,880,990	3,685,110
Less: Vehicle Works Trading A/c - recharged to services per job	(612,940)	(584,540)
Head of Customer Services		
Customer Services	1,223,010	1,341,160
Parking Services	621,470	645,240
Business Support	258,650	254,070
Elections	214,910	217,150
	2,318,040	2,457,620
Head of Revenues & Benefits		
Head of Revenues & Benefits	81,880	96,370
	81,880	96,370
Head of Building Control & Land Charges		
Building Control	673,610	684,890
LLPG	30,520	20,970
Land Charges	139,230	144,710
	843,360	850,570
TOTAL for CUSTOMER SERVICES	6,675,630	6,711,610
ALLOCATION OF COSTS		
Recharged to other joint services	244,390	290,700
Adur District Council	2,320,780	2,381,080
Worthing Borough Council	4,110,460	4,039,830
South Downs Leisure Trust	-	-
	6,675,630	6,711,610

JOINT - CUSTOMER SERVICES DIRECTORATE 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Direct Recharges	Support	TOTAL BUDGET
		£	£	£	£	£	£	£		£	£
DIRECTOR OF CUSTOMER SERVICES											
Director for Customer Services office	2	193,990	-	660	3,430	-	(10)	198,070	-	8,410	206,480
Head of Waste & Cleansing											
Waste Management	6	260,100	100	4,220	16,640	-	(18,990)	262,070	1,210	43,340	306,620
Commerce Way Depot	0	-	148,340	60	10,650	-	(58,880)	100,170	4,030	1,500	105,700
Clinical Waste Collection	1	26,420	-	7,380	11,720	-	(53,210)	(7,690)	-	940	(6,750)
Recycling	24	656,610	-	165,030	101,020	-	(2,133,210)	(1,210,550)	490	95,230	(1,114,830)
Refuse Collection	41	1,318,630	-	291,070	22,460	-	(115,740)	1,516,420	720	56,670	1,573,810
Street Sweeping & Cleansing	47.3	1,272,330	-	237,950	57,840	(10)	(132,590)	1,435,520	960	59,310	1,495,790
Trade Refuse Collection	9.8	290,580	-	99,400	27,430	-	(5,120)	412,290	240	39,070	451,600
Vehicle Workshop	8.7	263,320	260	9,210	315,290	-	(33,910)	554,170	2,170	54,320	610,660
Pest Control	2.6	60,690	520	8,460	11,040	-	(92,730)	(12,020)	-	13,440	1,420
Waste Strategy	5.6	191,910	-	11,600	-	-	-	203,510	1,930	55,650	261,090
Less: Vehicle Works Trading Account - recharged to services per job		-	-	-	-	-	(584,540)	(584,540)	-	-	(584,540)
Head of Customer Services											
Customer Services	30.4	989,090	-	50	10,950	-	-	1,000,090	9,650	331,420	1,341,160
Parking Services	18.4	592,430	-	-	-	-	-	592,430	1,450	51,360	645,240
Business Support	7.8	204,090	-	-	79,210	-	(85,300)	198,000	-	56,070	254,070
Elections	4.9	162,830	-	500	2,140	-	-	165,470	1,450	50,230	217,150
Head of Revenues & Benefits											
Head of Revenues & Benefits	2	95,850	-	-	-	-	-	95,850	-	520	96,370
Head of Building Control & Land Charges											
Building Control	10.9	560,300	2,880	11,460	46,810	-	(34,360)	587,090	3,130	94,670	684,890
LLPG	1	44,570	-	520	16,030	-	(41,930)	19,190	-	1,780	20,970
Land Charges	3.4	107,050	-	-	3,380	-	-	110,430	960	33,320	144,710
TOTAL COST		7,290,790	152,100	847,570	736,040	(10)	(3,390,520)	5,635,970	28,390	1,047,250	6,711,610
Percentage Direct Cost		81%	2%	9%	8%	0%					

JOINT CUSTOMER SERVICES DIRECTORATE - 2017/2018 - VARIANCE ANALYSIS

SERVICE / ACTIVITY	Original Budget 2016/17	Inflation	One-off Items	Committed Growth	Savings	Impact of Capital Programme	Additional Income	Non Committed growth	Non-MTFP other changes	TOTAL BUDGET
	£		£	£	£	£	£		£	£
DIRECTOR OF CUSTOMER SERVICES										
Director for Customer Services office	164,300	40	-	-	-	-	-	-	42,140	206,480
Head of Waste & Cleansing										
Waste Management	326,960	(130)	-	-	(29,000)	-	-	-	8,790	306,620
Commerce Way Depot	108,290	380	-	-	-	-	-	-	(2,970)	105,700
Clinical Waste Collection	(5,880)	(850)	-	-	-	-	-	-	(20)	(6,750)
Recycling	(1,017,030)	(15,780)	-	45,000	(148,780)	-	-	-	21,760	(1,114,830)
Refuse Collection	1,631,740	2,100	-	-	(64,640)	-	-	-	4,610	1,573,810
Street Sweeping & Cleansing	1,496,740	840	-	-	(1,000)	-	-	-	(790)	1,495,790
Trade Refuse Collection	439,940	1,270	-	-	-	-	-	-	10,390	451,600
Vehicle Workshop	(1,100)	-	-	-	(38,730)	-	-	-	650,490	610,660
Pest Control	34,000	(1,640)	-	-	(34,000)	-	-	-	3,060	1,420
Waste Strategy	254,390	90	-	-	-	-	-	-	6,610	261,090
Less: Vehicle Works Trading Account - recharged to services per job									(584,540)	(584,540)
Head of Customer Services										
Customer Services	1,223,010	140	-	-	-	-	-	-	118,010	1,341,160
Parking Services	621,470	-	-	-	-	-	-	-	23,770	645,240
Business Support	258,650	(890)	-	-	-	-	-	-	(3,690)	254,070
Elections	214,910	20	-	-	-	-	-	-	2,220	217,150
Head of Revenues & Benefits										
Head of Revenues & Benefits	81,880	-	-	14,000	-	-	-	-	490	96,370
Head of Building Control & Land Charges										
Building Control	673,610	380	-	-	(20,000)	-	-	-	30,900	684,890
LLPG	30,520	(650)	-	-	(10,000)	-	-	-	1,100	20,970
	139,230	40	-	-	-	-	-	-	5,440	144,710
TOTAL COST	6,675,630	(14,640)	0	59,000	(346,150)	0	0	0	337,770	6,711,610

**JOINT SUMMARY SERVICE BLOCK:
Digital and Resources Directorate**

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR DIGITAL AND RESOURCES		
Director for Digital and Resources office	167,990	185,040
	167,990	185,040
Head of Finance		
Head of Finance office	146,070	135,500
Management, Technical and Strategic Accounting	1,084,280	274,540
Exchequer and Fraud	729,650	687,180
Procurement	-	144,840
Internal Audit	480	490
	1,960,480	1,242,550
Head of Legal Services		
Legal Services	839,990	830,590
	839,990	830,590
Head of Digital and Design		
Head of Digital and Design	97,690	101,620
ICT, Systems Support and Development Team	2,033,050	2,121,980
	2,130,740	2,223,600
Head of Human Resources		
Human Resources	360,990	423,300
Organisational Development	309,940	227,710
	670,930	651,010
Head of Business and Technical Services		
Head of Business and Technical Services	93,710	99,960
Business Services	467,070	371,420
Engineers	660,170	727,760
Surveyors and Sustainability	941,100	951,360
Facilities - Admin Buildings	637,350	675,910
Centralised Costs	27,970	354,930
	2,827,370	3,181,340
TOTAL for DIGITAL AND RESOURCES	8,597,500	8,314,130
ALLOCATION OF COSTS		
Recharged to other joint services	2,892,760	3,446,220
Adur District Council	2,456,060	2,275,270
Worthing Borough Council	2,906,970	2,592,640
South Downs Leisure Trust	341,710	-
	8,597,500	8,314,130

JOINT - DIGITAL AND RESOURCES DIRECTORATE - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Direct Recharges	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£
DIRECTOR FOR DIGITAL& RESOURCES											
Director Office	2	163,120	-	660	13,430	-	(10)	177,200	-	7,840	185,040
Head of Finance											
Head of Finance office	2	113,950	-	550	5,180	-	(30)	119,650	480	15,370	135,500
Management, Technical & Strategic Accounting	28	84,300	-	(74,360)	93,420	-	(29,510)	73,850	4,830	195,860	274,540
Exchequer and Fraud	12	409,090	-	90	76,300	-	(28,800)	456,680	6,020	224,480	687,180
Procurement	0	133,780	-	-	-	-	-	133,780	680	10,380	144,840
Internal Audit	0	-	-	-	490	-	-	490	-	-	490
Head of Legal Services											
Legal Services		748,990	-	1,740	40,460	-	(108,220)	682,970	4,100	143,520	830,590
Head of Digital and Design											
Head of Digital and Design	1	93,120	-	-	70	-	-	93,190	240	8,190	101,620
ICT, Systems Support and Development Team	10	534,720	-	1,880	264,000	1,310,880	-	2,111,480	-	10,500	2,121,980
Head of Human Resources											
Human Resources	5.2	330,330	-	2,430	17,000	-	-	349,760	2,170	71,370	423,300
Organisational Development	2	221,710	-	30	2,320	-	-	224,060	-	3,650	227,710
Head of Business & Technical Services											
Head of Business & Technical Services	1	93,520	-	-	-	-	-	93,520	240	6,200	99,960
Business Services	15	326,200	50	3,710	73,880	-	(113,060)	290,780	1,690	78,950	371,420
Engineers	14	646,940	-	7,910	11,300	-	(49,670)	616,480	3,140	108,140	727,760
Surveyors	18	783,380	-	5,310	21,410	-	-	810,100	4,110	137,150	951,360
Facilities - Admin Buildings	0	-	530,120	-	27,380	-	(75,330)	482,170	1,030	192,710	675,910
Centralised Costs	0	-	-	-	354,930	-	-	354,930	-	-	354,930
TOTAL COST		4,683,150	530,170	(50,050)	1,001,570	1,310,880	(404,630)	7,071,090	28,730	1,214,310	8,314,130
Percentage Direct Cost		63%	7%	-1%	13%	18%					
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 DIGITAL AND RESOURCES DIRECTORATE - 2017/2018 - VARIANCE ANALYSIS

SERVICE / ACTIVITY	Original Budget 2016/17	Inflation	One-off Items	Committed Growth	Savings	Impact of Capital Programme	Additional Income	Non Committed growth	Non-MTFP other changes	TOTAL BUDGET
	£		£	£	£	£	£		£	£
DIRECTOR FOR DIGITAL& RESOURCES										
Director Office	167,990	40	-	-	-	-	-	-	17,010	185,040
Head of Finance										
Head of Finance office	146,070	60	-	-	-	-	-	-	(10,630)	135,500
Management, Technical & Strategic Accounting	1,070,860	(203,540)	-	29,030	(75,000)	-	-	-	(546,810)	274,540
Exchequer and Fraud	513,350	140	-	121,580	(9,000)	-	-	-	61,110	687,180
Procurement	-	-	-	-	-	-	-	-	144,840	144,840
Internal Audit	480	10	-	-	-	-	-	-	-	490
Head of Legal Services										
Legal Services	839,990	(1,700)	-	-	-	-	-	-	(7,700)	830,590
Head of Digital and Design										
Head of Digital and Design	97,690	-	-	-	-	-	-	-	3,930	101,620
ICT, Systems Support and Development Team	1,949,250	15,710	-	83,800	-	-	-	-	73,220	2,121,980
Head of Human Resources										
Human Resources	357,800	720	-	3,190	-	-	-	-	61,590	423,300
Organisational Development	309,940	1,840	-	-	(1,750)	-	-	-	(82,320)	227,710
Head of Business & Technical Services										
Head of Business & Technical Services	93,710	-	-	-	-	-	-	-	6,250	99,960
Business Services	467,070	910	-	-	(11,910)	-	-	-	(84,650)	371,420
Engineers	660,170	(770)	-	-	-	-	-	-	68,360	727,760
Surveyors	916,100	290	-	-	-	-	-	-	34,970	951,360
Facilities - Admin Buildings	637,350	4,050	-	-	-	-	-	-	34,510	675,910
Centralised Costs	27,970	3,530	-	-	-	-	-	-	323,430	354,930
TOTAL COST	8,255,790	(178,710)	0	237,600	(97,660)	0	0	0	97,110	8,314,130

JOINT SUMMARY SERVICE BLOCK:
Economy Directorate

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR ECONOMY		
Director of Economy Office	177,940	182,910
Growth		
Head of Growth	106,180	107,890
Planning Policy	559,020	615,000
Estates	424,810	432,800
Development Control	1,330,350	1,343,550
	2,420,360	2,499,240
Place & Investment		
Head of Place & Investment	86,860	90,390
Economic Development	375,080	449,430
	461,940	539,820
Culture		
Head of Culture	95,030	99,250
Tourism	117,720	-
	212,750	99,250
TOTAL for ECONOMY	3,272,990	3,321,220
ALLOCATION OF COSTS		
Recharged to other joint services	13,620	14,140
Adur District Council	1,280,080	1,250,510
Worthing Borough Council	1,979,290	2,056,570
South Downs Leisure Trust		
	3,272,990	3,321,220

JOINT ECONOMY DIRECTORATE - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£		£	£	£	£	£	£	£	£
DIRECTOR OF ECONOMY											
Director of Economy Office	2	164,180	490	-	100	1,420	-	-	166,190	16,720	182,910
Growth											
Head of Growth	1	96,120	240	-	510	740	-	-	97,610	10,280	107,890
Planning Policy	10.42	554,680	2,660	-	4,590	82,740	-	(120,270)	524,400	90,600	615,000
Estates	6.5	366,710	1,700	-	3,550	2,810	-	-	374,770	58,030	432,800
Development Control	24.57	1,001,740	7,720	-	5,460	62,830	-	-	1,077,750	265,800	1,343,550
Place & Investment											
Head of Place & Investment	1	89,870	-	-	-	-	-	-	89,870	520	90,390
Economic Development	6.19	341,150	6,660	-	4,320	35,500	-	(11,400)	376,230	73,200	449,430
Culture											
Head of Culture	1	98,650	-	-	-	-	-	-	98,650	600	99,250
Tourism and Events	2.81	-	-	-	-	-	-	-	0	-	0
	55.49										
TOTAL COST		2,713,100	19,470	0	18,530	186,040	0	(131,670)	2,805,470	515,750	3,321,220
Percentage Direct Cost		92%	1%	0%	1%	6%	0%				

JOINT ECONOMY DIRECTORATE - 2017/2018 - VARIANCE ANALYSIS

SERVICE / ACTIVITY	Original Budget 2016/17	Inflation	One-off Items	Committed Growth	Savings	Impact of Capital Programme	Additional Income	Non Committed growth	Non-MTFP other changes	TOTAL BUDGET
	£		£	£	£	£	£		£	£
DIRECTOR OF ECONOMY										
Director of Economy Office	177,940	10	-	-	-	-	-	-	4,960	182,910
Growth										
Head of Growth	106,180	10	-	-	-	-	-	-	1,700	107,890
Planning Policy	559,020	870	-	35,000	-	-	-	-	20,110	615,000
Estates	424,810	180	-	-	(11,000)	-	-	-	18,810	432,800
Development Control	1,330,350	730	-	-	(94,000)	-	-	-	106,470	1,343,550
Place & Investment										
Head of Place & Investment	86,860	-	-	-	-	-	-	-	3,530	90,390
Economic Development	375,080	20	-	10,000	(48,000)	-	-	-	112,330	449,430
Culture										
Head of Culture	95,030	-	-	-	-	-	-	-	4,220	99,250
Tourism and Events	117,720	-	-	-	-	-	-	-	(117,720)	0
TOTAL COST	3,272,990	1,820	0	45,000	(153,000)	0	0	0	154,410	3,321,220



**ADUR DISTRICT COUNCIL BUDGET ESTIMATES 2017/18 AND SETTING OF
2017/18 COUNCIL TAX**

REPORT BY: DIRECTOR OF DIGITAL AND RESOURCES

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 2017/18 including any adjustments arising from settlement;
- An updated outline 5-year forecast; and
- The provisional level of Council Tax for 2017/18, prior to its submission to the Council for approval on the 23rd February 2017. This will be subject to any proposals to change the draft revenue budget following the consideration of the budget proposals by Executive.

1.2 These budgets reflect the decisions taken by Members to date in relation to agreed savings proposals and any committed growth. The report also updates members about the impact of the draft 2017/18 settlement.

1.3 The major points raised within the report include:

- A full update on the impact of settlement. The Council should prepare itself for a continuation of the reduction in Government resources for another 2-5 years (see section 3.2) ;
- The Executive will need to consider whether to increase Council Tax by maximum level possible of 2% or by a lower amount (paragraph 5.10).

1.4 The budget is analysed by Executive Member portfolio. In addition, the draft estimates for 2017/18 have been prepared, as always, in accordance with the requirements of the Service Reporting Code of Practice for Local Authorities (except in relation to pension costs adjustments that do not impact either on the Budget Requirement or the Council Tax Requirement).

1.0 SUMMARY

- 1.5 The Police and Crime Commissioner has consulted on an increase to the Council Tax for 2017/18 of £5.00 or 3.36%. The proposed 2017/18 budget was considered by the Sussex Police and Crime Panel (PCP) on 20th January 2017 and an increase of £5.00 was approved.
- 1.6 The Chancellor's Autumn Statement in November 2016 contained very little that impacted directly on Local Government.
- 1.7 The draft Local Government Settlement confirmed that a 3% Council Tax increase specifically to support adult social care services is permissible. This is over and above the existing "referendum limit" of 2% permitted for general Council Tax increases, thereby permitting a maximum Council Tax increase of 5% for Councils with social care responsibilities.
- 1.8 The precept for West Sussex County Council has not yet been finalised and will not be confirmed until 17th February 2017. The formal detailed resolution setting the overall Council Tax for next year will be presented direct to the Council Meeting on 23rd February 2017.
- 1.9 The following appendices have been attached to this report:
- (i) **Appendix 1** Revenue Budget Summary Statement 2016/17 – 2021/22
 - (ii) **Appendix 2** Schedule of Earmarked Reserves
 - (iii) **Appendix 3** Property Analysis & Calculation of Tax Base
 - (iv) **Appendix 4** Adur Budget 2017/18 – Summary of Executive Member Portfolios
 - (v) **Appendix 5** Glossary of technical terms used in Local Government Settlement

2.0 BACKGROUND

- 2.1 The Joint Strategic Committee considered the 'Outline 5-year forecast for 2017/18 to 2021/22 and the Budget Strategy' on 13th September 2016. This report outlined the Financial Context, the Key Budget Pressures, the Options for Addressing the Budget Gap and the Budget Strategy for Adur and Worthing Councils. The report built on the strategy first proposed last year whose strategic aim was to ensure that the Councils would become community funded by 2020 reliant, by then, only on income from trading and commercial activities, council tax income and business rate income.

2.0 BACKGROUND

2.2 With this strategy in mind, the Councils have set-up several strategic boards who are responsible for taking forward key initiatives aimed at delivering savings for the future:

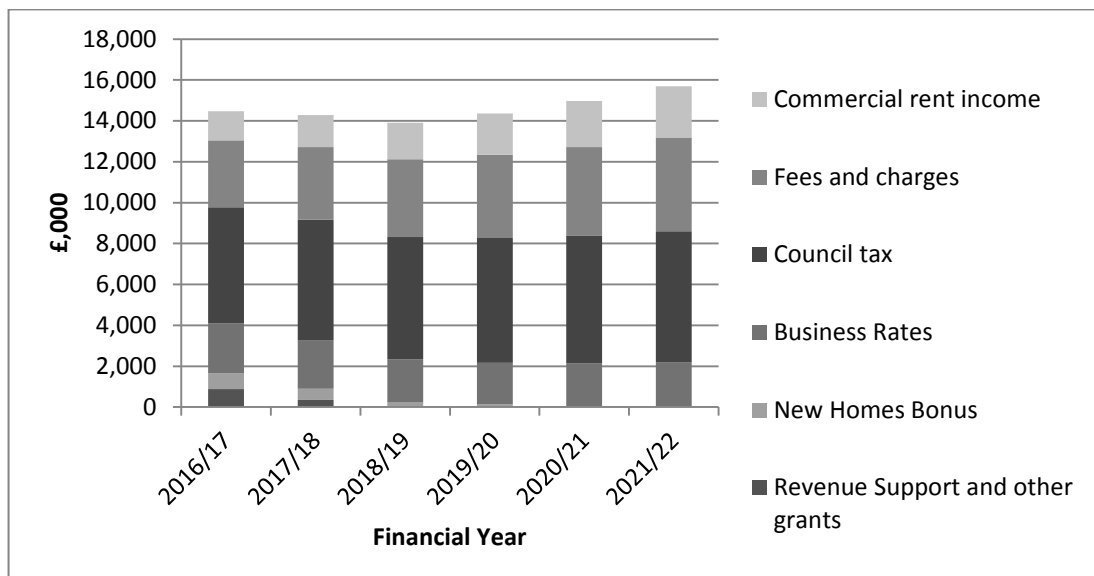
- **The Major Projects Board** will lead on delivering projects to increase employment space and additional housing;
- **The Digital Programme Board** will lead on the delivery of the Digital Strategy and ensure that the benefits are realised from this programme of work.
- **The Strategic Asset Management Board** will lead on delivering the income growth associated with the Strategic Property Fund; and
- **The Customer and Commercial Programme Board** will lead on the delivery of the income growth from commercial services and seek to improve the customer experience.

For 2017/18 the Digital Programme Board, the Customer and Commercial Board and the Strategic Asset Management Board were set explicit targets as part of the budget strategy.

2.3 The successful delivery of the strategy will fundamentally change how the Council is funded. The Council is moving increasingly away from government funding towards funding from the local community via Council Tax and Business Rates, and will become increasingly reliant on income from commercial activities. Overall the Council benefits on average from over £14m of income per year.

Total income	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue Support and other grants	887	344	0	0	0	0
Business Rates	2,436	2,386	2,108	2,019	2,110	2,175
New Homes Bonus	767	553	228	142	27	26
Council tax	5,690	5,883	5,981	6,115	6,252	6,393
Income from taxation	9,780	9,166	8,317	8,276	8,389	8,594
Fees and charges	3,265	3,553	3,804	4,060	4,321	4,587
Commercial rent income	1,431	1,560	1,791	2,027	2,268	2,513
Income from commercial activity	4,696	5,113	5,595	6,087	6,589	7,100
Total income excluding specific grants	14,476	14,279	13,912	14,363	14,978	15,694

2.0 BACKGROUND



2.4 The subsequent report to the Joint Strategic Committee, on 6th December 2016 updated Members as to the latest budgetary information and the forecast shortfall, before savings or growth, was revised as follows:

Adur District Council	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
Overall shortfall – September forecast	1,156	2,260	2,747	3,148	3,395
Overall shortfall – December forecast (including net approved growth)	1,177	2,313	2,800	3,200	3,446
Increase / (Decrease) in shortfall	21	53	53	52	51
Overall shortfall – December forecast	1,177	2,313	2,800	3,200	3,446
Savings identified in December 2016 report	-1,099	-1,299	-1,499	-1,699	-1,899
Revised budget shortfall/Surplus(-) as at December 2016	78	1,014	1,301	1,501	1,547

2.5 The 2017/18 savings proposals identified within the report amounted to £1,099,000.

2.0 BACKGROUND

2.6 Since the meeting on 6th December 2016, 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 Council for 2017/18 can be summarised as:

	£'000
Original shortfall as identified in September	1,156
Changes identified in December 2016:	
(a) Improvements to the income from Council Tax	-72
(b) Reduction in Government Grant for Council Tax Support Scheme administration (New Burdens Funding)	40
(d) Net committed growth items identified by budget holders	123
(e) Removal of contingency budget	-70
Budget shortfall as at 6th December 2016	1,177
Settlement	
Impact of provisional New Homes Bonus allocation	99
Adjustment to other government grants	-5
Adjustment for final items identified	
Changes to the capital programme	
- Impact of latest estimates of spend and slippage	-154
- Running costs of Fishersgate Community Centre	16
- Impact of 2017 rates revaluation of the rates payable by the Council (may change?)	10
- Adjustment to insurance budget following increase in Insurance Premium Tax which is increasing by 2%	6
- Removal of provision for new growth items	-60
Final adjustment to allocations between the two Councils	
Revised budget shortfall – carried forward	1,089
Less: Net savings agreed in December	-1,099
Adjustment to final savings arising from allocations	6
Budget surplus to be placed in reserves (before any further action is agreed)	-4

3.0 AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.1 Autumn Statement 2016

3.1.1 The Chancellor Philip Hammond delivered the 2016 Autumn Statement on the 23rd November 2016, which included a substantial re-assessment of Government finances since the previous Budget. The Chancellor announced that the public purse will be £122bn worse off in the period until 2021, with debt rising from 84.2% of GDP last year to 87.3% this year, and further increasing to 90.2% in 2017/18.

3.1.2 As a result, one of the most significant policy decisions has been that the Government will no longer seek to deliver a budget surplus by the end of this current Parliament, although there is an ambition that public finances should return to a balanced budget by ‘as early as possible’ in the next Parliament. This decision has allowed the Chancellor to respond, not with further fiscal tightening and departmental funding reductions, but by maintaining the current spending plans and using additional borrowing to fund infrastructure investment.

3.1.3 However there will be no easing of the financial pressure for public services including Local Government but that said Local Government were not worse off as a result of the Autumn Statement. The Government clearly intended to operate within the four-year guarantee announced in the 2016/17 settlement. Nevertheless, this does continue with the significant reduction in Local Government funding over the period 2016/17 – 2019/20 announced as part of the spending review.

Local Government – Departmental Expenditure Limit (DEL)					
Departmental Expenditure Limit	£Billion				
	2015/16	2016/17	2017/18	2018/19	2019/20
Funding for Local Government	11.5	9.6	7.4	6.1	5.4
Locally financed expenditure*	28.8	29.0	31.5	33.6	35.1
Total Local Government Spending	40.3	38.6	38.9	39.7	40.5
Annual percentage reduction in funding for Local Government		16.52%	22.92%	17.57%	11.48%
Overall reduction in funding for Local Government					53.04%

3.0 AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.1 Autumn Statement 2016

3.1.3 The Government will keep to the same broad priorities for the remainder of this Parliament in line with its previous spending decisions, including ring fencing funding for NHS, defence, and overseas aid; and the triple-lock guarantee of increases to pensions.

3.1.4 There was a welcome final announcement that the timetabling of the national budgets has been changed. The Chancellor announced the intention to have the Budget in the autumn and a Spring Statement. This switch will allow more time for scrutiny of funding decisions before they come into effect.

3.1.5 Contained within the Autumn Statement were a few announcements which have particular relevance to the Council:

- The Chancellor announced that there would be £1 billion to invest in full-fibre broadband and trialling 5G networks. This investment will support the private sector to roll out more full-fibre broadband by 2020-21. Funding will also support trials of 5G mobile communications.

And from April 2017, the government will also provide a new 100% business rates relief for new full-fibre infrastructure for a 5 year period.

This is very welcome particularly in light of the Gigabit Coast project which seeks to facilitate improved digital infrastructure throughout the County and for which Adur and Worthing Councils will act as the pilot project.

- Rural Rates Relief will increase to 100% which will be welcome news for small business. The Councils expect to be fully reimbursed for this change through additional government grant.
- The living wage is set to increase from £7.20 to £7.50 per hour which will be welcome news for the low paid.
- Insurance Premium Tax will increase from 10% to 12% from 1st June 2017. It is inevitable that the insurance companies will pass this cost onto the consumers.

3.2 2017/18 Local Government Finance Settlement

3.2.1 The Secretary of State for the Department for Communities and Local Government (DCLG) Sajid Javit delivered the provisional Local Government Finance Settlement on the 15th December 2016. Consultation on the provisional settlement closed on the 13th January 2017.

3.0 AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.2 2017/18 Local Government Finance Settlement

3.2.2 The key features of the 2017/18 provisional settlement were outlined in the speech as:

- *Four year offer*
- *Changes to New Homes Bonus*
- *Funding for Social Care*
- *Fair Funding review*

Taking each of these in turn:

3.2.3 Four Year Offer

In his speech, the Secretary of State confirmed the Government's commitment to the 2016/17 four year funding plan.

"This [local government finance settlement](#) honours our commitment to 4-year funding certainty for councils that are committed to reform. "

The Secretary of State for Communities and Local Government – Sajid Javit

97% of councils submitted a long term efficiency plan.

The Council has received confirmation that it's efficiency plan has been accepted by the government as so have certainty about the level of government funding from revenue support grant for the next three years.

Adur District Council	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Draft settlement	£'000 1,348	£'000 774	£'000 271	£'000 0	£'000 0	£'000 0
Decrease year on year (£)		574	503	271	0	0
Decrease year on year (%)		42.58%	64.99%	100.00%		

3.0 AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.2 2017/18 Local Government Finance Settlement

3.2.4 New Homes Bonus (NHB)

Following the consultation on New Homes Bonus earlier in the year, significant changes were announced to the scheme as part of settlement. As expected, legacy payments are being reduced from 6 years to 5 years in 2017/18 and then to 4 years in 2018/19. More unexpectedly, a national baseline for housing growth of 0.4% will be introduced; growth below this threshold will not qualify for grant. The implication of this change is that 102 Band D equivalent properties will need to be completed each year before any grant will be awarded.

The national savings in New Homes Bonus generated by the new baseline will be used to contribute towards the cost of social care. A new £240m adult social care support grant has been created in 2017/18 and is distributed according to relative need.

It is further proposed that from 2018/19 the Government will withhold payments from authorities not supporting housing growth whether through an absence of a local plan or by not granting planning permission (which is then granted on appeal). There will be a further consultation on this element of the new scheme in the Summer 2017.

The retention of the New Homes Bonus will benefit those Councils who have capacity to build a significant number of homes. Consequently, due to the limited number of new homes currently being planned in the Adur district there is a risk that the council will not benefit from additional income in 2017/18 due to the effect of new national housing baseline.

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Original assumption	652	590	437	193	86	0
Draft settlement						
Historic allocations	767	552	201	115		
2017/18 allocation		1	1	1	1	
Potential future allocations			26	26	26	26
Total New Homes Bonus	767	553	228	142	27	26
Increase / decrease (-) in grant from previous assumptions	115	-37	-209	-51	-59	26

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.2 2017/18 Local Government Finance Settlement

3.2.4 New Homes Bonus (NHB)

The New Homes Bonus has been an important source of funding. The provisional 2017/18 allocation for this council is £553,293. It should be noted that the future allocations are indicative at this stage as the final details of the new scheme are dependent not only on the level of house building but on the outcome of the consultation planned for next Summer.

3.2.5 Funding for Social Care

There will be an increase in the allowable addition to the social care precept. This will increase from the current 2% to the new threshold of 3% in 2017-18 and 2018-19 which the Government estimates will yield £208m and £444m respectively.

This is a welcome change for those with social care responsibility but will only go part of the way to meeting the costs.

In effect, this will increase the maximum potential addition to the County Council share of the bill to 5% in each year.

3.2.6 Fair funding review

The Government is undertaking a Fair Funding Review, to thoroughly consider how to introduce a more up-to-date, more transparent and fairer needs assessment formula.

The review is looking at all the services provided by local government and will determine the starting point for local authorities under the new business rate retention scheme due to be introduced across the Country by 2019/20. Consequently this review will not only influence the level of Revenue Support Grant received by each Council but all the amount of business rates each Council will be able to retain.

3.2.7 Summary of 2017/18 Local Government Settlement

In overall terms, the 2017/18 settlement revealed that District and Borough Councils were the most heavily affected class of authority by an overall cut in government funding of 15.35%. For districts, this is even slightly less than last year's drop of 16.96%.

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.2 2017/18 Local Government Finance Settlement

3.2.7 Summary of 2017/18 Local Government Settlement

YEAR-ON-YEAR CHANGE FOR THE 2017/18 SETTLEMENT			
Class of Local Authority	2016-17 Adjusted settlement Funding Assessment	2017-18 Settlement Funding Assessment	Overall Reduction in funding
	£million	£million	%
England	18,601.46	16,630.16	-10.60%
London Area	4,555.10	4,235.48	-7.02%
Metropolitan Areas	4,999.32	4,553.31	-8.92%
Shire Areas	9,043.75	7,838.08	-13.33%
Isles of Scilly	3.29	3.29	0.00%
London Area			
London Boroughs	3,398.55	3,078.33	-9.42%
GLA	1,156.55	1,157.15	0.05%
Metropolitan Areas			
Metropolitan Districts	4,751.57	4,323.36	-9.01%
Metropolitan Fire Authorities	247.75	229.95	-7.18%
Shire Areas			
Shire unitaries with fire	321.61	283.17	-11.95%
Shire unitaries without fire	3,459.30	3,066.75	-11.35%
Shire counties with fire	1,677.09	1,426.86	-14.92%
Shire counties without fire	2,408.24	2,043.98	-15.13%
Shire districts	789.80	668.57	-15.35%
Combined fire authorities	387.71	348.75	-10.05%

3.2.8 Members should be aware that the settlement figures quoted above are provisional only. The consultation period ended on Friday 13th January 2017 with final settlement expected by the first week in February.

3.2.9 In previous years, there were few significant changes at this late stage. If there are any significant changes arising from the final information members will be briefed before Council.

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.3 Other matters related to settlement

3.3.1 Council Tax Referendum

In parallel to the settlement, the proposed referendum criteria were published. Shire districts can increase council tax by 2% or £5.00 on Band D equivalent property whichever is higher. The proposed 2017/18 budget assumes an increase of 1.98%, which is equivalent to £5.49.

The options for the Council Tax increase are discussed in detail later in the report.

3.3.2 Business Rate Retention Scheme

The business rate retention scheme has now been in place for several years. 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 fall in income below the baseline funding level of £123,770.
- 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.

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

* Any levy is now retained by the business rate pool rather than paid over to the Treasury.

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.3 Other matters related to settlement

3.3.3 The forecast for 2017/18 is currently being finalised. The 2017/18 NNDR return which underpins this forecast is due to be submitted by the 31st January 2017 and any substantial changes resulting from the final assessment of the business rate income will be reported verbally to members at the meeting.

3.3.4 Looking further ahead, the generation of additional business rates is one of the solutions to the Council's on-going financial pressures especially in light of the Government's commitment to return all of business rates to Local Government. Members will be aware that there are several schemes progressing within the Council which will create employment space. Examples include: the Parcellforce and Monks Farm sites.

3.3.5 The Council is now participating in a County based business rates pool. The business rates pool has been approved by DCLG. Participating in the pool will enable the participating Councils to retain any 'levy' paid which will be set aside to fund economic regeneration initiatives within the County area. The equates to an estimated additional business rate income of over £2m retained locally each year to benefit the residents of West Sussex.

3.3.6 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. There is no time limit on when an appeal might be lodged. This is particularly pertinent in a valuation year.
- There is a specific risk associated with schools becoming academies. If a school assumes academy status then it will become eligible for mandatory rate relief which will reduce the Council's business rate income. The risk in the Adur district is mainly related to the primary schools as the majority of secondary schools are already eligible for relief due to their academy or faith status.
- Major redevelopments will temporarily reduce business rate income whilst the site is being redeveloped.

3.3.7 Consequently there could be significant swings in the amount of business rate income in any one year particularly following a rating revaluation. However, any shortfall in income will be recovered in the following financial year. The Council will fully provide for any known backdated business rates appeals at the 2016/17 year end.

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.4 Long term implications of current government policy

3.4.1 The financing of local government continues to change. We are moving from a grant based on need (Revenue Support Grant) to funding based on performance in the delivery of homes (New Homes Bonus and additional Council Tax) and the creation of employment space (Business Rate Retention Scheme).

Consequently, the income from Council Tax forms an increasingly significant proportion of the Council's overall taxation income over the next 5 years and so the decision regarding the annual increase has a greater strategic importance.

Breakdown of taxation income to the Council:

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax *	5,690	5,883	5,981	6,115	6,252	6,393
Business Rates *	2,436	2,386	2,108	2,019	2,110	2,175
Revenue Support and other grants **	887	380	32	29	26	24
New Homes Bonus	767	553	228	142	27	26
	9,780	9,202	8,349	8,305	8,415	8,618

* Includes any surplus or deficit on the collection fund

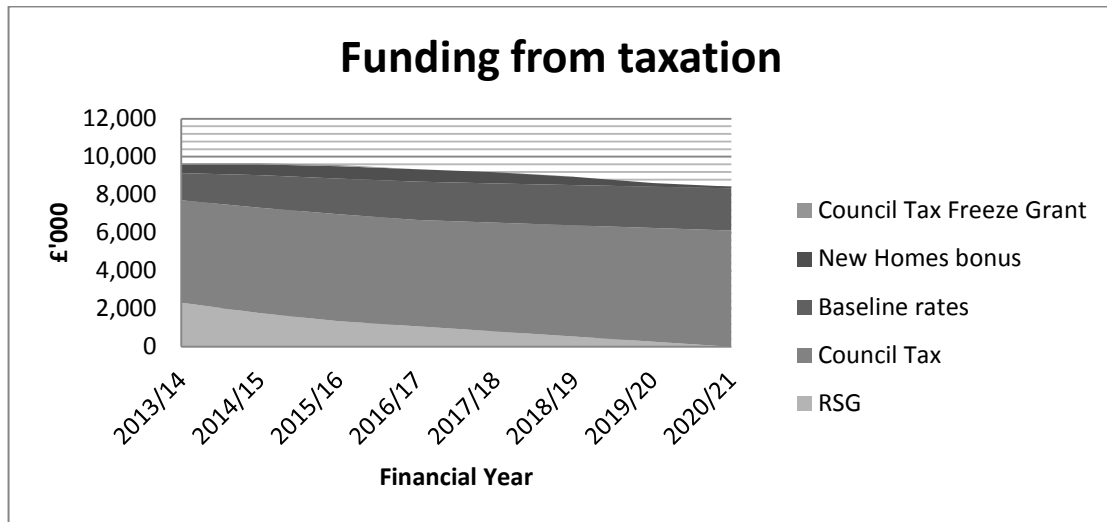
** Includes the Transition Grant and other minor grants

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Council Tax *	58.18%	63.93%	71.63%	73.63%	74.30%	74.18%
Business Rates *	24.91%	25.93%	25.25%	24.31%	25.07%	25.24%
Revenue Support and other grants **	9.07%	4.13%	0.39%	0.35%	0.31%	0.28%
New Homes Bonus	7.84%	6.01%	2.73%	1.71%	0.32%	0.30%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.4 Long term implications of current government policy

Breakdown of taxation income to the Council:



4.0 2016/17 BUDGET – CURRENT POSITION

4.1 The revenue monitoring report to the Joint Strategic Committee on 8th November 2016 projected an overspend for the year of £32,000.

	Forecast Over/(Under) spend
	£'000
Homelessness	
Increasing caseloads	126
Treasury Management	
Impact of new MRP policy, the final 2015/16 capital programme and changes in interest rates	(236)
Car Parking	
Underachievement of income against budget Off Street	100
Underachievement of income against budget On Street	35
Net other variations	7
Forecast Overspend as at 8th November 2016	32

4.0 2016/17 BUDGET – CURRENT POSITION

- 4.2 As at the end of the 2nd quarter, Adur District Council is likely to overspend. The on-going trends identified as part of the monitoring during 2016/17 have been incorporated into the 2017/18 budgets.
- 4.3 On past evidence, spending patterns between the 2nd quarter budget monitoring and the end of the financial year have shown that it is likely that the position may improve as the year progresses. The final outturn for 2017/18 will be reported when the outturn report comes before the Joint Strategic Committee in July 2017. Any overspends will have to be funded from the Council's reserves. Any final recommendations must be deferred until the outturn results are known.

5.0 DRAFT REVENUE ESTIMATES 2017/18

- 5.1 Detailed budgetary work is now complete and the estimate of the budget requirement (net of any proposed transfers to reserves) is £9,165,860. This includes the savings and committed growth proposals agreed at Joint Strategic Committee in December.
- 5.2 The final budget will be dependent on Members consideration of any 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 £9.2m 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 2016/17 to 2017/18 are at Appendix 1. A breakdown of each Executive Member's summary budget is attached in Appendix 4. The changes can be summarised briefly as follows:

	£'000	£'000
2016/17 Original Estimate		9,780
Add: General Pay and Price Increases		117
Add: Committed and Unavoidable Growth:		
Increased Expenditure as per 3 year forecast (net of any proposed use of reserves)	397	
Reduced Income as per 3 year forecast	76	
<i>Continued on next page</i>		473

5.0 DRAFT REVENUE ESTIMATES 2017/18

	£'000	£'000
Total b/forward from previous page		10,370
Less: Compensatory savings/Additional Income:		
Compensatory savings	-42	
Impact of Capital Investment Programme	-73	-115
2017/18 budget prior to agreed savings		10,255
Less: Savings agreed by members		
Approved in December		-1,099
Final adjustment to saving		6
Executive Member requirements		9,162
Potential contribution to reserves*		4
Potential budget requirement before external support		9,166
Collection fund surplus		-34
2017/18 BUDGET REQUIREMENT		9,132
*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. The allocation of the costs of joint services under the remit of the JSC has been the subject of an annual review this year.

5.6 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 Emma Thomas (Chief Accountant) or Sarah Gobey (Chief Financial Officer).

5.7 The current net estimated 2017/18 spend is less than previously predicted and is mainly due to the following factors:

	£'000
Reduction in New Homes Bonus	99
Impact of latest estimates of capital spend and slippage	-154
Removal of provision for new growth items	-60

5.0 DRAFT REVENUE ESTIMATES 2017/18

5.8 In addition to the above, the projected surplus on the Collection Fund is now estimated to be £198,120, of which £34,100 is the District Council share. This is a minor surplus in light of the overall income due which exceeds £34.2m, and is due to a slight improvement in the level of income to the collection fund.

5.9 Members are now faced with the question:

- What level of Council Tax to set?

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

5.10 The Council Tax increase:

5.10.1 The budget forecast currently assumes that Council Tax will increase by just under 2.0% in 2017/18.

5.10.2 The consultation undertaken last year revealed that:

Responses to potential Council Tax increases	%
A small increase which will help the Councils to protect priority services	63.2
To continue to freeze Council Tax and potentially reduce services	36.3
Not answered	0.5
	100.0

The consultation responses are similar to previous years which also indicated public support for a small increase.

5.10.3 A 1.98% increase in the level of Council Tax would be a modest increase in the District council share of the bill for 2017/18 as follows:

Adur District Council	£
Average Band D Council Tax in 2016/17	276.93
Annual impact of 1.98% increase	5.49
Amount per week	0.11

5.10.4 Members should also be aware that the Police and Crime Commissioner has been consulting on a £5.00 (3.36%) increase for their share of the overall bill. There are indications that the County Council will set a 3.95% increase, just under their permitted 4%. Consequently, the total overall increase in the Council Tax bill for an average band D property would be just under 4%:

5.0 DRAFT REVENUE ESTIMATES 2017/18

5.10 The Council Tax increase:

	2016/17	2017/18 (Indicative)	%
	£	£	
Adur District Council	276.93	282.42	1.98%
West Sussex District Council	1,207.89	1,255.60	3.95%
Sussex Police and Crime Commissioner	148.91	153.91	3.36%
	1,633.73	1,691.93	3.56%

5.10.5 There are long term consequences in setting a Council Tax increase significantly lower than the maximum permitted. This is particularly significant at the moment given the scale of the withdrawal of government funding the Council will contend with over the next 5 years. The financial impact of freezing Council Tax rather than increasing by 2% is detailed below.

Adur District Council	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
Council Tax income if Council Tax is increased by just under 2.0% every year	5,849	5,981	6,115	6,252	6,393
Council Tax income if Council Tax is frozen every year	5,734	5,748	5,762	5,776	5,790
Fall in income per annum if Council Tax is frozen	115	233	353	476	603
Current budget shortfall based on 2% council tax increase	1,093	2,469	3,083	3,696	3,769
Revised budget shortfall if Council Tax is frozen	1,208	2,702	3,436	4,172	4,372

5.10.6 Members are asked to consider which level of Council Tax increase that they support. An increase of just under 2% would enable the Council to set a balanced budget.

5.10.7 Each 1% increase in Council Tax is worth £57,000 and increasing Council Tax by just under 2.0% will protect the longer term financial interests of the Council during a particularly challenging time.

5.11 Summary of budget position

Depending on the choices made regarding the Council Tax increase the overall budget position will be:

5.0 DRAFT REVENUE ESTIMATES 2017/18

5.11 Summary of budget position

Net budget requirement	£'000	£'000
		9,162
Less: Government grant (including transition grant)	344	
Baseline Funding	1,650	
Share of additional Business Rate income	736	
Council Tax (1.98% increase)	5,849	
New Homes Bonus	553	
Collection Fund surplus	34	-9,166
Balanced Budget based on 1.98% Council Tax increase		-4
		-4
Maximum contribution to reserves		4
		-

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 in Appendix 1 (which includes an assumed 1.98% tax increase for 2017/18 which is to be considered as part of this report). The 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)				
	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
Cumulative budget shortfall	1,089	2,461	3,072	3,682	3,753
Less:					
Net savings agreed in December	-1,093	-1,293	-1,493	-1,693	-1,893
Potential contribution to reserves to be agreed	4	-	-	-	-
Adjusted cumulative budget shortfall	-	1,168	1,579	1,989	1,860
Savings required each year	-	1,168	411	410	-129

6.0 IMPACT ON FUTURE YEARS

6.2 The continuation of the withdrawal of government fund 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 three benefits which flow from an improving economy and 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;

6.3 However, these measures are unlikely to be enough. The Council will also need to deliver on the strategy to generate £180k more commercial income per year and invest in property. Alongside this, there will need to be a continuing emphasis on efficiency in the annual savings exercise; whether this is through the digital strategy or by improving customer service. Overall, if the Council delivers upon the current budget strategy then the level of new initiatives required each year to balance the budget will reduce as follows:

	Expected shortfall (Cumulative)			
	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000
Cumulative budget shortfall	1,168	1,579	1,989	1,860
Future savings from budget strategy:				
Customer and Commercial Board	-180	-360	-540	-720
Digital Programme Board	-80	-160	-240	-320
New savings initiatives to be identified	908	1,059	1,209	820
New initiatives required each year	908	151	150	-389

2018/19 remains a particularly challenging year.

7.0 RESERVES

7.1 Sections 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 best practice as advised by the Chartered Institute of Public Finance and Accountancy (CIPFA) in LAAP 99 'Local Authority Reserves and Balances'.

7.0 RESERVES

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. unexpected increases in the demand for services); 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 2016 was £407,000 which was 4.2% of net 2016/17 revenue expenditure. This is below the lower level set out in the policy and was the result of spend arising from unforeseen circumstances. In future, any underspends will provide the opportunity to put money back into reserves. There are no plans to draw down from the working balance.

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

		£'000	%
31.03.2017	Balance carried forward – per Final Accounts	407	4.4
31.03.2018	No planned drawdown or contribution expected	407	4.9
31.03.2019	No planned drawdown or contribution expected	407	4.9
31.03.2020	No planned drawdown or contribution expected	407	4.8

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 each year.

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 0.25% would cost the Council in a region of £60,210 in 2017/18.
2. A pay award of 1% more than currently allowed for within the budget would cost the General Fund approximately £91,800.
3. Further adverse falls in income from such sources as development control income, car parks and land.
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 2017/18 of £552,120 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 £920,200 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 as the opportunity arises funds should be put into the reserve to bring the forecast level back within these parameters.

- 7.5 The estimated balance of general fund earmarked reserves as at 31st March, 2018 is £946,000, although this reduces to £473,000 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 2. The significant risks to the overall budget and the Council's reserves are detailed below.
- 7.6 With a lower level of reserves, it is now critical that these reserves be used only as a funding resource of last resort until such time as the reserve level has recovered to some extent. The Council has over the past year minimised new calls on such resources.
- 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 provided that they are used sparingly. However the size and nature of the risks to the overall budget leaves the Council with no 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:

7.0 RESERVES

- 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) **Housing Services** – The Council has experienced a significant increase in demand for emergency and temporary accommodation over the past year. Whilst substantial growth has been built into the budget, the degree to which this will be adequate depends on two factors:

1. The extent to which caseload continues to grow
2. The supply of cost effective accommodation

Whilst the Council is now sourcing more cost effective accommodation for our clients, there remains a risk that demand for such accommodation will outstrip our ability to find additional cost effective units.

In addition, there will be a change to the funding regime. Currently, an additional £60.00 per week per family can be claimed from housing benefit towards the cost of accommodating clients in bed and breakfast. From 1st April, this funding is to be replaced with a grant and it is not known how the grant will be assessed.

(ii) **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 2017/18, income may fall further than expected or new targets for commercial income may not be met.

(iii) **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.

8.0 SIGNIFICANT RISKS

- (iv) **Inflation** - A provision for 1% inflation has been built into non-pay budgets. Pay budgets have a 1% inflationary increase allowed for. Whilst the Bank of England inflation forecasts expect that inflation will gradually return to 2% in 2017/18, 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	92
Non-pay	32

- 8.2 To help manage these risks, the council has a working balance of £407,000 and other earmarked reserves are also available to the Council to help mitigate these risks.

9.0 CONSULTATION

- 9.1 The Council ran a consultation exercise last year which support the Council's five year budget strategy. In light of this, no consultation exercise was undertaken this year.

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.
- 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 2017/18. The Council has a fully funded capital programme and the associated revenue costs are built into the budget for 2017/18 and future years.
- 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. These will be considered in detail in the report entitled 'Joint Treasury Management Strategy Statement and Annual Investment Strategy 2017/18 to 2019/20 for Adur District Council and Worthing Borough Council', which is to be discussed at the Joint Strategic Committee on the 2nd February 2017.

11.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

11.1 Section 25 of the Local Government Act 2003 requires an authority's Chief Financial Officer 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:

- (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 2017/18.

11.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

11.4 The Chief Financial 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 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 Executive has reached a decision on the Total Budget Requirement it wishes to recommend to the Council for the 2017/18 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.

12.3 Adur District Council:

(a) The following table shows the net sum to be raised from local Council Taxpayers in 2017/18 prior to the consideration of the budget proposals. This is based on 1.98% Council Tax increase:

Net 2017/18 Budget *	£	£
		9,165,860
Less:		
Aggregate External Finance:		
Revenue Support Grant	-271,200	
Baseline Funding	-1,650,290	
Additional Retained Business Rate income	-736,110	
New Homes Bonus	-553,290	
Contribution from the Collection Fund surplus (as per para. 5.8)	-34,100	
Transition Grant	-72,710	
		-3,317,700
Balance to be raised from Council Tax		5,848,160

* 2017/18 budget requirement after any contribution to or from reserves required to balance the budget.

12.0 COUNCIL TAX SETTING

12.3 Adur District Council:

Within section 5 of the report, members are given the options for the Council Tax and approving the non-committed growth item. Any reduction in income resulting from a lower Council Tax increase would be funded from the reserves.

(b) Council Tax Base

The Council's Tax base for 2017/18 is 20,707.30 Band D equivalent properties. There is an increase to the current year base of 20,520.6 which is due to an increasing number of homes and the falling cost of Council Tax benefits. The full calculation of the tax base is shown in Appendix 3.

	2016/17 Tax Base	2017/18 Tax Base
Lancing	6,096.50	6,129.00
Sompting	2,719.40	2,742.20
Unparished	11,704.70	11,836.10
TOTAL	20,520.60	20,707.30

(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 2017/18 expenditure of £265,800 (£257,210 in 2016/17) falls under the resolution and will need to be financed by a Band D Council Tax of £18.18, to be charged in all areas of the District except Lancing, which is the same as the previous year's.

(d) Adur District Council Band D Council Tax

Members are now asked to consider which level of Council Tax to set for 2017/18. An average Council Tax increase of 1.98% will ensure that the Council has a balanced budget.

12.0 COUNCIL TAX SETTING

12.3 Adur District Council:

(d) Adur District Council Band D Council Tax

Area	2016/17	2017/18 (Average 1% increase)	2017/18 (Average 1.98% increase)
	£	£	£
Lancing	264.33	266.97	269.55
Percentage increase		1%	1.97%
Annual increase (Band D)		2.64	5.22
Weekly increase (Band D)		0.05	0.10
Shoreham, Southwick, Sompting and Coombes			
Basic Council Tax	264.33	266.97	269.55
Special Expenses	17.82	18.18	18.18
TOTAL in Shoreham, Southwick, Sompting and Coombes	282.15	285.15	287.73
Percentage increase		1.1%	1.98%
Annual increase (Band D)		3.00	5.58
Weekly increase (Band D)		0.06	0.11

12.4 West Sussex County Council and Sussex Police and Crime Commissioner

- (a) The County Council requirements are expected to be confirmed on 19th February, 2016. The Police and Crime Commissioner's proposed increase of around 3.36% is due to be considered by the Police and Crime Panel on 20th January. The latest date that any increase by the Police and Crime Commission will be confirmed is the 20th February 2017.

	2016/17 £	2017/18 £
West Sussex County Council	1,207.89	t.b.c.
Sussex Police and Crime Commissioner	148.91	153.91
TOTAL	1,356.80	t.b.c.

12.0 COUNCIL TAX SETTING

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 District Council at its meeting on 21st February 2017.

13.0 CONCLUSION

- 13.1 This has been a very difficult settlement. The Council has seen the withdrawal of a significant amount of Revenue Support Grant. However, to meet this challenge the Council has identified just under £1.1m of savings and is now in the position to set a balanced budget.
- 13.2 Looking further ahead, 2018/19 will be even more difficult as the Council expects another significant reduction in grant and has only limited opportunities to lever in New Homes Bonus. Consequently, the strategy of delivering commercial income growth and business efficiencies through the digital agenda assumes a greater importance.
- 13.3 However, provided we meet this challenge, the Council will become increasingly financially resilient over the next 5 years as Revenue Support Grant disappears and we become largely funded by our community through Council Tax and Business Rates and income from our commercial services.
- 13.4 The aims of 'Platforms for our Places' are critical to our success. Developing the local economy to increase employment space and local jobs together with the provision of new homes is one of the strategic measures that the Council can take to protect its longer term financial interests, however there will be inevitably be some difficult days ahead as the Council seeks to address the remaining budget shortfall.
- 13.5 There will need to be a sharp focus on financial health over the next couple of years whilst we balance the budget and rebuild the reserves. However, we must not forget that the Council has a good track record in dealing with such challenges
- 13.6 Finally, in preparing the strategy and forecast for 2017/18 an assessment was carried out of the significant risks and opportunities 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.

14.0 RECOMMENDATIONS

14.1 The Executive is recommended to:

- (a) Agree to recommend to Council the draft budgets for 2017/18 at Appendix 5 as submitted in Executive Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £9,165,860 subject to any amendments above; and
- (b) Consider which band D Council Tax to recommend to Council for Adur District Council's requirements in 2017/18 as set out in paragraph 12.3.
- (c) Agree to recommend to Council the special expenses of £18.18 per band D equivalent charged in all areas of the District except Lancing;

Local Government Act 1972

Background Papers :

Report to the Joint Strategic Committee September 2016 Outline forecast 2017/18 to 2021/22 and Budget Strategy

Report to the Joint Strategic Committee 6th December 2016 Updated Outline 5 year forecast and savings proposals.

Local Authority Finance (England) Settlement Revenue Support Grant for 017/18 and Related Matters: DCLG Letters and associated papers of 15th December 2016.

Autumn Statement 2016. 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 2015/16

Report to Joint Strategic Committee 6th December 2015 – 2nd Revenue Budget Monitoring 2015/16

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ADUR:
Revenue Budget Report

ADUR DISTRICT COUNCIL - APPENDIX 1
Revenue Budget Summary Statement 2016/17 - 2021/22

	2016/17 Base	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation						
Base budget	9,780	9,780	9,780	9,780	9,780	9,780
Annual Inflation						
Estimated inflation		195	522	858	1,198	1,555
Less : Over provision for pay award in previous year		(78)	(78)	(78)	(78)	(78)
One -off / non-recurring items						
Local Elections (held every other year)		(42)	-	(44)	-	(46)
Committed Growth						
Impact of Pension contribution increase		62	126	195	199	203
Loss of Housing Benefit Administration Grant		40	80	120	160	200
Increasing demand for emergency accomodation		100	100	100	100	100
Impact of reprocurment of building maintenance contracts for corporate buildings		4	4	4	4	4
Reprocurment of IT systems		16	16	16	16	16
Temporary closure of Riverside Car Park		20	20	-	-	-
New 2020 recycling targets		-	-	200	400	400
Impact of 2% additional Insurance Premium Tax		6	6	6	6	6
Running costs of Fishersgate Community Centre		16	16	16	16	16
Impact of 2017 rate revaluation		10	10	10	10	10
Growth items identified by Heads of Service approved in December		123	123	123	123	123
Impact of capital programme						
Financing costs		81	14	3	95	150
Impact of final adjustments to capital programme		-	3	3	3	3
Impact of latest estimates of spend and slippage		(154)	(40)	(41)	23	(51)
Treasury management income						
Investment income adjustment		76	76	77	16	(45)
Approved Growth items						
Provision for new growth items						
Total Cabinet Member Requirements	9,780	10,255	10,778	11,348	12,071	12,346
Total Cabinet Member Requirements B/fwd	9,780	10,255	10,778	11,348	12,071	12,346
Baseline funding	1,617	1,650	1,700	1,776	1,812	1,848
Less: Safety net pay't / business rate shortfall	-	-	-	-	-	-
Add: Retained additional business rates	438	405	408	243	298	327
Add: Share of previous year's surplus	381	331	-	-	-	-
Adusted Baseline funding	2,436	2,386	2,108	2,019	2,110	2,175
Revenue Support Grant	774	271	-	-	-	-
Council Tax						
Adjusted Council Tax income	5,683	5,849	5,981	6,115	6,252	6,393

ADUR:
Revenue Budget Report

ADUR DISTRICT COUNCIL - APPENDIX 1
Revenue Budget Summary Statement 2016/17 - 2021/22

	2016/17 Base	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation						
Other grants						
Transitional Grant	73	73	-	-	-	-
Council Tax Reduction Scheme Grant	40	-	-	-	-	-
New homes bonus (2011/12 - 2016/17)	62	-	-	-	-	-
New homes bonus (2012/13 - 2017/18)	153	-	-	-	-	-
New homes bonus (2013/14 - 2018/19)	244	244	-	-	-	-
New homes bonus (2014/15 - 2019/20)	107	107	-	-	-	-
New homes bonus (2015/16 - 2020/21)	86	86	86	-	-	-
New homes bonus (2016/17 -2019/20)	115	115	115	115	-	-
New homes bonus (2017/18 - 2020/21)	-	1	1	1	1	-
New homes bonus (2018/19- 2021/22)	-	-	26	26	26	26
New homes bonus (2019/20 - 2022/23)	-	-	-	-	-	-
New homes bonus (2020/21 - 2023/24)	-	-	-	-	-	-
Total NHB	767	553	228	142	27	26
Collection fund surplus/deficit (-)	7	34	-	-	-	-
Total other grants and contributions	887	660	228	142	27	26
Total Income from Grants and Taxation	9,780	9,166	8,317	8,276	8,389	8,593
(Surplus) / Shortfall in Resources	-	1,089	2,461	3,072	3,682	3,753
Contribution to (-) / Use of Reserves to Balance Budget						
Capacity issues reserve	-	-	-	-	-	-
Total Income from Reserves	-	-	-	-	-	-
AMOUNT REQUIRED TO BALANCE BUDGET	-	1,089	2,461	3,072	3,682	3,753
Savings identified to date:						
Strategic Property Investment Fund						
Future property purchases		100	300	500	700	900
Commercial activities and commissioning						
Commercial and Property Board		223	223	223	223	223
Efficiency Measures						
Digital strategy		73	89	89	89	89
Restructures and service plan savings approved in December 2016						
		697	681	681	681	681
Total future initiatives identified		1,093	1,293	1,493	1,693	1,893
Cumulative savings still to be found/ (surplus)		(4)	1,168	1,579	1,989	1,860
Annual savings still to be found		(4)	1,172	411	410	(129)
Council Tax increase		2.00%	2.00%	2.00%	2.00%	2.00%
Average annual increase (Band C property)		£4.92	£5.02	£5.12	£5.22	£5.32
Average weekly increase (Band C property)		£0.09	£0.10	£0.10	£0.10	£0.10

**ADUR:
Revenue Budget Report**
ESTIMATED RESERVES
APPENDIX 2
SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.16	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.17	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.18
	£'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.	122	15	(58)	79	-	-	79
2. INSURANCE FUND Purpose: To offset the costs of insurance excesses and fund insurance risk management initiatives.	182	30	(15) *see below	197	30	(20)	207
3. INVESTMENT PROPERTY MAINTENANCE FUND Purpose: To offset future maintenance costs of investment properties.	41	-	(3)	38	-	-	38

* To be confirmed at year end.

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

ESTIMATED RESERVES

APPENDIX 2

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.16	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.17	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.18
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
4. NEW TECHNOLOGY FUND Purpose: To fund additional IT equipment.	22	-	-	22	-	-	22
5. HEALTH AND SAFETY FUND Purpose: To offset unexpected costs arising from health and safety issues.	33	-	-	33	-	-	33
6. LOCAL PLAN RESERVE To fund consultation and preparation of Adur Local Plan	44	-	-	44	-	(44)	-
7. SPECIAL & OTHER EMERGENCY RESERVE	86	-	-	86	-	-	86
8. ELECTION RESERVE	8	-	-	8	-	-	8
C – Withdrawal to support the Capital Programme, R – Withdrawal to support the Revenue Budget							

ADUR:
Revenue Budget Report

ESTIMATED RESERVES

APPENDIX 2

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.16	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.17	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.18
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
9. GRANTS & CONTRIBUTIONS HELD IN RESERVES *	473	-	-	473	-	-	473
10. RESIDUAL PROJECTED UNDERSPEND Reserves to be identified at outturn.	-	-	-	-	-	-	-
		*see below					
11. GENERAL FUND WORKING BALANCE	408	-	-	408	-	-	408
TOTAL	1,419	45	(76)	1,388	30	(64)	1,354

*contributions to be confirmed at year end

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

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	0.0	2,731.0	4,996.0	11,319.0	6,114.0	1,928.0	733.0	302.0	10.0	28,133.0
Less: Exemptions	0.0	-64.0	-53.0	-91.0	-64.0	-17.0	-8.0	-3.0	0.0	-300.0
	0.0	2,667.0	4,943.0	11,228.0	6,050.0	1,911.0	725.0	299.0	10.0	27,833.0
Disabled Relief Adjustment (net)	8.0	7.0	27.0	2.0	-27.0	-8.0	-2.0	-2.0	-5.0	0.0
Chargeable Dwellings	8.0	2,674.0	4,970.0	11,230.0	6,023.0	1,903.0	723.0	297.0	5.0	27,833.0
Broken down as follows:										
Full Charge	2.0	915.0	2,711.0	7,738.0	4,438.0	1,520.0	596.0	255.0	2.0	18,177.0
25% Discount (including adj for SP Dis)	6.0	1,752.0	2,244.0	3,471.0	1,573.0	378.0	120.0	35.0	1.0	9,580.0
50% Discount	0.0	18.0	32.0	67.0	42.0	17.0	13.0	9.0	1.0	199.0
0% Discount (Long Term Empty Homes)	0.0	43.0	54.0	97.0	45.0	12.0	11.0	1.0	2.0	265.0
Total Equivalent Number of Dwellings	6.5	2,234.0	4,397.0	10,355.3	5,622.3	1,806.0	688.5	284.8	4.8	25,399.0
Reduction in tax base due to Council Tax Support	3.4	724.5	991.7	1,177.6	286.6	47.9	5.8	1.5	0.0	3,238.9
Adjusted equivalent total dwellings	3.1	1,509.5	3,405.3	9,177.6	5,335.7	1,758.1	682.7	283.3	4.8	22,160.1
Band D Equivalents										
Revenue Support Settlement	1.7	995.0	2,632.8	8,137.0	5,330.0	2,147.6	986.0	472.2	9.5	20,711.8
Add: Forecast new homes	0.0	2.0	6.1	16.9	12.8	5.7	2.7	1.3	0.0	47.5
Less: Adjustments for Losses on Collection, and Void Properties	0.0	0.0	0.0	0.0	52.0	0.0	0.0	0.0	0.0	52.0
COUNCIL TAX BASE	1.7	997.0	2,638.9	8,153.9	5,290.8	2,153.3	988.7	473.5	9.5	20,707.3

DECISION:

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

DECISION THE EXECUTIVE:

- (i) Agree to recommend to Council the draft budgets for 2017/18 at Appendix 5 as submitted in Executive Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £9,165,860; 3 ADC Executive - 7 February 2017
- (ii) Agreed to recommend to Council an increase of 1.98% making Band D for Adur District Council's requirements in 2017/18 as set out in paragraph 12.3.
- (iii) Agree to recommend to Council the special expenses of £18.18 per Band D equivalent charged in all areas of the District except Lancing;

DECISION OF THE COUNCIL

At its meeting on the 23rd February, 2017 the Adur Council agreed a 1.98% Council Tax for 2016/17.

The Council agreed the following:

- (a) for the whole Council area as **20,707.3** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act"); and
- (b) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix C.

DECISION OF THE COUNCIL:

That the Council Tax requirement for the Council's own purposes for 2017/18 (excluding Parish precepts) is **£5,848,160**.

That the following amounts be calculated by the Council for the year 2017/18 in accordance with Sections 31 to 36 of the Act:

- (a) **£45,320,130** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils
- (b) **£39,107,100** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) **£6,213,030** being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year. (Item R), in the formula in Section 31B of the Act).
- (d) **£300.04** being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) **£364,870.00** being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix C).
- (f) **£282.42** being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year.
- (g) **£265,800** being the aggregate amount of all special expenses (not applicable in the Lancing Parish area).
- (h) **£269.55** being the amount at 3(d) above less the result given by dividing the amount at 3(e) and 3(g) above by Item T (1a above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept or Special Expense relates.

APPENDIX 4
CIVIC BUDGET TABLE 2017/18
Summary of Executive Member Requirements

INDIVIDUAL MEMBER PORTFOLIOS
Summary and Variance Pages

ADUR BUDGET 2017/2018
Summary of Executive Member Portfolios



APPENDIX 4

EXECUTIVE PORTFOLIO	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
Environment	2,656,010	2,567,090
Health and Wellbeing	1,211,980	1,106,260
Customer Services	1,122,540	1,109,240
Leader	707,780	626,870
Regeneration	1,998,780	2,147,560
Resources	2,396,440	1,960,440
Support Services Depreciation Not Charged To Services	253,300	190,140
NET SERVICE EXPENDITURE	10,346,830	9,707,600
Credit Back Depreciation / Impairments	(1,776,510)	(1,378,220)
Minimum Revenue Provision	1,181,290	818,480
	9,751,610	9,147,860
Transfer to / from Reserves	14,000	14,000
Balance Available to Transfer To / (From) Reserves	14,700	4,000
TOTAL BUDGET REQUIREMENT BEFORE EXTERNAL SUPPORT FROM GOVERNMENT	9,780,310	9,165,860
Baseline Funding	(1,617,270)	(1,650,290)
Additional business rate income	(818,820)	(736,110)
Revenue Support Grant	(773,930)	(271,200)
Transition Grant	(72,980)	(72,710)
Council Tax Reduction Scheme Grant	(40,000)	-
Council Tax Freeze Grant	-	-
Other unfenced grants (New homes bonus)	(766,640)	(553,290)
Contribution to/ (from) Collection Fund	(7,900)	(34,100)
AMOUNT REQUIRED FROM COUNCIL TAX	5,682,770	5,848,160
COUNCIL TAX BASE	20,520.6	20,707.3
Average Band D Council Tax - Adur District	276.93	282.42
% increase		1.98%

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR DIGITAL AND RESOURCES		
Business and Technical Services		
Engineering	124,730	121,780
Surveying & Design	192,480	214,200
	317,210	335,980
DIRECTOR FOR COMMUNITIES		
Environment		
Allotments	59,990	27,490
Cemeteries	286,530	111,070
Parks	719,900	902,120
Dog Warden	50,380	44,400
	1,116,800	1,085,080
Housing		
Public Health Burials	2,770	2,800
	2,770	2,800
Wellbeing		
Environmental Health - Commercial	85,800	69,750
Fishersgate Community Centre	-	16,000
Environmental Health - Domestic	168,370	200,070
	254,170	285,820
DIRECTOR OF ECONOMY		
Growth		
Street Scene	71,740	48,690
	71,740	48,690
DIRECTOR OF CUSTOMER SERVICES		
Waste and Cleansing		
Abandoned Vehicles	25,730	29,480
Car Parking	(266,240)	(217,570)
Clinical Waste	17,360	14,690
Graffiti	3,680	4,680
Pest Control	18,350	11,100
Recycling	(155,090)	(223,790)
Refuse	823,040	773,270
Street Cleansing	579,010	588,750
Trade Refuse	(152,520)	(171,890)
	893,320	808,720
TOTAL ENVIRONMENT PORTFOLIO	2,656,010	2,567,090

ADUR - ENVIRONMENT PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
	£		£	£	£	£	£	£	£	£	£
DIRECTOR FOR DIGITAL & RESOURCES											
Business and Technical Services											
Engineering	-	-	40,920	-	15,480	-	(7,860)	48,540	48,380	24,860	121,780
Surveying & Design	-	12,560	145,250	-	120	-	(340)	157,590	3,560	53,050	214,200
DIRECTOR FOR COMMUNITIES											
Environment											
Allotments	-	8,880	20,440	-	-	-	(49,230)	(19,910)	44,780	2,620	27,490
Cemeteries	-	146,080	77,540	-	-	-	(187,370)	36,250	71,950	2,870	111,070
Parks	-	22,630	661,040	-	52,840	-	(151,180)	585,330	211,050	105,740	902,120
Dog Warden	-	37,370	-	-	-	-	-	37,370	5,520	1,510	44,400
Housing											
Public Health Burials	-	-	-	-	2,800	-	-	2,800	-	-	2,800
Wellbeing											
Environmental Health - Commercial	-	53,210	-	-	1,630	-	(680)	54,160	13,350	2,240	69,750
Fishersgate Community Centre	-	-	-	-	16,000	-	-	16,000	-	-	16,000
Environmental Health - Domestic	-	1,250	-	-	15,840	4,700	(11,810)	9,980	188,800	1,290	200,070
DIRECTOR OF ECONOMY											
Growth											
Street Scene	-	-	-	370	40,100	-	(39,050)	1,420	2,550	44,720	48,690
DIRECTOR OF CUSTOMER SERVICES											
Waste and Cleansing											
Abandoned Vehicles	-	-	-	1,110	-	4,690	-	5,800	23,680	-	29,480
Car Parking	-	3,680	106,280	-	127,950	57,800	(658,720)	(363,010)	140,120	5,320	(217,570)
Clinical Waste	-	(2,450)	-	-	-	-	-	(2,450)	17,140	-	14,690
Graffiti	-	170	-	-	-	-	-	170	2,760	1,750	4,680
Pest Control	-	560	-	-	-	-	-	560	9,470	1,070	11,100
Recycling	-	(405,800)	-	-	-	-	-	(405,800)	125,620	56,390	(223,790)
Refuse	-	572,860	-	-	-	-	-	572,860	105,600	94,810	773,270
Street Cleansing	-	592,250	-	-	-	-	(127,870)	464,380	84,870	39,500	588,750
Trade Refuse	-	135,480	-	-	209,780	-	(582,780)	(237,520)	39,180	26,450	(171,890)
	0	1,178,730	1,051,470	1,480	482,540	67,190	(1,816,890)	964,520	1,138,380	464,190	2,567,090
Percentage Direct Cost	0%	42%	38%	0%	17%	2%					

ENVIRONMENT SERVICES - SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET - 2017/2018

SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Compensatory savings	Reduction in Income	Impact of Capital programme	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
	£	£	£	£	£	£	£		£	£	£
DIRECTOR FOR DIGITAL & RESOURCES											
Business and Technical Services											
Engineering	124,730	550	-	-	-	-	-	-	-	(3,500)	121,780
Surveying & Design	192,480	1,400	-	-	-	-	-	-	-	20,320	214,200
DIRECTOR FOR COMMUNITIES											
Environment											
Allotments	59,990	(420)	-	-	-	-	-	-	(7,300)	(24,780)	27,490
Cemeteries	286,530	(1,010)	-	2,650	-	-	-	-	(6,720)	(170,380)	111,070
Parks	719,900	(40)	-	4,700	-	-	-	-	(400)	177,960	902,120
Dog warden	50,380	-	-	-	-	-	-	-	-	(5,980)	44,400
Housing											
Public Health Burials	2,770	30	-	-	-	-	-	-	-	-	2,800
Wellbeing											
Environmental Health - Commercial	85,800	20	-	-	-	-	-	-	-	(16,070)	69,750
Fishersgate Community Centre	-	-	-	16,000	-	-	-	-	-	-	16,000
Environmental Health - Domestic	168,370	(20)	-	-	-	-	-	-	(200)	31,920	200,070
DIRECTOR OF ECONOMY											
Growth											
Street Scene	71,740	(160)	-	-	-	-	-	-	(10,000)	(12,890)	48,690
DIRECTOR OF CUSTOMER SERVICES											
Waste and Cleansing											
Abandoned Vehicles	25,730	10	-	-	-	-	-	-	-	3,740	29,480
Car Parking	(266,240)	(10,780)	-	23,200	-	-	-	-	(10,000)	46,250	(217,570)
Clinical Waste	17,360	-	-	-	-	-	-	-	-	(2,670)	14,690
Graffiti	3,680	-	-	-	-	-	-	-	-	1,000	4,680
Pest Control	18,350	-	-	-	-	-	-	-	-	(7,250)	11,100
Recycling	(155,090)	-	-	-	-	-	-	-	-	(68,700)	(223,790)
Refuse	823,040	-	-	-	-	-	-	-	-	(49,770)	773,270
Street Cleansing	579,010	(2,510)	-	-	-	-	-	-	-	12,250	588,750
Trade Refuse	(152,520)	(8,960)	-	-	-	-	-	-	(26,250)	15,840	(171,890)
TOTAL COST	2,656,010	(21,890)	0	46,550	0	0	0	0	(60,870)	(52,710)	2,567,090

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF COMMUNITIES		
Environment		
Foreshores	7,700	(12,590)
	7,700	(12,590)
Housing		
Adur Homes	7,610	33,900
	7,610	33,900
Wellbeing		
Community Wellbeing	553,320	413,950
Community Safety	170,020	233,990
Environment Health - Commercial	139,070	111,050
Environment Health - Licensing	77,120	89,310
	939,530	848,300
Business and Technical Services		
Business Services□	42,150	43,300
Engineering	162,450	165,270
Energy & Sustainability□	52,540	28,080
	257,140	236,650
TOTAL FOR HEALTH AND WELLBEING	1,211,980	1,106,260

ADUR - HEALTH AND WELLBEING PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
	£		£	£	£	£	£	£	£	£	£
DIRECTOR OF COMMUNITIES											
Environment											
Foreshores	-	9,030	18,620	-	8,690	-	(94,870)	(58,530)	24,240	21,700	(12,590)
Housing											
Adur Homes	89,640	-	-	6,430	41,070	40,050	(275,270)	(98,080)	115,660	16,320	33,900
Wellbeing											
Community Wellbeing	-	147,130	1,020	-	224,770	-	-	372,920	41,030	-	413,950
Community Safety	-	203,530	1,310	-	8,600	-	-	213,440	20,550	-	233,990
Environment Health - Commercial	-	96,440	-	-	8,730	-	-	105,170	5,880	-	111,050
Environment Health - Licensing	8,000	124,130	-	-	13,080	-	(116,490)	28,720	60,590	-	89,310
DIRECTOR OF DIGITAL & RESOURCES											
Business and Technical Services											
Business Services	-	29,090	-	-	-	-	-	29,090	14,210	-	43,300
Engineering	-	7,350	4,140	-	5,760	-	-	17,250	67,870	80,150	165,270
Energy & Sustainability	-	3,680	-	-	-	-	-	3,680	24,400	-	28,080
TOTAL COST	97,640	620,380	25,090	6,430	310,700	40,050	(486,630)	613,660	374,430	118,170	1,106,260
Percentage Direct Cost	9%	56%	2%	1%	28%	4%					

HEALTH AND WELLBEING SERVICES - SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET - 2017/2018

SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Compensatory savings	Reduction In Income	Impact of Capital programme	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
	£	£	£	£	£	£	£		£	£	£
DIRECTOR OF COMMUNITIES											
Environment											
Foreshores	7,700	(1,620)	-	-	-	-	-	-	(2,970)	(15,700)	(12,590)
Housing											
Adur Homes	7,610	(4,520)	-	-	-	-	-	-	-	30,810	33,900
Wellbeing											
Community Wellbeing	553,320	2,230	-	-	-	-	-	-	-	(141,600)	413,950
Community Safety	170,020	100	-	-	-	-	-	-	-	63,870	233,990
Environment Health - Commercial	139,070	90	-	-	-	-	-	-	-	(28,110)	111,050
Environment Health - Licensing	77,120	(1,290)	-	-	-	-	-	-	(720)	14,200	89,310
DIRECTOR OF DIGITAL & RESOURCES											
Business and Technical Services											
Business Services	42,150	-	-	-	-	-	-	-	-	1,150	43,300
Engineering	162,450	100	-	-	-	-	-	-	-	2,720	165,270
Energy & Sustainability	52,540	-	-	-	-	-	-	-	-	(24,460)	28,080
TOTAL COST	1,211,980	(4,910)	0	0	0	0	0	0	(3,690)	(97,120)	1,106,260

**CUSTOMER SERVICES
PORTFOLIO**

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF COMMUNITIES		
Leisure		
Leisure Strategic Support	560,200	500,990
	560,200	500,990
DIRECTOR OF CUSTOMER SERVICES		
Revenues and Benefits		
Revenues	395,220	383,560
Benefits	167,120	224,690
	562,340	608,250
TOTAL FOR CUSTOMER SERVICES	1,122,540	1,109,240

ADUR - CUSTOMER SERVICES PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
	£		£	£	£	£	£	£	£	£	£
DIRECTOR OF COMMUNITIES											
Leisure											
Leisure Strategic Support	-	12,560	29,660	-	4,410	160,000	(9,300)	197,330	16,430	287,230	500,990
DIRECTOR OF CUSTOMER SERVICES											
Revenues and Benefits											
Revenues	-	2,890	-	-	-	476,980	(252,920)	226,950	156,610	-	383,560
Benefits	-	8,670	-	-	13,130	21,344,360	(21,385,990)	(19,830)	242,460	2,060	224,690
TOTAL COST	0	24,120	29,660	0	17,540	21,981,340	(21,648,210)	404,450	415,500	289,290	1,109,240
Percentage Direct Cost	0%	0%	0%	0%	0%	100%					

ADUR CUSTOMER SERVICES - SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET - 2016/2017

SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Compensatory savings	Reduction in Income	Impact of Capital programme	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
	£	£	£	£	£	£	£		£	£	£
DIRECTOR OF COMMUNITIES											
Leisure											
Leisure Strategic Support	560,200	140	-	-	-	-	-	-	(10,000)	(49,350)	500,990
DIRECTOR OF CUSTOMER SERVICES											
Revenues and Benefits	-	-	-	-	-	-	-	-	-	-	0
Revenues	395,220	1,950	-	-	-	-	-	-	(30,000)	16,390	383,560
Benefits	167,120	(4,940)	-	40,000	-	-	-	-	(50,000)	72,510	224,690
TOTAL COST	1,122,540	(2,850)	0	40,000	0	0	0	0	(90,000)	39,550	1,109,240

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
CHIEF EXECUTIVE Communications Performance and Scrutiny	£ 5,890	£ 32,160
	5,890	32,160
DIRECTOR OF COMMUNITIES Wellbeing Democratic Services	520,640	441,130
	520,640	441,130
DIRECTOR OF CUSTOMER SERVICES Elections Elections	177,270	153,580
	177,270	153,580
TOTAL for LEADER	703,800	626,870

ADUR - THE LEADER PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
	£		£	£	£	£	£	£	£	£	£
CHIEF EXECUTIVE											
Communications											
Performance and Scrutiny	-	-	-	-	-	-	-	0	32,160	-	32,160
DIRECTOR OF COMMUNITIES											
Wellbeing											
Democratic Services	208,490	83,710	-	-	13,410	-	(15,600)	290,010	151,120	-	441,130
DIRECTOR OF CUSTOMER SERVICES											
Elections											
Elections	-	80,350	-	-	42,330	-	(3,220)	119,460	30,450	3,670	153,580
TOTAL COST	208,490	164,060	0	0	55,740	0	(18,820)	409,470	213,730	3,670	626,870
Percentage Direct Cost	49%	38%	0%	0%	13%	0%					

THE LEADER - SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET - 2017/2018

SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Compensatory savings	Impact of Capital programme	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
	£	£	£	£	£	£		£	£	£
CHIEF EXECUTIVE										
Communications										
Performance and Scrutiny	9,870	-	-	-	-	-	-	-	22,290	32,160
DIRECTOR OF COMMUNITIES										
Wellbeing										
Democratic Services	520,640	2,170	-	8,600	-	-	-	(6,500)	(83,780)	441,130
DIRECTOR OF CUSTOMER SERVICES										
Elections										
Elections	177,270	410	(42,660)	-	-	-	-	-	18,560	153,580
TOTAL COST	707,780	2,580	(42,660)	8,600	0	0	0	(6,500)	(42,930)	626,870

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR COMMUNITIES		
Housing		
Adur Homes	87,350	194,960
Home Improvement Assistance	65,620	42,090
Housing	632,820	691,670
Housing Strategy	55,560	15,230
	841,350	943,950
DIRECTOR OF ECONOMY		
Grants		
Grants	105,830	87,220
	105,830	87,220
Growth		
Planning Policy	194,680	245,570
Major Projects	59,230	85,060
Development Control	415,340	406,730
Regeneration	256,680	268,120
	925,930	1,005,480
DIRECTOR OF CUSTOMER SERVICES		
Building Control & Land Charges		
Building Control	125,670	110,910
	125,670	110,910
TOTAL FOR REGENERATION	1,998,780	2,147,560

ADUR - REGENERATION PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
	£		£	£	£	£	£	£	£	£	£
DIRECTOR FOR COMMUNITIES											
Housing											
Adur Homes	41,110	121,140	478,140	430	540	-	(495,110)	146,250	48,710	-	194,960
Home Improvement Assistance	-	70,070	-	-	-	-	(33,770)	36,300	5,790	-	42,090
Housing	-	315,970	-	-	353,430	16,510	(124,930)	560,980	130,490	200	691,670
Housing Strategy	-	-	-	-	-	-	-	0	15,230	-	15,230
DIRECTOR OF ECONOMY											
Grants											
Grants	144,910	-	-	-	-	-	(143,100)	1,810	85,410	-	87,220
Growth											
Planning Policy	-	9,930	-	-	17,360	-	-	27,290	218,280	-	245,570
Major Projects	-	-	-	-	-	-	-	0	85,060	-	85,060
Development Control	-	530,700	-	-	8,410	5,250	(232,600)	311,760	94,970	-	406,730
Regeneration	-	147,400	-	-	53,920	-	-	201,320	60,720	6,080	268,120
DIRECTOR OF CUSTOMER SERVICES											
Building Control & Land Charges											
Building Control	-	284,680	-	-	-	-	(213,860)	70,820	40,090	-	110,910
TOTAL COST	186,020	1,479,890	478,140	430	433,660	21,760	(1,243,370)	1,356,530	784,750	6,280	2,147,560
Percentage Direct Cost	7%	57%	18%	0%	17%	1%					

REGENERATION SERVICES - SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET - 2017/2018

SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Compensatory savings	Impact of Capital programme	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
	£	£	£	£	£	£		£	£	£
DIRECTOR FOR COMMUNITIES										
Housing										
Adur Homes	87,350	(4,960)	-	-	-	-	-	-	112,570	194,960
Home Improvement Assistance	65,620	(660)	-	-	-	-	-	-	(22,870)	42,090
Housing	632,820	880	-	100,000	-	-	-	(67,500)	25,470	691,670
Housing Strategy	55,560	-	-	-	-	-	-	-	(40,330)	15,230
DIRECTOR OF ECONOMY										
Grants										
Grants	105,830	-	-	-	-	-	-	-	(18,610)	87,220
Growth										
Planning Policy	194,680	170	-	-	-	-	-	-	50,720	245,570
Major Projects	59,230	-	-	-	-	-	-	-	25,830	85,060
Development Control	415,340	(4,430)	-	-	-	-	-	-	(4,180)	406,730
Regeneration	256,680	490	-	10,000	-	-	-	(5,000)	5,950	268,120
DIRECTOR OF CUSTOMER SERVICES										
Building Control & Land Charges										
Building Control	125,670	(3,710)	-	-	-	-	-	(24,800)	13,750	110,910
TOTAL COST	1,998,780	(12,220)	0	110,000	0	0	0	(97,300)	148,300	2,147,560

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR DIGITAL AND RESOURCES		
Business and Technical Services		
Other Buildings	239,300	135,940
	239,300	135,940
Finance		
Corporate Management	1,462,730	1,274,910
Treasury Management	647,800	757,450
	2,110,530	2,032,360
DIRECTOR FOR COMMUNITIES		
Housing		
Adur Homes	-	-
	-	-
DIRECTOR OF ECONOMY		
Growth		
Estates	58,990	(194,530)
	58,990	(194,530)
DIRECTOR OF CUSTOMER SERVICES		
Building Control & Land Charges		
Land Charges	(12,380)	(13,330)
	(12,380)	(13,330)
TOTAL FOR RESOURCES	2,396,440	1,960,440

ADUR - RESOURCES PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS



SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Transfer to/from Reserves	Capital Charges	TOTAL BUDGET
	£		£	£	£	£	£	£	£		£	£
DIRECTOR FOR DIGITAL & Business and Technical Services												
Other Buildings	-	63,900	45,450	-	4,130	-	-	113,480	7,870	-	14,590	135,940
Finance												
Corporate Management	1,201,830	(182,060)	122,820	-	208,150	29,070	(508,600)	871,210	483,160	(62,450)	(17,010)	1,274,910
Treasury Management	-	-	-	-	-	-	(115,370)	(115,370)	69,260	-	803,560	757,450
DIRECTOR FOR COMMUNITIES												
Housing												
Adur Homes	-	-	-	-	-	-	-	0	-	-	-	0
DIRECTOR OF ECONOMY												
Estates												
Estates	-	50,900	129,680	-	14,870	-	(681,400)	(485,950)	136,910	-	154,510	(194,530)
DIRECTOR OF CUSTOMER SERVICES												
Building Control & Land Charges												
Land Charges	-	51,580	-	-	19,710	-	(98,540)	(27,250)	13,920	-	-	(13,330)
TOTAL COST	1,201,830	(15,680)	297,950	0	246,860	29,070	(1,403,910)	356,120	711,120	(62,450)	955,650	1,960,440
Percentage Direct Cost	68%	-1%	17%	0%	14%	2%						

RESOURCES SERVICES - SUMMARY OF CHANGES SINCE THE ORIGINAL BUDGET - 2017/2018

SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Compensatory savings	Impact of Capital programme	Non Committed Growth	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
	£	£	£	£	£	£	£		£	£	£
DIRECTOR FOR DIGITAL & RESOURCES											
Business and Technical Services											
Other Buildings	239,300	320	-	-	-	-	-	-	-	(103,680)	135,940
Finance											
Corporate Management	1,462,730	3,730	-	-	-	-	-	-	(24,060)	(167,490)	1,274,910
Finance - others	-	-	-	-	-	-	-	-	-	-	0
Treasury Management	647,800	-	-	19,860	-	(21,670)	-	75,910	28,770	6,780	757,450
DIRECTOR FOR COMMUNITIES											
Housing											
Adur Homes	-	-	-	-	-	-	-	-	-	-	0
DIRECTOR OF ECONOMY											
Estates											
Estates	58,990	1,230	-	4,150	-	-	-	-	(170,000)	(88,900)	(194,530)
DIRECTOR OF CUSTOMER SERVICES											
Building Control & Land Charges											
Land Charges	(12,380)	(1,640)	-	-	-	-	-	-	(4,650)	5,340	(13,330)
TOTAL COST	2,396,440	3,640	0	24,010	0	(21,670)	0	75,910	(169,940)	(347,950)	1,960,440

	2016/17 Estimate	2016/17 Revised	2017/18 Estimate
	£	£	£
COUNCIL TAX			
Payments			
Adur District Council Demand	6,047,870	6,047,870	6,213,026
WSCC Precept	24,786,628	24,786,628	25,999,879
Sussex Police & Crime Commissioner	3,055,723	3,055,723	3,187,061
Total Payments	33,890,221	33,890,221	35,399,966
Council Tax			
Amount due from residents	38,484,120	38,586,414	39,846,265
Less: Council Tax Support Scheme	(4,517,000)	(4,339,859)	(4,405,000)
Gross Amount Due	33,967,120	34,246,555	35,441,265
Less: Provision for bad debts	(76,900)	(76,900)	(41,300)
Total Council Tax	33,890,220	34,169,655	35,399,965
Deficit/(Surplus)			
Deficit/(Surplus) for year	(0)	(279,435)	-
Deficit/(Surplus) Brought forward	(45,911)	71,000	(198,124)
Increase in provision for Bad Debts	-	(35,600)	-
Deficit charged to:	-	-	-
ADC	7,903	7,903	34,104
WSCC	33,820	33,820	145,945
SPCC	4,188	4,188	18,075
Deficit/(Surplus) Carried Forward	(0)	(198,124)	-

Property Band	2016/17				2017/18				CHANGE			TOTAL
	Precepting Authorities		Adur District Council Services	TOTAL	Precepting Authorities		Adur District Council Services	TOTAL	Precepting Authorities		Adur District Council Services	
	WSSC	Police			WSSC	Police			WSSC	Police		
£	£	£	£	£	£	£	£	£	£	£	£	
A	805.26	99.27	184.62	1,089.15	837.06	102.61	188.28	1,127.95	31.80	3.33	3.66	38.79
B	939.47	115.82	215.39	1,270.68	976.57	119.71	219.66	1,315.94	37.10	3.89	4.27	45.26
C	1,073.68	132.36	246.16	1,452.20	1,116.08	136.81	251.04	1,503.93	42.40	4.44	4.88	51.72
D	1,207.89	148.91	276.93	1,633.73	1,255.59	153.91	282.42	1,691.92	47.70	5.00	5.49	58.19
E	1,476.31	182.00	338.47	1,996.78	1,534.61	188.11	345.18	2,067.90	58.30	6.11	6.71	71.12
F	1,744.73	215.09	400.01	2,359.83	1,813.63	222.31	407.94	2,443.88	68.90	7.22	7.93	84.05
G	2,013.15	248.18	461.55	2,722.88	2,092.65	256.52	470.70	2,819.87	79.50	8.33	9.15	96.98
H	2,415.78	297.82	553.86	3,267.46	2,511.18	307.82	564.84	3,383.84	95.40	10.00	10.98	116.38

ADUR:
Council Tax Breakdown 2017-2018

	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	149.75	179.70	209.65	239.60	269.55	329.45	389.35	449.25	539.10
Special Expenses	10.10	12.12	14.14	16.16	18.18	22.22	26.26	30.30	36.36
Adur District Council	159.85	191.82	223.79	255.76	287.73	351.67	415.61	479.55	575.46
West Sussex County Council Precept	697.55	837.06	976.57	1116.08	1255.59	1534.61	1813.63	2092.65	2511.18
Sussex Police Precept	85.51	102.61	119.71	136.81	153.91	188.11	222.31	256.52	307.82
Total Payable	942.91	1131.49	1320.07	1508.65	1697.23	2074.39	2451.55	2828.72	3394.46

	Band -A £	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Sompting Parish									
Basic Council Tax	149.75	179.70	209.65	239.60	269.55	329.45	389.35	449.25	539.10
Special Expenses	10.10	12.12	14.14	16.16	18.18	22.22	26.26	30.30	36.36
Adur District Council	159.85	191.82	223.79	255.76	287.73	351.67	415.61	479.55	575.46
Sompting Parish Precept	16.75	20.10	23.45	26.80	30.15	36.85	43.55	50.25	60.30
	176.60	211.92	247.24	282.56	317.88	388.52	459.16	529.80	635.76
West Sussex County Council Precept	697.55	837.06	976.57	1116.08	1255.59	1534.61	1813.63	2092.65	2511.18
Sussex Police Precept	85.51	102.61	119.71	136.81	153.91	188.11	222.31	256.52	307.82
Total Payable	959.66	1151.59	1343.52	1535.45	1727.38	2111.24	2495.10	2878.97	3454.76

	Band -A £	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Lancing Parish									
Basic Council Tax	149.75	179.70	209.65	239.60	269.55	329.45	389.35	449.25	539.10
Adur District Council	149.75	179.70	209.65	239.60	269.55	329.45	389.35	449.25	539.10
Lancing Parish Precept	25.60	30.72	35.84	40.96	46.08	56.32	66.56	76.80	92.16
	175.35	210.42	245.49	280.56	315.63	385.77	455.91	526.05	631.26
West Sussex County Council Precept	697.55	837.06	976.57	1116.08	1255.59	1534.61	1813.63	2092.65	2511.18
Sussex Police Precept	85.51	102.61	119.71	136.81	153.91	188.11	222.31	256.52	307.82
Total Payable	958.41	1150.09	1341.77	1533.45	1725.13	2108.49	2491.85	2875.22	3450.26

ADUR:
Collection Fund NNDR 2017-18

	2016/17 Estimate	2016/17 Revised	2017/18 Estimate
	£	£	£
NNDR (BUSINESS RATES)			
Payments			
Amount of NNDR to be paid to Central government	8,646,732	8,646,732	9,910,778
Amount to be retained by Adur DC under the rates retention scheme	7,002,669	7,002,669	8,015,319
Amount to be passed to West Sussex	1,729,346	1,729,346	1,982,156
Total amount due to authorities	17,378,747	17,378,747	19,908,253
Income			
Net Rates Payable by Business Sector after Exemptions, reliefs and discounts	17,986,015	19,216,124	19,623,552
Less: Movement in Bad Debt Provision	179,860	179,860	196,200
Less: Local Authority's estimate of adjustment due to appeal	309,310	309,310	470,700
Less: Full Provision for backdated appeal decisions	-	-	-
Net Payable by Business Sector	17,496,845	18,726,954	18,956,652
Add: Net Transitional Protection Payments - Paid to the government	-	-	-
Less: Net Transitional Protection Payments paid by the government	-	-	-
Amount allowed to Council for - Administration costs and Interest on Repayments	85,284	85,284	86,697
Non Domestic Rating Income	17,411,561	18,641,670	18,869,955
Surplus (Deficit)			
In year change from original estimate - increase (+) / decrease (-)	-	1,262,922	-
Surplus/(Deficit) brought forward	-	770,603	-
Surplus/(Deficit) distributed in year	(118,098)	118,098	951,601
Change in bad debt provision during the year	-	(192,973)	-
Change in appeals provision during the year	-	(1,007,050)	-
Add: Cost of Collection allowance	85,284	85,284	86,697
Amount Due to Authorities	17,378,747	19,678,554	19,908,253
(Surplus) / Deficit to be shared			
DCLG	59,049	59,049	(475,801)
WSCC	11,810	11,810	(95,160)
ADC	47,239	47,239	(380,640)
Change in Surplus/(Deficit)	-	951,600	-
Surplus/(Deficit): Adur District Council			
Business rates Baseline Target	6,763,916	6,763,916	6,820,282
Less: Tariff/Top-Up	(5,160,013)	(5,160,013)	(5,203,013)
Baseline funding Target (A)	1,603,903	1,603,903	1,617,269
40% share of Actual business rate	6,964,624	7,002,669	7,547,982
Less: Tariff/Top-Up	(5,160,013)	(5,160,013)	(5,203,013)
Baseline funding Retained (B)	1,804,611	1,842,656	2,344,969
Surplus/(deficit) (B-A)	200,708	238,753	727,700
Add : S31 grants paid directly to the General Fund	468,770	468,770	378,460
50% Levy payable to CG in case of Surplus	(334,739)	(353,762)	(553,080)
Surplus to be retained by Council	334,739	353,762	553,080
Less: Original 2016/17 surplus		(334,739)	
Additional surplus to benefit the Council in 2017/18		19,022	



Executive
6th February, 2017
Agenda Item No: 4
Ward: All

WORTHING BOROUGH COUNCIL BUDGET ESTIMATES 2017/18 AND SETTING OF 2017/18 COUNCIL TAX

REPORT BY: DIRECTOR OF DIGITAL AND RESOURCES

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 2017/18 including any adjustments arising from settlement;
- An updated outline 5-year forecast; and
- The provisional level of Council Tax for 2017/18, prior to its submission to the Council for approval on the 21st February 2017. This will be subject to any proposals to change the draft revenue budget following the consideration of the budget proposals by Executive.

1.2 These budgets reflect the decisions taken by Members to date in relation to agreed savings proposals and any committed growth. The report also updates members about the impact of the draft 2017/18 settlement.

1.3 The major points raised within the report include:

- A full update on the impact of settlement. The Council should prepare itself for a continuation of the reduction in Government resources for another 2-5 years (see section 3.2) ;
- The Executive will need to consider whether to increase Council Tax by maximum level possible of £5.00 (2.27%) or by a lower amount (paragraph 5.10); and, finally
- The Executive needs to consider the new growth item in paragraph 5.11.

1.4 The budget is analysed by Executive Member portfolio. In addition, the draft estimates for 2017/18 have been prepared, as always, in accordance with the requirements of the Service Reporting Code of Practice for Local Authorities (except in relation to pension costs adjustments that do not impact either on the Budget Requirement or the Council Tax Requirement).

1.0 SUMMARY

- 1.5 The Police and Crime Commissioner has consulted on an increase to the Council Tax for 2017/18 of £5.00 or 3.36%. The proposed 2017/18 budget is due to be considered by the Sussex Police and Crime Panel (PCP) on 20th January 2017. If the proposals are vetoed by the PCP, revised proposals will be considered by the Panel on the 20th February 2017 at which point the Commissioner will be in a position to confirm the Council Tax for 2017/18 just in time for Council on the 21st February 2017.
- 1.6 The Chancellor's Autumn Statement in November 2016 contained very little that impacted directly on Local Government.
- 1.7 The draft Local Government Settlement confirmed that a 3% Council Tax increase specifically to support adult social care services is permissible. This is over and above the existing "referendum limit" of 2% permitted for general Council Tax increases, thereby permitting a maximum Council Tax increase of 5% for Councils with social care responsibilities.
- 1.8 The precept for West Sussex County Council has not yet been finalised and will not be confirmed until 17th February 2017. The formal detailed resolution setting the overall Council Tax for next year will be presented direct to the Council Meeting on 21st February 2017.
- 1.9 The following appendices have been attached to this report:
- (i) **Appendix 1** Revenue Budget Summary Statement 2016/17 – 2021/22
 - (ii) **Appendix 2** Schedule of Earmarked Reserves
 - (iii) **Appendix 3** Property Analysis and Calculation of Tax Base
 - (iv) **Appendix 4** Worthing Budget 2017/18 – Summary of Executive Member Portfolios
 - (v) **Appendix 5** Glossary of technical terms used in Local Government Settlement
- 2.1 The Joint Strategic Committee considered the 'Outline 5-year forecast for 2017/18 to 2021/22 and the Budget Strategy' on 13th September 2016. This report outlined the Financial Context, the Key Budget Pressures, the Options for Addressing the Budget Gap and the Budget Strategy for Adur and Worthing Councils. The report built on the strategy first proposed last year whose strategic aim was to ensure that the Councils would become community funded by 2020 reliant, by then, only on income from trading and commercial activities, council tax income and business rate income.

2.0 BACKGROUND

2.2 With this strategy in mind, the Councils have set-up several strategic boards who are responsible for taking forward key initiatives aimed at delivering savings for the future:

- **The Major Projects Board** will lead on delivering projects to increase employment space and additional housing;
- **The Digital Programme Board** will lead on the delivery of the Digital Strategy and ensure that the benefits are realised from this programme of work.
- **The Strategic Asset Management Board** will lead on delivering the income growth associated with the Strategic Property Fund; and
- **The Customer and Commercial Programme Board** will lead on the delivery of the income growth from commercial services and seek to improve the customer experience.

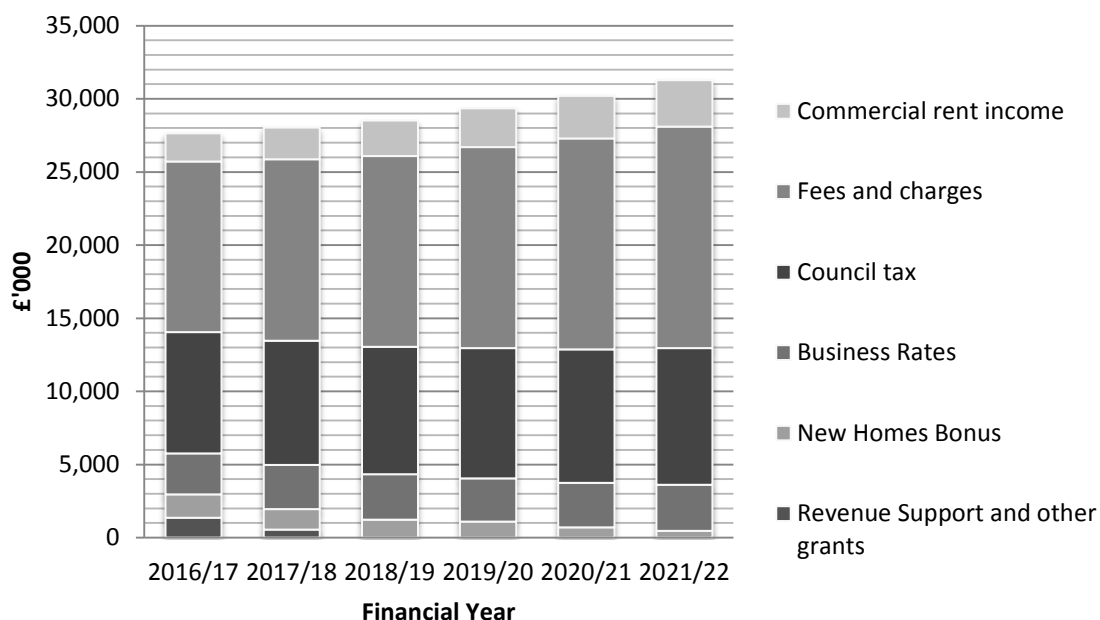
For 2017/18 the Digital Programme Board, the Customer and Commercial Board and the Strategic Asset Management Board were set explicit targets as part of the budget strategy.

2.3 The successful delivery of the strategy will fundamentally change how the Council is funded. The Council is moving increasingly away from government funding towards funding from the local community via Council Tax and Business Rates, and will become increasingly reliant on income from commercial activities. Overall the Council benefits from over £27.6m of income per year which is expected to grow each financial year.

Total income	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue Support and other grants	1,354	553	8	0	0	0
Business Rates	2,809	3,020	3,097	2,939	3,042	3,142
New Homes Bonus	1,599	1,388	1,228	1,102	704	470
Council Tax	8,277	8,507	8,702	8,912	9,117	9,337
Income from taxation	14,039	13,468	13,035	12,953	12,863	12,949
Fees and charges	11,672	12,389	13,057	13,738	14,433	15,142
Commercial rent income	1,928	2,167	2,410	2,658	2,911	3,169
Income from commercial activity	13,600	14,556	15,467	16,396	17,344	18,311
Total income excluding specific grants	27,639	28,024	28,502	29,349	30,207	31,260

2.0 BACKGROUND

Overall income



2.4 The subsequent report to the Joint Strategic Committee, on 6th December 2016 updated Members as to the latest budgetary information and the forecast shortfall, before savings or growth, was revised as follows:

Worthing Borough Council	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
Overall shortfall – September forecast	1,410	2,511	3,617	4,415	5,056
Overall shortfall – December forecast (including net approved growth)	1,663	2,771	3,875	4,672	5,311
Increase / (Decrease) in shortfall	253	260	258	257	255
Overall shortfall – December forecast	1,663	2,771	3,875	4,672	5,311
Savings identified in December 2016 report	-1,734	-1,379	-1,579	-1,779	-1,979
Revised budget shortfall/Surplus(-) as at December 2016	-71	1,392	2,296	2,893	3,332

2.0 BACKGROUND

2.5 The 2017/18 savings proposals identified within the report amounted to £1,734,000.

2.6 Since the meeting on 6th December 2016, 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 Council for 2017/18 can be summarised as:

	£'000
Original shortfall as identified in September	1,410
Changes identified in December 2016:	
(a) Improvements to the income from Council Tax	-81
(b) Further increase in homelessness caseload	170
(c) Reduction in Government Grant for Council Tax Support Scheme administration (New Burdens Funding)	60
(d) Net committed growth items identified by budget holders	184
(e) Removal of contingency budget	-80
Budget shortfall as at 6th December 2016	1,663
Settlement	
Impact of provisional New Homes Bonus allocation	126
Adjustment to other government grants	-7
Adjustment for final items identified	
Changes to the capital programme	
- Impact of expected delivery date for the new refuse and recycling fleet	-119
- Environmental improvements at Brooklands Lake	9
Impact of 2017 rates revaluation of the rates payable by the Council	80
Adjustment to insurance budget following increase in Insurance Premium Tax which is increasing by 2%	7
Removal of provision for new growth items	-90
Final adjustment to allocations between the two Councils	
Revised budget shortfall – carried forward	1,669
Less: Net savings agreed in December	-1,734
Adjustment to final savings arising from allocations	-6
Budget surplus to be placed in reserves (before any further action is agreed)	-71

3.0 AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.1 Autumn Statement 2016

3.1.1 The Chancellor Philip Hammond delivered the 2016 Autumn Statement on the 23rd November 2016, which included a substantial re-assessment of Government finances since the previous Budget. The Chancellor announced that the public purse will be £122bn worse off in the period until 2021, with debt rising from 84.2% of GDP last year to 87.3% this year, and further increasing to 90.2% in 2017/18.

3.1.2 As a result, one of the most significant policy decisions has been that the Government will no longer seek to deliver a budget surplus by the end of this current Parliament, although there is an ambition that public finances should return to a balanced budget by 'as early as possible' in the next Parliament. This decision has allowed the Chancellor to respond, not with further fiscal tightening and departmental funding reductions, but by maintaining the current spending plans and using additional borrowing to fund infrastructure investment.

3.1.3 However there will be no easing of the financial pressure for public services including Local Government but that said Local Government were not worse off as a result of the Autumn Statement. The Government clearly intended to operate within the four-year guarantee announced in the 2016/17 settlement. Nevertheless, this does continue with the significant reduction in Local Government funding over the period 2016/17 – 2019/20 announced as part of the spending review.

Local Government – Departmental Expenditure Limit (DEL)					
Departmental Expenditure Limit	£Billion				
	2015/16	2016/17	2017/18	2018/19	2019/20
Funding for Local Government	11.5	9.6	7.4	6.1	5.4
Locally financed expenditure*	28.8	29.0	31.5	33.6	35.1
Total Local Government Spending	40.3	38.6	38.9	39.7	40.5
Annual percentage reduction in funding for Local Government		16.52%	22.92%	17.57%	11.48%
Overall reduction in funding for Local Government					53.04%

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.1 Autumn Statement 2016

3.1.3 The Government will keep to the same broad priorities for the remainder of this Parliament in line with its previous spending decisions, including ring fencing funding for NHS, defence, and overseas aid; and the triple-lock guarantee of increases to pensions.

3.1.4 There was a welcome final announcement that the timetabling of the national budgets has been changed. The Chancellor announced the intention to have the Budget in the autumn and a Spring Statement. This switch will allow more time for scrutiny of funding decisions before they come into effect.

3.1.5 Contained within the Autumn Statement were a few announcements which have particular relevance to the Council:

- The Chancellor announced that there would be £1 billion to invest in full-fibre broadband and trialling 5G networks. This investment will support the private sector to roll out more full-fibre broadband by 2020-21. Funding will also support trials of 5G mobile communications.

And from April 2017, the government will also provide a new 100% business rates relief for new full-fibre infrastructure for a 5 year period.

This is very welcome particularly in light of the Gigabit Coast project which seeks to facilitate improved digital infrastructure throughout the County and for which Adur and Worthing Councils will act as the pilot project.

- Rural Rates Relief will increase to 100% which will be welcome news for small business. The Councils expect to be fully reimbursed for this change through additional government grant.
- The living wage is set to increase from £7.20 to £7.50 per hour which whilst welcome for low paid staff will put a very minor pressure on the Council budget.
- Insurance Premium Tax is set to increase from will increase from 10% to 12% from 1st June 2017. It is inevitable that the insurance companies will pass this cost onto the consumers.

3.2 2017/18 Local Government Finance Settlement

3.2.1 The Secretary of State for the Department for Communities and Local Government (DCLG) Sajid Javit delivered the provisional Local Government Finance Settlement on the 15th December 2016. Consultation on the provisional settlement will close on the 13th January 2017.

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.2 2017/18 Local Government Finance Settlement

3.2.2 The key features of the 2017/18 provisional settlement were outlined in the speech as:

- *Four year offer*
- *Changes to New Homes Bonus*
- *Funding for Social Care*
- *Fair Funding review*

Taking each of these in turn:

3.2.3 Four Year Offer

In his speech, the Secretary of State confirmed the Government's commitment to the 2016/17 four year funding plan.

"This [local government finance settlement](#) honours our commitment to 4-year funding certainty for councils that are committed to reform. "

The Secretary of State for Communities and Local Government – Sajid Javit

97% of councils submitted a long term efficiency plan.

The Council has received confirmation that its efficiency plan has been accepted by the government as so have certainty about the level of government funding from revenue support grant for the next three years.

Worthing Borough Council	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000	£'000
Draft settlement	2,043	1,194	453	8	0	0
Decrease year on year (£)		849	741	445	8	
Decrease year on year (%)		41.56%	62.06%	98.23%	100.00%	

3.2.4 New Homes Bonus (NHB)

Following the consultation on New Homes Bonus earlier in the year, significant changes were announced to the scheme as part of settlement. As expected, legacy payments are being reduced from 6 years to 5 years in 2017/18 and then to 4 years in 2018/19. More unexpectedly, a national baseline for housing growth of 0.4% will be introduced; growth below this threshold will not qualify for grant. The implication of this change is that 181 Band D equivalent properties will need to be completed each year before any grant will be awarded.

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.2 2017/18 Local Government Finance Settlement

3.2.4 New Homes Bonus (NHB)

The national savings in New Homes Bonus generated by the new baseline will be used to contribute towards the cost of social care. A new £240m adult social care support grant has been created in 2017/18 and is distributed according to relative need.

It is further proposed that from 2018/19 the Government will withhold payments from authorities not supporting housing growth whether through an absence of a local plan or by not granting planning permission (which is then granted on appeal). There will be a further consultation on this element of the new scheme in the Summer 2017.

The retention of the New Homes Bonus will benefit those Councils who have capacity to build a significant number of homes. There is significant house building in Worthing at present with the new homes being constructed at West Durrington and other sites. Consequently, the Council will benefit from additional income in 2017/18 and beyond albeit at a reduced level to reflect the new national housing baseline.

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Original assumption	1,599	1,514	1,484	1,488	1,220	860
Draft settlement						
Historic allocations	1,599	1,154	764	518		
2017/18 allocation		234	234	234	234	
Potential future allocations			230	350	470	470
Total New Homes Bonus	1,599	1,388	1,228	1,102	704	470
Increase / decrease (-) in grant from previous assumptions		-126	-256	-386	-516	-390

The New Homes Bonus has been an important source of funding. The provisional 2017/18 allocation for this council is £1,388,230. It should be noted that the future allocations are indicative at this stage as the final details of the new scheme are dependent not only on the level of house building but on the outcome of the consultation planned for next Summer.

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.2 2017/18 Local Government Finance Settlement

3.2.5 Funding for Social Care

There will be an increase in the allowable addition to the social care precept. This will increase from the current 2% to the new threshold of 3% in 2017-18 and 2018-19 which the Government estimates will yield £208m and £444m respectively.

This is a welcome change for those with social care responsibility but will only go part of the way to meeting the costs.

In effect, this will increase the maximum potential addition to the County Council share of the bill to 5% in each year.

The Government is undertaking a Fair Funding Review, to thoroughly consider how to introduce a more up-to-date, more transparent and fairer needs assessment formula.

The review is looking at all the services provided by local government and will determine the starting point for local authorities under the new business rate retention scheme due to be introduced across the Country by 2019/20. Consequently this review will not only influence the level of Revenue Support Grant received by each Council but all the amount of business rates each Council will be able to retain.

3.2.7 Summary of 2017/18 Local Government Settlement

In overall terms, the 2017/18 settlement revealed that District and Borough Councils were the most heavily affected class of authority by an overall cut in government funding of 15.35%. For districts, this is even slightly less than last year's drop of 16.96%.

YEAR-ON-YEAR CHANGE FOR THE 2017/18 SETTLEMENT

Class of Local Authority	2016-17 Adjusted settlement Funding Assessment	2017-18 Settlement Funding Assessment	Overall Reduction in funding
	£million	£million	%
England	18,601.46	16,630.16	-10.60%
London Area	4,555.10	4,235.48	-7.02%
Metropolitan Areas	4,999.32	4,553.31	-8.92%
Shire Areas	9,043.75	7,838.08	-13.33%
Isles of Scilly	3.29	3.29	0.00%

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.2 2017/18 Local Government Finance Settlement

3.2.7 Summary of 2017/18 Local Government Settlement

YEAR-ON-YEAR CHANGE FOR THE 2017/18 SETTLEMENT			
Class of Local Authority	2016-17 Adjusted settlement Funding Assessment	2017-18 Settlement Funding Assessment	Overall Reduction in funding
	£million	£million	%
London Area			
London Boroughs	3,398.55	3,078.33	-9.42%
GLA	1,156.55	1,157.15	0.05%
Metropolitan Areas			
Metropolitan Districts	4,751.57	4,323.36	-9.01%
Metropolitan Fire Authorities	247.75	229.95	-7.18%
Shire Areas			
Shire unitaries with fire	321.61	283.17	-11.95%
Shire unitaries without fire	3,459.30	3,066.75	-11.35%
Shire counties with fire	1,677.09	1,426.86	-14.92%
Shire counties without fire	2,408.24	2,043.98	-15.13%
Shire districts	789.80	668.57	-15.35%
Combined fire authorities	387.71	348.75	-10.05%

3.2.8 Members should be aware that the settlement figures quoted above are provisional only. The consultation period ended on Friday 13th January 2017 with final settlement expected by the middle of February.

3.2.9 In previous years, there were few significant change at this late stage. If there are any significant changes arising from the final information members will be briefed before Council.

3.3 Other matters related to settlement

3.3.1 Council Tax Referendum

In parallel to the settlement, the proposed referendum criteria were published. Shire districts can increase council tax by 2% or £5.00 on Band D equivalent property whichever is higher. The current budget assumes an increase of 2% and a £5.00 increase would be equivalent to 2.27%.

The options for the Council Tax increase are discussed in detail later in the report.

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.3 Other matters related to settlement

3.3.2 Business Rate Retention Scheme

The business rate retention scheme has now been in place for several years. 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 fall in income below the baseline funding level of £188,590.
- 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.

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

* Any levy is now retained by the business rate pool rather than paid over to the Treasury.

3.3.3 The forecast for 2017/18 is currently being finalised. The 2017/18 NNDR return which underpins this forecast is due to be submitted by the 31st January 2017 and any substantial changes resulting from the final assessment of the business rate income will be reported verbally to members at the meeting.

3.3.4 Looking further ahead, the generation of additional business rates is one of the solutions to the Council's ongoing financial pressures especially in light of the Government's commitment to return all of business rates to Local Government. Members will be aware that there are several schemes progressing within the Council which will create employment space. Examples include: The Aquarena site, Union Place and Teville Gate.

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.3 Other matters related to settlement

3.3.5 The Council is now participating in a County based business rates pool. The business rates pool has been approved by DCLG. Participating in the pool will enable the participating Councils to retain any 'levy' paid which will be set aside to fund economic regeneration initiatives within the County area. The equates to an estimated additional business rate income of over £2m retained locally each year to benefit the residents of West Sussex.

3.3.6 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. There is no time limit on when an appeal might be lodged. This is particularly pertinent in a valuation year. In the first year of the 2010 valuation, the VOA received 222 appeals with an ultimate loss in rateable value of over £0.5m.
- There is a specific risk associated with schools becoming academies. If a school assumes academy status then it will become eligible for mandatory rate relief which will reduce the Council's business rate income.
- The Councils have received mandatory rate relief claims from the local NHS trusts. Whilst the Council believes the trusts are not eligible for such financial support, until the legal position is clarified, there is a risk that the Council could lose 80% of its income from the NHS Trust sites. This is the subject of a national legal challenge.
- Major redevelopments will temporarily reduce business rate income whilst the site is being redeveloped.

3.3.7 Consequently there could be significant swings in the amount of business rate income in any one year particularly following a rating revaluation. However, any shortfall in income will be recovered in the following financial year. The Council will fully provide for any known backdated business rates appeals at the 2016/17 year end.

3.4 Long term implications of current government policy

3.4.1 The financing of local government has continues to change. We are moving from a grant based on need (Revenue Support Grant) to funding based on performance in the delivery of homes (New Homes Bonus and additional Council Tax) and the creation of employment space (Business Rate Retention Scheme).

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.4 Long term implications of current government policy

Consequently, the income from Council Tax forms an increasingly significant proportion of the Council's overall taxation income over the next 5 years and so the decision regarding the annual increase has a greater strategic importance.

Breakdown of taxation income to the Council:

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax *	8,277	8,505	8,701	8,910	9,116	9,335
Business Rates *	2,809	3,020	3,097	2,939	3,042	3,142
Revenue Support and other grants **	1,354	553	8	0	0	0
New Homes Bonus	1,599	1,388	1,228	1,102	704	470
	14,039	13,466	13,034	12,951	12,862	12,947

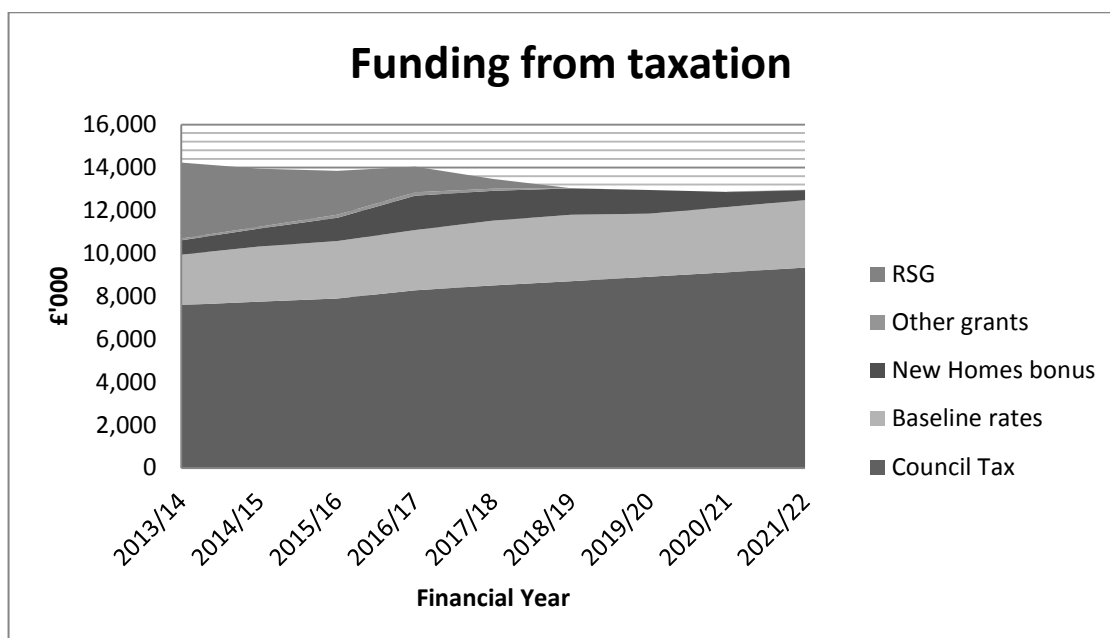
* Includes any surplus or deficit on the collection fund

** Includes the Transition Grant and other minor grants

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Council Tax *	58.96%	63.16%	66.76%	68.80%	70.88%	72.10%
Business Rates *	20.01%	22.43%	23.76%	22.69%	23.65%	24.27%
Revenue Support and other grants **	9.64%	4.10%	0.06%	0.00%	0.00%	0.00%
New Homes Bonus	11.39%	10.31%	9.42%	8.51%	5.47%	3.63%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

3.0 THE AUTUMN STATEMENT 2016 AND 2017/18 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.4 Long term implications of current government policy



4.0 2016/17 BUDGET – CURRENT POSITION

4.1 The revenue monitoring report to the Joint Strategic Committee on 8th November 2016 projected an underspend for the year of £298,000

	Forecast Over/(Under) spend
Homelessness Increasing caseloads	£'000 197
Theatres Underachievement of net income from live events and catering	132
Commercial rent income Additional income arising from the purchase of two properties in Montague Street after allowing for borrowing costs.	(117)
Treasury Management Impact of new MRP policy, the final 2015/16 capital programme and changes in interest rates	(411)
Balance carried forward	(199)

4.0 2016/17 BUDGET – CURRENT POSITION

	Forecast Over/(Under) spend
	£'000
Balance brought forward	(199)
Crematorium	
Essential unplanned repairs to the cremators (£15k) and additional medical fees (£12k).	27
Recovery of Benefit Overpayments	
Additional income from the recovery of housing benefit payments. Since the introduction of Real Time information from HMRC, overpayments are being more regularly and swiftly identified leading to additional income.	(200)
Development Management	
Cost of public enquiry into the Grand Avenue planning decision.	27
Car Parking	
Underachievement of income against budget	30
Net other variations	17
Forecast underspend as at 8th November 2016	(298)

4.2 As at the end of the 2nd quarter, Worthing Borough Council is likely to underspend. The on-going trends identified as part of the monitoring during 2016/17 have been incorporated into the 2017/18 budgets.

4.3 On past evidence, spending patterns between the 2nd quarter budget monitoring and the end of the financial year have shown that it is likely that the position may improve as the year progresses. The final outturn for 2017/18 will be reported when the outturn report comes before the Joint Strategic Committee in July 2017. Any overspends will have to be funded from the Council's reserves. Any final recommendations must be deferred until the outturn results are known.

5.0 DRAFT REVENUE ESTIMATES 2017/18

5.1 Detailed budgetary work is now complete and the estimate of the budget requirement (net of any proposed transfers to reserves) is £13,468,630. This includes the savings and committed growth proposals agreed at Joint Strategic Committee in December.

5.0 DRAFT REVENUE ESTIMATES 2017/18

- 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 £13.468m 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 2016/17 to 2017/18 are at Appendix 1. A breakdown of each Executive Member's summary budget is attached in Appendix 5. The changes can be summarised briefly as follows:

	£'000	£'000
2016/17 Original Estimate		14,039
Add: General Pay and Price Increases		183
Add: Committed and Unavoidable Growth:		
Increased Expenditure as per 3 year forecast (net of any proposed use of reserves)	1,145	
Reduced Income as per 3 year forecast	56	
Impact of Capital Investment Programme	38	1,239
Less: Compensatory savings/Additional Income:		
Compensatory savings	-226	
Additional income	-98	-324
2017/18 budget prior to agreed savings		15,137
Less: Savings agreed by members		
Approved in December	-1,734	
Final adjustment to saving arising from a review of the allocations	-6	-1,740
Executive Member requirements		13,397
Potential contribution to reserves*		71
Potential budget requirement before external support		13,468
Collection fund surplus		-9
2017/18 BUDGET REQUIREMENT		13,459

*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 item and the Council Tax increase.

5.0 DRAFT REVENUE ESTIMATES 2017/18

5.5 The estimates reflect the Council's share of the Joint Strategic Committee budget. The allocation of the costs of joint services under the remit of the JSC has been the subject of an annual review this year.

5.6 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 Emma Thomas (Finance Manager) or Sarah Gobey (Chief Financial Officer).

5.7 The current net estimated 2017/18 spend is more than previously predicted and is mainly due to the following factors:

	£'000
Reduction in New Homes Bonus	126
Impact of latest expected capital spend on treasury management costs	-119
Impact of 2017 business rate revaluation on the Councils business rate bills	80
Removal of provision for new growth items	63

5.8 In addition to the above, the projected surplus on the Collection Fund is now estimated to be £66,270, of which £9,400 is the District Council share. This is a minor surplus in light of the overall income due which exceeds £59.3m, and is due to a slight improvement in the level of income to the collection fund.

5.9 Members are now faced with two questions:

- What level of Council Tax to set?
- Whether to accept the growth item in Appendix 3 to accept?

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

5.0 DRAFT REVENUE ESTIMATES 2017/18

5.10 The Council Tax increase:

5.10.1 The budget forecast currently assumes that Council Tax will increase by just under 2.0% in 2017/18.

5.10.2 The consultation undertaken last year revealed that:

Responses to potential Council Tax increases	%
A small increase which will help the Councils to protect priority services	63.2
To continue to freeze Council Tax and potentially reduce services	36.3
Not answered	0.5
	100.0

The consultation responses are similar to previous years which also indicated public support for a small increase.

5.10.3 A 2% uplift would be a modest increase in the District council share of the bill for 2017/18 as follows:

Worthing Borough Council	£
Band D Council Tax in 2016/17	220.23
Annual impact of 2% increase	4.41
Amount per week	0.08
Amount per week for an average property (Band C)	0.07

5.10.4 Members should also be aware that the Police and Crime Commissioner has been consulting on a £5.00 (3.36%) increase for their share of the overall bill. There are indications that the County Council will set a 3.95% increase, just under their permitted 4%. Consequently, the total overall increase in the Council Tax bill for an average band D property would be just under 4%:

	2016/17	2017/18 (Indicative)	%
	£	£	
Worthing Borough Council	220.23	224.64	2.00%
West Sussex County Council	1,207.89	1,255.60	3.95%
Sussex Police and Crime Commissioner	148.91	153.91	3.36%
	1,577.03	1,634.15	3.62%

5.0 DRAFT REVENUE ESTIMATES 2017/18

5.10 The Council Tax increase:

5.10.5 There are long term consequences in setting a Council Tax increase significantly lower than the maximum permitted. This is particularly significant at the moment given the scale of the withdrawal of government funding the Council will contend with over the next 5 years. The financial impact of freezing Council Tax rather than increasing by 2% is detailed below.

Worthing Borough Council	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
Council Tax income if Council Tax is increased by just under 2.0% every year	8,498	8,702	8,912	9,117	9,337
Council Tax income if Council Tax is frozen every year	8,331	8,364	8,398	8,423	8,457
Fall in income per annum if Council Tax is frozen	167	338	514	694	880
Current budget shortfall based on 2% council tax increase	1,669	3,097	4,189	5,172	5,642
Revised budget shortfall if Council Tax is frozen	1,836	3,435	4,703	5,866	6,522

5.10.6 Members are asked to consider which level of Council Tax increase that they support. An increase of 2% would enable the Council to set a balanced budget and fund some new initiatives.

5.10.7 Each 1% increase in Council Tax is worth £83,000 and increasing Council Tax by 2.0% will protect the longer term financial interests of the Council during a particularly challenging time.

5.11 Uncommitted Growth Items:

5.11.1 There is one uncommitted growth item to be considered. A budgetary provision of £70,000 is needed to fund the costs associated the delivery of major development projects within the town. The sites include Teville Gate, Union Place, and Grafton This is especially pertinent where a more complex delivery vehicle is being considered (e.g. Joint Venture) which would require specialist legal and financial advice, however the budget can also be used to fund other associated studies.

5.11.2 The redevelopment of these sites is contributes to the delivery of 'Platforms for Our Places' commitments outlined in Platform 1: Our Financial Economies (Commitment 1.6).

5.0 DRAFT REVENUE ESTIMATES 2017/18

5.12 Summary of budget position

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		13,397
Less: Government grant (including transition grant)	553	
Baseline Funding	2,514	
Share of additional Business Rate income	506	
Council Tax (2.0% increase)	8,498	
New Homes Bonus	1,388	
Collection Fund surplus	9	-13,468
Balanced budget based on 1.98% Council Tax increase		-71
Maximum impact of accepting the growth item (para. 5.11)		70
		-1
Maximum contribution to reserves		1
		-

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 in Appendix 1 (which includes an assumed 1.98% tax increase for 2017/18 which is to be considered as part of this report). The 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)				
	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
Cumulative budget shortfall	1,669	3,097	4,189	5,172	5,642
Less:					
Net savings agreed in December	-1,740	-1,385	-1,585	-1,785	-1,985
Impact of accepting the growth items in paragraph 5.11	70	70	70	70	70
Potential contribution to reserves to be agreed	-1	-	-	-	-
Adjusted cumulative budget shortfall	-	1,782	2,674	3,457	3,727
Savings required each year	-	1,782	892	783	270

6.2 The continuation of the withdrawal of government fund 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 three benefits which flow from an improving economy and 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;

6.3 However, these measures are unlikely to be enough. The Council will also need to deliver on the strategy to generate £600k more commercial income per year and invest in property. Alongside this, there will need to be a continuing emphasis on efficiency in the annual savings exercise; whether this is through the digital strategy or by improving customer service. Overall, if the Council delivers upon the current budget strategy then the level of new initiatives required each year to balance the budget will reduce as follows:

6.0 IMPACT ON FUTURE YEARS

	Expected shortfall (Cumulative)			
	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000
Cumulative budget shortfall	1,773	2,666	3,448	3,719
Future savings from budget strategy:				
Customer and Commercial Board	-420	-840	-1,260	-1,680
Digital Programme Board	-120	-240	-360	-480
New savings initiatives to be identified	1,233	1,586	1,828	1,559
New initiatives required each year	1,233	353	242	-269

2018/19 remains a particularly challenging year.

7.0 RESERVES

7.1 Sections 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 best practice as advised by the Chartered Institute of Public Finance and Accountancy (CIPFA) in LAAP 99 '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. unexpected increases in the demand for services); 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 2016 was £844,000 which was 6.0% of net 2016/17 revenue expenditure – just within the range of 6%-10% set by the Council. There are no plans to draw down from the working balance

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

7.0 RESERVES

		£'000	%
31.03.2017	Balance carried forward – per Final Accounts	844	6.3
31.03.2018	No planned drawdown or contribution expected	844	6.5
31.03.2019	No planned drawdown or contribution expected	844	6.5
31.03.2020	No planned drawdown or contribution expected	844	6.6

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 each year.

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 0.25% would cost the Council in a region of £31,250 in 2017/18.
2. A pay award of 1% more than currently allowed for within the budget would cost the General Fund approximately £162,000.
3. Further adverse falls in income from such sources as development control income, car parks and land.
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 2017/18 of £808,800 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 £1,346,600 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.

7.0 RESERVES

7.5 The estimated balance of general fund earmarked reserves as at 31st March, 2018 is £1,768,000, although this reduces to £798,000 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 2. The significant risks to the overall budget and the Council's reserves are detailed below.

7.6 With a lower level of reserves, it is now critical that these reserves be used only as a funding resource of last resort until such time as the reserve level has recovered to some extent. The Council has over the past year minimised new calls on such resources.

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 provided that they are used sparingly. However the size and nature of the risks to the overall budget leaves the Council with no 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) **Housing Services** – The Council has experienced a significant increase in demand for emergency and temporary accommodation over the past year. Whilst substantial growth has been built into the budget, the degree to which this will be adequate depends on two factors:

1. The extent to which caseload continues to grow
2. The supply of cost effective accommodation

8.0 SIGNIFICANT RISKS

Whilst the Council is now sourcing more cost effective accommodation for our clients, there remains a risk that demand for such accommodation will outstrip our ability to find additional cost effective units.

In addition, there will be a change to the funding regime. Currently, an additional £60.00 per week per family can be claimed from housing benefit towards the cost of accommodating clients in bed and breakfast. From 1st April, this funding is to be replaced with a grant and it is not known how the grant will be assessed.

- (ii) **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 2017/18, income may fall further than expected or new targets for commercial income may not be met.
- (iii) **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.
- (iv) **Inflation** - A provision for 1% inflation has been built into non-pay budgets. Pay budgets have a 1% inflationary increase allowed for. Whilst the Bank of England inflation forecasts expect that inflation will gradually return to 2% in 2017/18, 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	162
Non-pay	135

- 8.2 To help manage these risks, the council has a working balance of £844,000 and other earmarked reserves are also available to the Council to help mitigate these risks.

9.0 CONSULTATION

- 9.1 The Council ran a consultation exercise last year which support the Council's five year budget strategy. In light of this, no consultation exercise was undertaken this year.

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.
- 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 2017/18. The Council has a fully funded capital programme and the associated revenue costs are built into the budget for 2017/18 and future years.
- 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. These will be considered in detail in the report entitled 'Joint Treasury Management Strategy Statement and Annual Investment Strategy 2017/18 to 2019/20 for Adur District Council and Worthing Borough Council', which is to be discussed at the Joint Strategic Committee on the 2nd February 2017.

11.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

- 11.1 Section 25 of the Local Government Act 2003 requires an authority's Chief Financial Officer 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:

11.0 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.

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:

- (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 2017/18.

- 11.4 The Chief Financial 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 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.

12.0 COUNCIL TAX SETTING

12.2 Once the Executive has reached a decision on the Total Budget Requirement it wishes to recommend to the Council for the 2017/18 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.

12.3 Worthing Borough Council:

- (a) The following table shows the net sum to be raised from local Council Taxpayers in 2017/18 prior to the consideration of the budget proposals. This is based on 2.0% Council Tax increase:

	£	£
Net 2017/18 Budget *		13,468,630
Less:		
Aggregate External Finance:		
Revenue Support Grant	-452,930	
Baseline Funding	-2,514,490	
Additional Retained Business Rate income	-505,750	
New Homes Bonus	-1,388,230	
Contribution from the Collection Fund surplus (as per paragraph 5.8)	-9,400	
Transition Grant	-99,860	
		-4,970,660
Balance to be raised from Council Tax		8,497,970

* 2017/18 budget requirement after any contribution to or from reserves required to balance the budget.

Within section 5 of the report, members are given the options for the Council Tax and approving the non-committed growth item. Any reduction in income resulting from a lower Council Tax increase would be funded from the reserves.

(b) Council Tax Base

The Council's Tax base for 2017/18 is 37,829.30 Band D equivalent properties. There is an increase to the current year base of 37,360.30 which is due to an increasing number of homes and the falling cost of Council Tax benefits. The full calculation of the tax base is shown in Appendix 3.

12.0 COUNCIL TAX SETTING

12.3 Worthing Borough Council:

(d) Worthing Borough Council Band D Council Tax

Members are now asked to consider which level of Council Tax to set for 2017/18. A Council Tax increase of 2.0% will ensure that the Council has a balanced budget.

	2016/17	2017/18 (1% increase)	2017/18 (2.0% increase)
	£	£	£
Worthing Borough Council	220.23	222.43	224.64
Annual increase		2.20	4.41
Weekly increase		0.04	0.08

12.4 West Sussex County Council and Sussex Police Authority

- (a) The County Council requirements are expected to be confirmed on 19th February, 2016. The Police and Crime Commissioner's proposed increase of around 3.36% was considered by the Police and Crime Panel on 20th January 2017 and agreed.

	2016/17 £	2017/18 £
West Sussex County Council	1,207.89	t.b.c.
Sussex Police Authority	148.91	153.91
TOTAL	1,356.80	t.b.c.

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 21st February 2017.

13.0 CONCLUSION

- 13.1 This has been a very difficult settlement. The Council has seen the withdrawal of a significant amount of Revenue Support Grant. However, to meet this challenge the Council has identified over £1.7m of savings and is now in the position to set a balanced budget.

13.0 CONCLUSION

- 13.2 Looking further ahead, 2018/19 will be even more difficult as the Council expects another significant reduction in grant and has only limited opportunities to lever in New Homes Bonus. Consequently, the strategy of delivering commercial income growth and business efficiencies through the digital agenda assumes a greater importance.
- 13.3 However, provided we meet this challenge, the Council will become increasingly financially resilient over the next 5 years as Revenue Support Grant disappears and we become largely funded by our community through Council Tax and Business Rates and income from our commercial services.
- 13.4 The aims of 'Platforms for our Places' are critical to our success. Developing the local economy to increase employment space and local jobs together with the provision of new homes is one of the strategic measures that the Council can take to protect its longer term financial interests, however there will be inevitably be some difficult days ahead as the Council seeks to address the remaining budget shortfall.
- 13.5 There will need to be a sharp focus on financial health over the next couple of years whilst we balance the budget and rebuild the reserves. However, we must not forget that the Council has a good track record in dealing with such challenges
- 13.6 Finally, in preparing the strategy and forecast for 2017/18 an assessment was carried out of the significant risks and opportunities 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.

14.0 RECOMMENDATIONS

- 14.1 **The Joint Overview and Scrutiny Committee is consider the report and make any comments on the budget proposals for Worthing Borough Council (including the proposals for Council Tax) to the Joint Strategic Committee.**
- 14.2 **The Executive is recommended to:**
- (a) **Approve the growth item detailed at paragraph 5.11;**

14.0 RECOMMENDATIONS

- (b) Agree to recommend to Council the draft budgets for 2017/18 at Appendix 5 as submitted in Executive Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £13,468,630, subject to any amendments above; and
- (c) Consider which band D Council Tax to recommend to Council for Worthing Borough Council's requirements in 2017/18 as set out in paragraph 12.3.

Local Government Act 1972

Background Papers :

Report to the Joint Strategic Committee September 2016 Outline forecast 2017/18 to 2021/22 and Budget Strategy

Report to the Joint Strategic Committee 6th December 2016 Updated Outline 5 year forecast and savings proposals.

Local Authority Finance (England) Settlement Revenue Support Grant for 017/18 and Related Matters: DCLG Letters and associated papers of 15th December 2016.

Autumn Statement 2016. 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 2015/16

Report to Joint Strategic Committee 6th December 2015 – 2nd Revenue Budget Monitoring 2015/16

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WORTHING BOROUGH COUNCIL - APPENDIX 1
Revenue Budget Summary Statement 2016/17 - 2021/22

	2016/17 Base	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation						
Base budget	14,039	14,039	14,039	14,039	14,039	14,039
Annual Inflation						
Estimated inflation		304	882	1,480	2,087	2,723
- Overprovision for pay award in 2016/17 budget		(121)	(121)	(121)	(121)	(121)
One -off / non-recurring items						
Local Elections (not held once every four years)		(76)	-	-	-	(76)
Committed Growth / Cost reductions						
Impact of Pension Fund Triennial valuation		100	204	315	321	327
Housing condition survey - carried out once every 3 years		9	-	-	9	-
Impact of pension valuation for SDLT - Fall out of pension costs.		(26)	(52)	(78)	(104)	(130)
Loss of Housing Benefit Administration Grant		45	90	135	180	225
Reopening of Brooklands Golf Course (reopens 2017/18)		(98)	(98)	(98)	(98)	(98)
Net impact of SDLT commissioning support services from external providers		187	187	187	187	187
Increasing demand for emergency accommodation		520	520	520	520	520
Impact of reprocurement of building maintenance contracts for corporate buildings		14	14	14	14	14
Reprocurement of IT systems		25	25	25	25	25
New 2020 recycling targets		-	-	300	600	600
Impact of 2% additional Insurance Premium Tax		7	7	7	7	7
Impact of 2017 rate revaluation		80	80	80	80	80
Growth items identified by Heads of Service approved in December		184	184	184	184	184
Impact of capital programme						
Financing costs - General Programme		148	181	297	239	317
Impact of latest estimates of spend and slippage		(119)	54	(72)	(10)	(48)
Impact of increasing 2017/18 programme		9	38	38	38	38
Additional income						
Investment income		56	48	40	(12)	(72)
Agreed Savings						
Splashpoint - Impact of sale of Aquarena site		(150)	(150)	(150)	(150)	(150)
Approved Growth items						
Provision for new growth items		-	-	-	-	-
Total Cabinet Member Requirements	14,039	15,137	16,132	17,142	18,035	18,591

WORTHING BOROUGH COUNCIL - APPENDIX 1
Revenue Budget Summary Statement 2016/17 - 2021/22

	2016/17 Base	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Total Cabinet Member Requirements b/fwd	14,039	15,137	16,132	17,142	18,035	18,591
Baseline funding	2,464	2,514	2,595	2,688	2,742	2,797
Add: Net retained additional business rates	520	506	502	251	300	345
Add: Share of 2015/16 surplus /deficit (-)	(175)					
Adusted Baseline funding	2,809	3,020	3,097	2,939	3,042	3,142
Revenue Support Grant	1,194	453	8	-	-	-
Council Tax income						
Adjusted Council Tax income	8,228	8,498	8,702	8,912	9,117	9,337
Transitional Grant	100	100	-	-	-	-
Council Tax Reduction Scheme Grant	60	-	-	-	-	-
New homes bonus (2011/12 - 2016/17)	273	-	-	-	-	-
New homes bonus (2012/13 - 2017/18)	172	-	-	-	-	-
New homes bonus (2014/15 - 2019/20)	170	170	-	-	-	-
New homes bonus (2015/16 - 2020/21)	246	246	246	-	-	-
New homes bonus (2016/17 -2019/20)	518	518	518	518	-	-
New homes bonus (2017/18 - 2020/21)	-	234	234	234	234	-
New homes bonus (2018/19- 2021/22)	-	-	230	230	230	230
New homes bonus (2019/20 - 2022/23)	-	-	-	120	120	120
New homes bonus (2020/21 - 2023/24)	-	-	-	-	120	120
Total New Homes Bonus	1,599	1,388	1,228	1,102	704	470
Collection fund surplus/deficit (-)	49	9	-	-	-	-
Total other grants and contributions	1,808	1,497	1,228	1,102	704	470
Total Income from Taxation	14,039	13,468	13,035	12,953	12,863	12,949
(Surplus) / Shortfall in Resources	-	1,669	3,097	4,189	5,172	5,642
Use of / (contribution to) Res'ves to Balance Budget						
Capacity issues reserve	-	-	-	-	-	-
Total Income from Reserves	-	-	-	-	-	-
AMOUNT REQUIRED TO BALANCE BUDGET	-	1,669	3,097	4,189	5,172	5,642

WORTHING BOROUGH COUNCIL - APPENDIX 1
Revenue Budget Summary Statement 2016/17 - 2021/22

	2016/17 Base	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Strategic Initiatives to balance the budget						
Strategic Property Investment Fund						
Properties purchased to date		148	148	148	148	148
Future property purchases		52	252	452	652	852
Commercial activities and commissioning						
Commercial and Customer Board		484	484	484	484	484
Efficiency Measures						
Digital Strategy Board		108	132	132	132	132
Restructures and service plan savings not included above (see appendix 3)		948	369	369	369	369
		1,740	1,385	1,585	1,785	1,985
Cumulative savings still to be found		(71)	1,712	2,604	3,387	3,657
Annual savings still to be found		(71)	1,783	821	783	270
Council Tax increase		2.00%	2.00%	2.00%	2.00%	2.00%
Average annual increase (Band C property)		£3.88	£3.96	£4.04	£4.12	£4.20
Average weekly increase (Band C property)		£0.07	£0.08	£0.08	£0.08	£0.08

WORTHING:
Revenue Budget Report
APPENDIX 2
ESTIMATED RESERVES
SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.16	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.17	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.18
	£'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.	455	-	(342)	113	-	-	113
2. 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.	392	30	(21)	401	30	(30)	401
3. 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.	10	-	-	10	-	(10)	-

APPENDIX 2

ESTIMATED RESERVES

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.16	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.17	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.18
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
4. 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	-	(40)	38	-	-	38
	C						
C = Capital Contribution							

WORTHING: Revenue Budget Report

ESTIMATED RESERVES

APPENDIX 2

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.16	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.17	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.18
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
5. 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.	114	-	-	114	-	-	114
6. THEATRE TICKET LEVY Purpose: Established in 2013/14 to fund refurbishment and other works for all of WBC's theatres.	70	90	(100)	60	80	(50)	90
7. 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.	49	-	-	49	-	(49)	-
C = Capital Contribution							

ESTIMATED RESERVES

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.16	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.17	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.18
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
8. 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.	42	-	-	42	-	-	42
9. GRANTS & CONTRIBUTIONS Held in reserves*	897	-	-	897	-	-	897
10. PROJECTED UNDERSPEND Reserves to be identified at outturn.	-	-	-	-	-	-	-
11. GENERAL FUND WORKING BALANCE	844	-	-	844	-	-	844
12. CAPITAL EXPENDITURE RESERVE	73	-	-	73	-	-	73
TOTAL	3,024	120	(503)	2,641	110	(50)	2,612

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

WORTHING: Revenue Budget Report

COUNCIL TAX BASE FOR 2017/18

APPENDIX 3

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	7,733.00	11,097.00	12,803.00	9,247.00	5,371.00	2,332.00	892.00	25.00	49,500.00
Less: Exemptions	0.00	-162.00	-128.00	-111.00	-97.00	-59.00	-21.00	-7.00	0.00	-585.00
Disabled Relief Adjustment (net)	0.00	7,571.00	10,969.00	12,692.00	9,150.00	5,312.00	2,311.00	885.00	25.00	48,915.00
Chargeable Dwellings	5.00	33.00	19.00	-5.00	7.00	-28.00	8.00	-21.00	-18.00	0.00
	5.00	7,604.00	10,988.00	12,687.00	9,157.00	5,284.00	2,319.00	864.00	7.00	48,915.00
Broken down as follows:										
Full Charge	2.00	2,589.00	6,011.00	8,618.00	6,677.00	4,109.00	1,907.00	706.00	4.00	30,623.00
25% Discount (Including Adj for SP dis)	3.00	4,960.00	4,931.00	4,041.00	2,444.00	1,154.00	372.00	127.00	0.00	18,032.00
50% Discount	0.00	93.00	115.00	129.00	120.00	73.00	60.00	43.00	3.00	636.00
0% Discount (Long Term Empty Homes)	0.00	270.00	252.00	139.00	92.00	51.00	12.00	5.00	0.00	821.00
Total Equivalent Number of Dwellings	4.25	6,351.50	9,740.75	11,659.75	8,526.00	4,986.00	2,205.50	816.75	5.50	44,296.00
Reduction in tax base due to Council Tax Support	2.12	1,408.92	1,449.35	1,027.95	376.94	113.61	21.73	4.99	0.00	4,405.62
Adjusted equivalent total dwellings	2.13	4,942.58	8,291.40	10,631.80	8,149.06	4,872.39	2,183.77	811.76	5.50	39,890.38
Band D Equivalents										
Revenue Support Settlement	1.20	3,295.10	6,449.00	9,450.50	8,149.10	5,955.10	3,154.30	1,352.90	11.00	37,818.20
Add: Forecast new homes	0.00	13.30	40.10	184.40	59.50	2.40	0.70	0.70	0.00	301.10
Add: Second Homes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Adjustments for Losses on Collection, and Void Properties	0.00	0.00	0.00	0.00	290.00	0.00	0.00	0.00	0.00	290.00
COUNCIL TAX BASE	1.20	3,308.40	6,489.10	9,634.90	7,918.60	5,957.50	3,155.00	1,353.60	11.00	37,829.30

DECISION

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

DECISION THE EXECUTIVE

- (i) Approved the growth item detailed at paragraph 5.11;
- (ii) Agreed to recommend to Council the draft budgets for 2017/18 at Appendix 5 as submitted in Executive Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £13,468,630;
- (iii) Agreed to recommend to Council an increase of 2% making Band D for Worthing Borough Council's requirements in 2017/18 as set out in paragraph 12.3 of £224.64 per annum.

REASON FOR DECISION

Statutory requirement to set a budget.

DECISION OF THE COUNCIL

At its meeting on the 21st February, 2017, Worthing Council agreed a 2% Council for Tax for 2016/17.

- (a) Council noted that the Executive calculated the Council Tax Base 2017/18 as **37,829.30** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")];
- (b) the Council Tax requirement for the Council's own purposes for 2017/18 is **£8,497,970**.

DECISION OF THE COUNCIL

That the following amounts be calculated by the Council for the year 2017/18 in accordance with Sections 31 to 36 of the Act:

- (a) **£79,866,920** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.

- (b) **£71,368,950** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

- (c) **£8,497,970** being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year. (Item R), in the formula in Section 31B of the Act).

- (d) **£224.64** being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

- (e) **£0.00** being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act.

- (f) **£224.64** being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year.

APPENDIX 4
CIVIC BUDGET TABLE 2017/18
Summary of Executive Member Requirements

INDIVIDUAL MEMBER PORTFOLIOS
Summary and Variance Pages

WORTHING BUDGET 2017/2018
Summary of Executive Member Portfolios

APPENDIX 4

EXECUTIVE PORTFOLIO	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
Environment	3,201,790	2,884,900
Health and Wellbeing	1,225,150	1,257,200
Customer Services	4,625,800	5,483,680
Leader	996,520	1,054,600
Regeneration	2,605,470	2,656,020
Resources	3,024,250	2,460,970
Support Services Depreciation Not Charged To Services	237,900	(165,700)
NET SERVICE EXPENDITURE	15,916,880	15,631,670
Credit Back Depreciation / Impairments	(3,272,280)	(3,323,380)
Minimum Revenue Provision	1,307,770	1,072,620
	13,952,370	13,380,910
Transfer to / from Reserves	86,250	86,250
Balance Available to Transfer To / (From) Reserves	-	1,470
Total budget requirement before external support from government	14,038,620	13,468,630
Baseline Funding	(2,464,180)	(2,514,490)
Additional business rate income	(345,440)	(505,750)
Revenue Support Grant	(1,193,380)	(452,930)
Transition Grant	(99,860)	(99,860)
Council Tax Reduction Scheme Grant	(60,000)	-
Council Tax Freeze Grant	-	-
Other unfenced grants (New homes bonus & Ctax Transition)	(1,599,440)	(1,388,230)
Contribution to/ (from) Collection Fund	(48,460)	(9,400)
Amount required from Council Tax	8,227,860	8,497,970
Council Tax Base	37,360.3	37,829.3
Average Band D Council Tax - Worthing Borough	220.23	224.64
% increase	-	2.00%

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF DIGITAL AND RESOURCES		
Business and Technical Services		
Engineering	55,520	66,310
Surveying & Design	351,800	352,870
	407,320	419,180
DIRECTOR OF COMMUNITIES		
Environment		
Allotments	61,940	63,190
Cemeteries	103,460	92,800
Crematorium	(1,449,360)	(1,438,670)
Environmental Health - Domestic	86,370	72,290
Parks	1,649,170	1,627,510
	451,580	417,120
Leisure		
South Downs Leisure	1,317,120	1,298,350
	1,317,120	1,298,350
Wellbeing		
Community Wellbeing	131,290	29,010
Environmental Health - Domestic	161,810	212,260
	293,100	241,270
DIRECTOR OF CUSTOMER SERVICES		
Waste and Cleansing		
Abandoned Vehicles	31,220	28,580
Clinical Waste	28,880	16,780
Compliance	(1,730)	(1,770)
Graffiti	4,610	670
Parking	(858,520)	(829,560)
Pest Control	26,790	8,800
Recycling	(327,390)	(408,920)
Refuse	1,382,200	1,336,980
Street Cleansing	764,270	758,220
Trade Refuse	(318,290)	(401,430)
Vehicle Workshop	630	630
	732,670	508,980
TOTAL ENVIRONMENT PORTFOLIO	3,201,790	2,884,900

WORTHING - ENVIRONMENT PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
DIRECTOR FOR DIGITAL AND RESOURCES	£		£	£	£	£	£	£	£	£	£
Business and Technical Services											
Engineering	-	-	21,710	-	-	-	-	21,710	44,600	-	66,310
Surveying & Design	-	18,220	244,730	-	-	-	(580)	262,370	7,900	82,600	352,870
DIRECTOR OF COMMUNITIES											
Environment											
Allotments	-	9,110	15,320	-	-	-	(620)	23,810	37,400	1,980	63,190
Cemeteries	-	121,340	126,960	-	16,000	-	(266,020)	(1,720)	65,890	28,630	92,800
Crematorium	235,340	150,880	467,610	3,470	176,350	-	(2,678,520)	(1,644,870)	115,870	90,330	(1,438,670)
Environmental Health - Domestic	-	57,300	-	-	-	-	-	57,300	12,480	2,510	72,290
Parks	-	172,150	1,083,860	-	132,890	-	(340,060)	1,048,840	342,260	236,410	1,627,510
Leisure											
South Downs Leisure	(2,687,680)	32,340	(651,200)	(29,870)	(930,450)	(652,080)	5,234,220	315,280	40,910	942,160	1,298,350
Wellbeing											
Community Wellbeing	-	15,090	-	-	-	-	-	15,090	13,920	-	29,010
Environmental Health - Domestic	-	1,250	-	-	-	-	(3,310)	(2,060)	214,320	-	212,260
DIRECTOR OF CUSTOMER SERVICES											
Waste and Cleansing											
Abandoned Vehicles	-	-	-	-	2,220	-	(460)	1,760	26,820	-	28,580
Clinical Waste	-	(4,280)	-	-	-	-	-	(4,280)	19,840	1,220	16,780
Compliance	-	-	-	-	-	-	(1,770)	(1,770)	-	-	(1,770)
Graffiti	-	(4,430)	-	-	-	-	-	(4,430)	2,500	2,600	670
Parking	-	485,240	677,080	3,890	148,020	-	(2,475,210)	(1,160,980)	183,310	148,110	(829,560)
Pest Control	-	850	-	-	-	-	-	850	6,880	1,070	8,800
Recycling	-	(709,040)	-	-	-	1,400	-	(707,640)	160,820	137,900	(408,920)
Refuse	-	1,000,940	-	-	-	-	-	1,000,940	131,010	205,030	1,336,980
Street Cleansing	-	910,930	-	-	-	-	(323,320)	587,610	95,300	75,310	758,220
Trade Refuse	-	316,110	-	-	410,310	-	(1,228,470)	(502,050)	50,090	50,530	(401,430)
Vehicle Workshop	-	-	-	-	-	-	-	0	-	630	630
	(2,452,340)	2,574,000	1,986,070	(22,510)	(44,660)	(650,680)	(2,084,120)	(694,240)	1,572,120	2,007,020	2,884,900
Percentage Direct Cost	-176%	185%	143%	-2%	-3%	-47%					

WORTHING - ENVIRONMENT PORTFOLIO - 2017/2018 - VARIANCE ANALYSIS

SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	Committed Growth	Savings	Non-MTFP Other Changes	Virements	Payroll Changes	Recharges	Joint Transfers	Asset Hire/ Impairment	TOTAL BUDGET
DIRECTOR FOR DIGITAL AND RESOURCES	£		£		£	£	£	£			£
Business and Technical Services											
Engineering	55,520	220	-	-	10,570	-	-	11,920	(1,350)	-	66,310
Surveying & Design	351,800	2,440	(5,400)	-	4,030	-	-	(78,570)	-	82,600	352,870
DIRECTOR OF COMMUNITIES											
Environment											
Allotments	61,940	80	-	(210)	1,380	6,000	-	(6,630)	30	1,980	63,190
Cemeteries	103,460	(3,160)	7,800	(9,310)	(5,990)	-	-	23,190	(57,810)	28,630	92,800
Crematorium	(1,449,360)	(44,490)	40,500	(53,140)	67,820	(2,100)	5,270	(26,610)	930	90,330	(1,438,670)
Environmental Health - Domestic	86,370	-	-	-	(14,080)	-	-	(16,590)	-	2,510	72,290
Parks	1,649,170	3,670	(92,970)	(46,300)	113,940	(18,400)	-	(550,160)	446,090	236,410	1,627,510
Leisure											
South Downs Leisure	1,317,120	1,780	(26,000)	-	5,450	-	-	(936,710)	-	942,160	1,298,350
Wellbeing											
Community Wellbeing	131,290	-	-	-	(102,280)	-	-	(102,280)	-	-	29,010
Environmental Health - Domestic	161,810	(70)	-	-	50,520	-	-	50,520	-	-	212,260
DIRECTOR OF ECONOMY											
DIRECTOR OF CUSTOMER SERVICES											
Waste and Cleansing											
Abandoned Vehicles	31,220	10	-	-	(2,650)	-	-	(2,650)	-	-	28,580
Clinical Waste	28,880	-	-	-	(12,100)	-	-	(13,320)	-	1,220	16,780
Compliance	(1,730)	(40)	-	-	-	-	-	-	-	-	(1,770)
Graffiti	4,610	-	-	-	(3,940)	-	-	(6,540)	-	2,600	670
Parking	(858,520)	(39,840)	12,200	(40,000)	96,600	-	-	(54,370)	2,860	148,110	(829,560)
Pest Control	26,790	-	-	-	(17,990)	-	-	(19,060)	-	1,070	8,800
Recycling	(327,390)	-	-	-	(81,530)	-	-	(219,430)	-	137,900	(408,920)
Refuse	1,382,200	-	-	-	(45,220)	-	-	(250,250)	-	205,030	1,336,980
Street Cleansing	764,270	(6,330)	-	-	280	-	-	(75,030)	-	75,310	758,220
Trade Refuse	(318,290)	(18,610)	-	(92,250)	27,720	-	-	(22,810)	-	50,530	(401,430)
Vehicle Workshop	630	-	-	-	-	0	-	(630)	-	630	630
	3,201,790	(104,340)	(63,870)	(241,210)	92,530	(14,500)	5,270	(2,296,010)	390,750	2,007,020	2,884,900

HEALTH AND WELLBEING PORTFOLIO

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF COMMUNITIES		
Worthing Festival	3,370	3,420
	3,370	3,420
Grants		
Grants	10,860	-
	10,860	-
Housing		
Housing	1,520	1,540
	1,520	1,540
Wellbeing		
Community Wellbeing	415,070	420,810
Community Safety	192,870	308,770
Environment Health - Commercial	304,490	246,310
Environment Health - Licensing	59,980	51,860
Environment Health - Domestic	157,610	162,620
	1,130,020	1,190,370
DIRECTOR OF DIGITAL AND RESOURCES		
Business and Technical Services		
Engineering	60,300	61,850
	60,300	61,850
DIRECTOR OF ECONOMY		
Culture		
Theatres	19,060	-
	19,060	-
DIRECTOR OF CUSTOMER SERVICES		
Revenues and Benefits		
Revenues	20	20
	20	20
TOTAL HEALTH AND WELLBEING PORTFOLIO	1,225,150	1,257,200

WORTHING - HEALTH AND WELLBEING PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
	£	£	£	£	£	£	£	£	£	£	£
DIRECTOR OF COMMUNITIES											
Worthing Festival	-	-	2,960	-	460	-	-	3,420	-	-	3,420
Grants											
Grants	-	-	-	-	-	-	-	0	-	-	0
Housing											
Housing	-	-	-	-	1,640	-	(100)	1,540	-	-	1,540
Wellbeing											
Community Wellbeing	-	168,960	-	-	215,150	-	-	384,110	36,700	-	420,810
Community Safety	-	247,760	3,650	-	20,700	-	-	272,110	35,320	1,340	308,770
Environment Health - Commercial	-	212,680	-	-	15,360	-	(3,740)	224,300	22,010	-	246,310
Environment Health - Licensing	-	186,540	-	-	3,830	-	(216,690)	(26,320)	78,180	-	51,860
Environment Health - Domestic	-	-	-	-	39,100	-	(980)	38,120	120,780	3,720	162,620
DIRECTOR FOR DIGITAL AND RESOURCES											
Business and Technical Services											
Engineering	-	-	47,550	-	-	-	-	47,550	14,300	-	61,850
DIRECTOR OF ECONOMY											
Culture											
Theatres	-	-	-	-	-	-	-	0	-	-	0
DIRECTOR OF CUSTOMER SERVICES											
Revenues and Benefits											
Revenues	-	-	-	-	20	-	-	20	-	-	20
	0	815,940	54,160	0	296,260	0	(221,510)	944,850	307,290	5,060	1,257,200

WORTHING - HEALTH AND WELLBEING PORTFOLIO - 2017/2018 - VARIANCE ANALYSIS


SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Impact of Capital programme	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
	£	£	£	£			£	£	£
DIRECTOR OF COMMUNITIES									
Worthing Festival	3,370	50	-	-	-	-	-	-	3,420
Grants									
Grants	10,860	-	-	-	-	-	-	(10,860)	0
Housing									
Housing	1,520	20	-	-	-	-	-	-	1,540
Wellbeing									
Community Wellbeing	415,070	2,130	-	-	-	-	-	3,610	420,810
Community Safety	192,870	240	-	-	-	-	-	115,660	308,770
Environment Health - Commercial	304,490	90	-	-	-	-	(240)	(58,030)	246,310
Environment Health - Licensing	59,980	(2,540)	-	-	-	-	(1,060)	(4,520)	51,860
Environment Health - Domestic	157,610	390	-	-	-	-	(780)	5,400	162,620
DIRECTOR FOR DIGITAL AND RESOURCES									
Business and Technical Services									
Engineering	60,300	470	-	-	-	-	-	1,080	61,850
DIRECTOR OF ECONOMY									
Culture									
Theatres	19,060	-	-	-	-	-	-	(19,060)	0
DIRECTOR OF CUSTOMER SERVICES									
Revenues and Benefits									
Revenues	20	-	-	-	-	-	-	-	20
	1,225,150	850	0	0			(2,080)	33,280	1,257,200

CUSTOMER SERVICES PORTFOLIO

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF COMMUNITIES		
Environment		
Lido/Pier/Pavilion	180,500	229,000
Worthing Symphony	-	-
Community Parks & Open Spaces - Brooklands	-	-
	180,500	229,000
Housing		
Housing	927,170	1,363,440
Housing Improvement Assistance	95,190	71,330
Housing Strategy	60,160	32,270
	1,082,520	1,467,040
Wellbeing		
Community Wellbeing	183,030	80,270
	183,030	80,270
DIRECTOR OF ECONOMY		
Culture		
Theatres	1,423,430	1,613,360
Museums	536,600	489,580
	1,960,030	2,102,940
DIRECTOR OF DIGITAL AND RESOURCES		
Finance		
Fraud, Verification & Adjudication	20,800	31,610
	20,800	31,610
DIRECTOR OF CUSTOMER SERVICES		
Revenues and Benefits		
Revenues	392,740	511,470
Benefits	806,180	1,061,350
	1,198,920	1,572,820
TOTAL CUSTOMER SERVICES PORTFOLIO	4,625,800	5,483,680

WORTHING - CUSTOMER SERVICES PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
	£		£	£	£	£	£	£	£	£	£
DIRECTOR OF COMMUNITIES											
Lido/Pier/Pavilion	-	38,300	240,550	-	8,960	-	(120,070)	167,740	31,590	29,670	229,000
Worthing Symphony	-	-	-	-	-	-	-	0	-	-	0
Brooklands	-	-	-	-	-	-	-	0	-	-	0
Culture											
Theatres	1,671,560	151,390	441,770	8,110	2,068,310	-	(3,458,700)	882,440	404,050	326,870	1,613,360
Museums	170,150	38,130	96,030	1,060	43,040	-	(58,740)	289,670	132,480	67,430	489,580
Housing											
Housing	-	440,690	-	-	792,670	153,500	(278,110)	1,108,750	253,070	1,620	1,363,440
Housing Improvement Assistance	-	105,110	-	-	-	-	(41,160)	63,950	7,380	-	71,330
Housing Strategy	-	-	-	-	-	-	-	0	32,270	-	32,270
Wellbeing											
Community Wellbeing	-	54,460	19,670	-	630	-	-	74,760	2,620	2,890	80,270
DIRECTOR FOR DIGITAL AND RESOURCES											
Finance											
Fraud, Verification & Adjudication	-	-	-	-	91,610	-	(60,000)	31,610	-	-	31,610
DIRECTOR OF CUSTOMER SERVICES											
Revenues and Benefits											
Revenues	355,300	24,100	-	3,280	87,500	-	(540,100)	(69,920)	581,390	-	511,470
Benefits	469,810	479,970	-	310	84,020	36,661,040	(37,373,790)	321,360	739,990	-	1,061,350
	2,666,820	1,332,150	798,020	12,760	3,176,740	36,814,540	(41,930,670)	2,870,360	2,184,840	428,480	5,483,680

WORTHING - CUSTOMER SERVICES PORTFOLIO - 2017/2018 - VARIANCE ANALYSIS



SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Impact of Capital programme	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
	£		£	£		£	£	£	£
DIRECTOR OF COMMUNITIES									
Lido/Pier/Pavilion	180,500	910	-	3,700	-	-	-	43,890	229,000
Worthing Symphony	-	-	-	-	-	-	-	-	0
Brooklands	-	-	-	-	-	-	-	-	0
Housing									
Housing	927,170	2,910	-	529,000	-	-	(157,500)	61,860	1,363,440
Housing Improvement Assistance	95,190	(810)	-	-	-	-	-	(23,050)	71,330
Housing Strategy	60,160	-	-	-	-	-	-	(27,890)	32,270
Wellbeing									
Community Wellbeing	183,030	170	-	-	-	-	-	(102,930)	80,270
DIRECTOR OF ECONOMY									
Culture									
Theatres	1,423,430	(41,310)	-	3,300	-	-	(40,000)	267,940	1,613,360
Museums	536,600	290	-	400	-	-	-	(47,710)	489,580
DIRECTOR FOR DIGITAL AND RESOURCES									
Finance									
Fraud, Verification & Adjudication	20,800	810	-	-	-	-	-	10,000	31,610
DIRECTOR OF CUSTOMER SERVICES									
Revenues and Benefits									
Revenues	392,740	(7,070)	-	-	-	-	(10,000)	135,800	511,470
Benefits	806,180	(3,360)	-	17,650	-	-	(10,000)	250,880	1,061,350
	4,625,800	(47,460)	0	554,050	0	0	(217,500)	568,790	5,483,680

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
CHIEF EXECUTIVE OFFICE		
Communications		
Communications	10,680	21,190
Performance and Scrutiny	200	200
	10,880	21,390
DIRECTOR OF COMMUNITIES		
Wellbeing		
Democratic Services	692,090	776,330
	692,090	776,330
DIRECTOR OF CUSTOMER SERVICES		
Elections		
Elections	293,550	256,880
	293,550	256,880
TOTAL LEADER PORTFOLIO	996,520	1,054,600

WORTHING - THE LEADER PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
	£		£	£	£	£	£	£	£	£	£
CHIEF EXECUTIVE											
Communications											
Communications	-	10,800	-	-	-	-	-	10,800	10,390	-	21,190
Performance and Scrutiny	-	-	-	-	200	-	-	200	-	-	200
DIRECTOR OF COMMUNITIES											
Wellbeing											
Democratic Services	269,430	270,600	-	3,520	24,410	-	-	567,960	208,370	-	776,330
DIRECTOR OF CUSTOMER SERVICES											
Elections											
Elections	-	136,810	-	-	65,130	-	(5,370)	196,570	56,470	3,840	256,880
	269,430	418,210	0	3,520	89,740	0	(5,370)	775,530	275,230	3,840	1,054,600
Percentage Direct Cost	35%	54%	0%	0%	11%	0%					

WORTHING - THE LEADER PORTFOLIO - 2017/2018 - VARIANCE ANALYSIS

SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Impact of Capital programme	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
	£		£	£			£	£	£
CHIEF EXECUTIVE									
Communications									
Communications	10,680	-	-	-	-	-	-	10,510	21,190
Performance and Scrutiny	200	-	-	-	-	-	-	-	200
DIRECTOR OF COMMUNITIES									
Wellbeing									
Democratic Services	692,090	3,000	-	-	-	-	(5,670)	86,910	776,330
DIRECTOR OF CUSTOMER SERVICES									
Elections									
Elections	293,550	590	(76,000)	-	-	-	-	38,740	256,880
	996,520	3,590	(76,000)	0	0	0	(5,670)	136,160	1,054,600

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF DIGITAL AND RESOURCES		
Business and Technical Services		
Business Services	51,780	53,520
Engineering	190,720	191,600
Energy and Sustainability	56,680	52,510
	299,180	297,630
DIRECTOR OF COMMUNITIES		
Environment		
Foreshores	738,430	668,930
	738,430	668,930
DIRECTOR OF ECONOMY		
Growth		
Planning Policy	338,990	369,990
Major Projects	76,410	155,060
Development Control	523,860	533,480
	939,260	1,058,530
Place & Investment		
Economic Development (including Tourism)	510,660	522,750
	510,660	522,750
DIRECTOR OF CUSTOMER SERVICES		
Building Control & Land Charges		
Building Control	117,940	108,180
	117,940	108,180
TOTAL REGENERATION PORTFOLIO	2,605,470	2,656,020

WORTHING - REGENERATION PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
DIRECTOR FOR DIGITAL & RESOURCES	£		£	£	£	£	£	£	£	£	£
Business and Technical Services											
Business Services	-	43,630	-	-	-	-	-	43,630	9,890	-	53,520
Engineering	-	5,000	100,890	-	4,770	-	(23,170)	87,490	85,460	18,650	191,600
Energy and Sustainability	-	5,000	-	-	-	-	-	5,000	47,510	-	52,510
DIRECTOR OF COMMUNITIES											
Environment	-	-	-	-	-	-	-	0	-	-	0
Foreshores	-	237,000	385,410	5,590	30,930	-	(413,500)	245,430	154,830	268,670	668,930
DIRECTOR OF ECONOMY											
Growth											
Planning Policy	-	26,300	-	-	67,890	-	-	94,190	275,800	-	369,990
Major Projects	-	-	-	-	70,000	-	-	70,000	85,060	-	155,060
Development Control	-	779,290	-	-	48,970	5,250	(495,350)	338,160	193,450	1,870	533,480
Place & Investment											
Economic Development	-	274,580	9,640	-	129,920	-	-	414,140	87,570	21,040	522,750
DIRECTOR OF CUSTOMER SERVICES											
Building Control & Land Charges											
Building Control	-	394,060	-	-	3,920	-	(369,730)	28,250	79,930	-	108,180
	0	1,764,860	495,940	5,590	356,400	5,250	(1,301,750)	1,326,290	1,019,500	310,230	2,656,020
Percentage Direct Cost	0%	67%	19%	0%	14%	0%					

WORTHING - REGENERATION PORTFOLIO - 2017/2018 - VARIANCE ANALYSIS

SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Impact of Capital programme	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
DIRECTOR FOR DIGITAL & RESOURCES	£		£	£	£	£			£
Business and Technical Services									
Business Services	51,780	-	-	-	-	-	-	1,740	53,520
Engineering	190,720	580	-	-	-	-	-	300	191,600
Energy and Sustainability	56,680	-	-	-	-	-	-	(4,170)	52,510
DIRECTOR OF COMMUNITIES									
Environment	-	-	-	-	-	-	-	-	0
Foreshores	738,430	(3,110)	-	4,000	-	-	(34,240)	(36,150)	668,930
DIRECTOR OF ECONOMY									
Growth									
Planning Policy	338,990	670	-	-	-	-	-	30,330	369,990
Major Projects	76,410	-	-	-	-	-	-	8,650	85,060
Development Control	523,860	(9,080)	-	-	-	-	(10,000)	28,700	533,480
Place & Investment									
Economic Development	339,770	1,420	-	8,260	-	-	(12,730)	186,030	522,750
DIRECTOR OF CUSTOMER SERVICES									
Building Control & Land Charges									
Building Control	117,940	(6,490)	-	-	-	-	(37,200)	33,930	108,180
	2,434,580	(16,010)	0	12,260	0	0			2,586,020

RESOURCES PORTFOLIO

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF DIGITAL AND RESOURCES		
Business and Technical Services		
Administrative Buildings	(730)	(750)
Surveying & Design	(21,920)	6,980
	(22,650)	6,230
Finance		
Corporate Management	2,650,400	2,431,230
Treasury Management	269,990	268,110
	2,920,390	2,699,340
DIRECTOR OF COMMUNITIES		
Adur Homes		
Adur Homes	-	-
	-	-
DIRECTOR OF ECONOMY		
Estates		
Estates	115,840	(424,130)
	115,840	(424,130)
DIRECTOR OF CUSTOMER SERVICES		
Building Control & Land Charges		
Land Charges	10,670	8,630
	10,670	8,630
TOTAL RESOURCES PORTFOLIO	3,024,250	2,290,070

WORTHING - RESOURCES PORTFOLIO -2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
	£		£	£	£	£	£	£	£	£
DIRECTOR FOR DIGITAL AND RESOURCES										
Business and Technical Services										
Administrative Buildings	-	-	-	-	-	(750)	(750)	-	-	(750)
Surveying & Design	-	19,280	56,450	3,300	80	(102,520)	(23,410)	10,670	19,720	6,980
Finance										
Corporate Management	2,279,750	(425,270)	(36,540)	244,970	-	(190,090)	1,872,820	557,540	870	2,431,230
Treasury Management	-	-	-	15,030	-	(158,000)	(142,970)	68,590	342,490	268,110
DIRECTOR OF COMMUNITIES										
Adur Homes										
Adur Homes	-	-	-	-	-	-	0	-	-	0
DIRECTOR OF ECONOMY										
Estates										
Estates	-	111,190	401,220	26,670	-	(1,255,910)	(716,830)	240,590	52,110	(424,130)
DIRECTOR OF CUSTOMER SERVICES										
Building Control & Land Charges										
Land Charges	-	113,310	-	45,570	-	(175,690)	(16,810)	25,440	-	8,630
	2,279,750	(181,490)	421,130	335,540	80	(1,882,960)	972,050	902,830	415,190	2,290,070
Percentage Direct Cost	80%	-6%	15%	12%	0%					

WORTHING - RESOURCES PORTFOLIO -2017/2018 - VARIANCE ANALYSIS

SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Impact of Capital programme	Additional Income	Savings	Non Committed Growth	Non-MTFP Other Changes	TOTAL BUDGET
	£		£	£	£	£	£	£		£
DIRECTOR FOR DIGITAL AND RESOURCES										
Business and Technical Services										
Administrative Buildings	(730)	(20)	-	-	-	-	-	-	-	(750)
Surveying & Design	(21,920)	(1,500)	-	4,440	-	-	-	-	25,960	6,980
Finance										
Corporate Management	2,650,400	(720)	-	14,800	-	-	(7,830)	-	(225,420)	2,431,230
Treasury Management	269,990	-	-	15,000	(134,000)	104,420	(46,880)	-	59,580	268,110
DIRECTOR OF COMMUNITIES										
Adur Homes										
Adur Homes	-	-	-	-	-	-	-	-	-	0
DIRECTOR OF ECONOMY										
Estates										
Estates	115,840	3,670	-	30,400	-	(278,360)	(115,000)	-	(180,680)	(424,130)
DIRECTOR OF CUSTOMER SERVICES										
Building Control & Land Charges										
Land Charges	10,670	(2,790)	-	-	-	-	(10,350)	-	11,100	8,630
	3,024,250	(1,360)	0	64,640	(134,000)	(173,940)	(180,060)	0	(309,460)	2,290,070

WORTHING:
Collection Fund - Council Tax 2017-2018

	2016/17 Estimate	2016/17 Revised	2017/18 Estimate
	£	£	£
COUNCIL TAX			
Payments			
Worthing Borough Council Demand	8,229,353	8,229,353	8,497,974
WSCC Precept	45,127,133	45,127,133	46,585,099
Sussex Police & Crime Commissioner	5,563,322	5,563,322	5,822,308
Total Payments	58,919,808	58,919,808	60,905,380
Council Tax			
Amount due from residents	66,170,508	64,725,600	66,652,380
Less: Council Tax Support Scheme	(6,988,000)	(5,421,000)	(5,421,000)
Gross Amount Due	59,182,508	59,304,600	61,231,380
Less: Provision for bad debts	(262,700)	(262,700)	(326,000)
Total Council Tax	58,919,808	59,041,900	60,905,380
Deficit/(Surplus)			
Deficit/(Surplus) for year	-	(122,092)	-
Deficit/(Surplus) Brought forward	(341,523)	(349,000)	(66,269)
Increase in provision for Bad Debts	-	63,300	-
Deficit charged to:	-	-	-
WBC	47,698	48,462	9,404
WSCC	261,556	260,753	50,596
SPCC	32,269	32,308	6,269
Deficit/(Surplus) Carried Forward	-	(66,269)	0

Property Band	2016/17				2017/18				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	805.26	99.27	146.85	1,051.38	820.97	102.61	149.76	1,073.34	15.71	3.33	2.91	21.96
B	939.47	115.82	171.32	1,226.61	957.80	119.71	174.72	1,252.23	18.33	3.89	3.40	25.62
C	1,073.68	132.36	195.80	1,401.84	1,094.63	136.81	199.68	1,431.12	20.95	4.44	3.88	29.28
D	1,207.89	148.91	220.27	1,577.07	1,231.46	153.91	224.64	1,610.01	23.57	5.00	4.37	32.94
E	1,476.31	182.00	269.22	1,927.53	1,505.12	188.11	274.56	1,967.79	28.81	6.11	5.34	40.26
F	1,744.73	215.09	318.17	2,277.99	1,778.78	222.31	324.48	2,325.57	34.05	7.22	6.31	47.58
G	2,013.15	248.18	367.12	2,628.45	2,052.43	256.52	374.40	2,683.35	39.28	8.33	7.28	54.90
H	2,415.78	297.82	440.54	3,154.14	2,462.92	307.82	449.28	3,220.02	47.14	10.00	8.74	65.88

WORTHING:
Comparison of Council Tax for 2016-17 and 2017-18

	2016/17 Estimate	2016/17 Revised	2017/18 Estimate
	£	£	£
NNDR (BUSINESS RATES)			
Payments			
Amount of NNDR to be paid to Central government	15,251,100	15,251,100	16,031,873
Amount to be retained by WBC under the rates retention scheme	12,333,121	12,333,121	12,956,541
Amount to be passed to West Sussex	3,050,220	3,050,220	3,206,375
Total amount due to authorities	30,634,440	30,634,440	32,194,788
Income			
Net Rates Payable by Business Sector after exemptions, reliefs & discounts	31,773,023	31,880,829	33,255,999
Less: Movement in Bad Debt Provision	103,100	103,100	54,240
Less: L.A's estimate of adjustment due to appeal	540,943	540,943	570,000
Less: Full Provision for backdated appeal decisions	0	0	0
Net Payable by Business Sector	31,128,980	31,236,786	32,631,759
Add: Net Transitional Protection Payments - Paid to the government	0	0	0
Less: Net Transitional Protection Payments - Paid by the government	0	0	0
Amount allowed to Council for - Administration costs and Interest on Repayments	132,241	132,241	131,043
Non Domestic Rating Income	30,996,739	31,104,545	32,500,716
Surplus (Deficit)			
In year change from original estimate - increase (+) / decrease (-)	0	470,105	0
Surplus/(Deficit) brought forward	0	-1,096,021	0
Suplus/(Deficit) distributed in year	-494,540	494,540	-436,971
Change in bad debt provision during the year	0	-3,036	0
Change in appeals provision during the year	0	-302,559	0
Add: Cost of Collection allowance	132,241	132,241	131,043
Amount Due to Authorities	30,634,440	30,799,815	32,194,788
(Surplus) / Deficit to be shared			
DCLG	247,270	247,270	218,485
WSCC	197,816	197,816	43,697
WBC	49,454	49,454	174,788
Change in Suplus/(Deficit)	0	-436,971	0
Surplus/(Deficit): Worthing Borough Council			
Business rates Baseline Target	12,439,821	12,439,821	12,543,486
Less: Tariff/Top-Up	-9,996,007	-9,996,007	-10,079,307
Baseline funding Target (A)	2,443,814	2,443,814	2,464,179
40% share of Actual business rate	12,398,696	12,333,121	13,000,286
Less: Tariff/Top-Up	-9,996,007	-9,996,007	-10,079,307
Baseline funding Retained (B)	2,402,689	2,337,114	2,920,979
Surplus/(deficit) (B-A)	-41,125	-106,700	456,800
Add : S31 grants paid directly to the General Fund	934,097	934,097	640,635
50% Levy payable to CG in case of Surplus	-446,486	-413,698	-548,718
Surplus to be retained by Council	446,486	413,698	548,718
Less: Original 2016/17 surplus		-446,486	
Additional surplus to benefit the Council in 2017/18		-32,788	

**HOUSING REVENUE ACCOUNT – BUDGET 2017/18****REPORT BY DIRECTOR FOR DIGITAL AND RESOURCES AND
DIRECTOR FOR COMMUNITIES****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 2017/18. The report also considers some of the strategic challenges facing the Housing Revenue Account over the next few years.

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 2017/18.
- 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 separate from all 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 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 and most recently limitations on the level of rent that can be levied in the period 2016/17 – 2019/20.
- 2.4 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 a thirty year financial Business Plan showing how the HRA could be run on a self-financing basis. This report updates the Financial Business Plan and informs members of the key budgetary assumptions which underpin the financial projections from 2017/18 onwards.
- 2.5 The challenge of creating a sustainable business plan was made more difficult by the announcement last year by the Chancellor that:

‘.....we are also going to end the ratchet of ever higher housing benefit chasing up ever higher rents in the social housing sector. These rents have increased by a staggering 20% since 2010. So rents paid in the social housing sector will not be frozen, but reduced by 1% a year for the next four years.

2.0 INTRODUCTION

This will be a welcome cut in rent for those tenants who pay it and I'm confident that Housing Associations and other landlords in the social sector will be able to play their part and deliver the efficiency savings needed.'

**Speech to the House of Commons by The Chancellor
The Rt Hon George Osborne MP**

- 2.6 The setting of rent levels is now an integral part of the financial planning decision making process. However, the Council will have little flexibility over rent setting over the next 4 years. Officers are recommending a reduction of 1% in line with the requirements of the Welfare Reform and Work Act..
- 2.7 In April 2014 an Adur Homes Management Board (AHMB) was set up to oversee the delivery of the strategic objectives for Adur Homes. Members of the Board include 2 Adur Councillors and 2 representatives from the Adur Consultative Forum.
- 2.8 Adur Consultative Forum members will be invited to attend the Executive meeting to relay their views on the budgetary proposals.

3.0 STRATEGIC RISKS AND CHALLENGES

- 3.1 There are some specific challenges faced by the Housing Revenue Account over the next 5 years which will influence the 30 year business plan.
 - Rent limitation
 - Impact of Right to Buy and sale of higher value properties.
 - Changes to Housing Benefit and Welfare Reform
 - Outcome of the condition survey (including fire protection works)
 - Changes to accounting practice

3.2 Rent limitation

3.2.1 The rent limitation measures announced by the Chancellor last year have had a profound impact on the HRA. Over the next five years, the Council will lose a substantial amount of rental income as follows:

	Budget 2016/17	Budget 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21
	£'000	£'000	£'000	£'000	£'000
Impact of 1% reduction for 4 years					
Income with 1% decrease	-12,246	-12,124	-12,003	-11,883	-12,239
Income with inflationary increase (CPI + 1%)	-12,594	-12,972	-13,361	-13,762	-14,174
Income lost due to rental limitation	348	848	1,358	1,879	1,935

3.0 STRATEGIC RISKS AND CHALLENGES

3.2 Rent limitation

3.2.2 Once rent limitation comes to an end, the Council is unlikely to recover the lost income largely due to the government’s rent guidelines which are likely to limit future rent increases to no more than inflation plus 1%.

3.2.3 The fall in income to the HRA will limit the scope to address both the issues raised by the condition surveys and the ability to invest in new properties although the Council remains committed to the redevelopment of Cecil Norris House and small scale development using the land owned by the HRA.

3.2.4 However, the Council will be faced with setting a deficit budget over the next few years as it grapples with the fall in rental income and the need to invest in council homes.

3.3 Impact of Right to Buy and Sale of Higher Value Properties

3.3.1 Council housing stock numbers have reduced over the past few years and will continue to decline in the short term as follows:

	2014/15	2015/16	2016/17 (Estimate)	2017/18 (Estimate)
Stock at 1 st April	2,631	2,617	2,609	2,601
Plus: Additions - Note(1)	2	1	0	0
Less: Right to Buy sales	16	9	8	8
Less: Disposals	0	0	0	0
Stock at 31st March	2,617	2,609	2,601	2,593

Note (1:) These additions are generated through the repurchase of previously owned council dwellings or through the construction of new dwellings, and over time is intended to increase the housing stock to offset the impact of dwellings sold under Right To Buy.

3.3.2 For 2016/17 the signs are that interest from tenants in the possible take up of RTB sales continues at a constant level. 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 or develop additional dwellings each year.

3.3.3 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 are the principles contained in the 2012 CLG publication “Reinvigorating Right To Buy and One For One Replacement – Information for Local Authorities”

3.0 STRATEGIC RISKS AND CHALLENGES

3.3 Impact of Right to Buy and Sale of Higher Value Properties

3.3.4 The RTB scheme applies to all secure tenants who have been tenants for more than 5 years. The maximum percentage discount for a property is 70% (the current maximum discount is £77,900). The cash cap increases in April every year in line with the Consumer Price Index.

3.3.5 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%.

3.3.6 Properties may be built by Adur Homes or another Registered Provider. Receipts from RTB will be returned to Government if we cannot allocate the receipts to any new homes.

3.3.7 *Sale of higher value properties*

In addition to the policy on Right to Buy, the Housing and Planning Act contains provisions that may require local authorities to make a payment to Government based on the estimated value of their high value vacant housing which will be used to fund the proposed extension of the Right to Buy to Housing Association tenants.

The legislation will not mandate which specific properties the local authority will be required to sell. However, to fund the payment the Council will be obliged to sell housing properties as they become vacant.

To date the Secretary of State for Communities and Local Government has not required any Council to make such a payment.

3.0 STRATEGIC RISKS AND CHALLENGES

3.3.8 The impact of both the Right to Buy policy and potentially the requirement to sell higher value properties has significant implications for both the HRA and the wider housing strategy. The Council will see a fall in the number of affordable housing units for rent in the area. The limitation on land availability makes it difficult to build additional units to replace those lost whether these are built directly by the Council or via others. Current demand for affordable housing far outstrips supply which has inevitable consequences for the local community. The loss of units will also compromise the financial viability of the HRA as outlined in paragraph 3.3.3.

3.4 Changes to Housing Benefit and Welfare Reform

3.4.1 The Welfare Reform Act received Royal Assent in 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 is being implemented across the Country with implementation of Universal Credit expected in 2018 locally.

3.4.2 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.

3.4.3 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 and it is paid 6 weeks in arrears. The decision that benefit is to be spent on rent, as opposed to other expenditure, is in the hands of the individual recipient.

3.4.4 Research recently undertaken by the National Federation of Arm's-Length Management Organisations (NFA) and the Association for Retained Council Housing (ARCH), which together represent more than one million council homes in England, found the percentage of council home tenants in receipt of Universal Credit who are in rent arrears has increased by seven percentage points – from 79% in March last year to 86%. This compares with 39% of tenants in arrears who do not receive Universal Credit. Consequently as Universal credit is rolled out the Council may well see an increase in rent arrears, however the interim Head of Housing is currently assessing how the Council can best engage with such tenants to ensure that arrears are minimised,

3.4.5 Data from CenSus indicate that approximately 1825 or 70% of Adur Homes tenants are in receipt of housing benefit. No tenants are currently affected by the under occupancy charge.

3.4.6 In the year up to (and including December 2016), a total of 7 Adur Homes households have been assisted by a Discretionary Housing Payment. The data does not record whether this is due to rent arrears caused benefit changes. It should be remembered that a Discretionary Housing Payment is a short term solution, and may be used on a temporary basis whilst other options are progressed.

3.0 STRATEGIC RISKS AND CHALLENGES

3.4 Changes to Housing Benefit and Welfare Reform

3.4.7 The benefit changes will continue to present a challenge for 2017/18. Furthermore, changes to welfare benefits and the introduction of Universal Credit for all new single claimants, presents a risk that more households will fall into arrears. This will impact on the levels of rent collected and subsequently the overall position of the Housing Revenue Account. Since 1 April 2016 (to date) there have been eight tenancies terminated for arrears. although none of these were due to the under occupation charge. (Between 1 April 2015 and 31 March 2016 there were three tenancies terminated for arrears).

3.4.8 Some mitigation is in place to reduce tenants arrears from growing, with a greater emphasis on tenancy sustainment being introduced through the role of Tenancy Sustainment Officer. Additionally, the Introductory Tenancies provides the opportunity to support new households, which includes financial support to prevent people from falling into arrears.

3.5 Outcome of the condition survey

3.5.1 A stock condition survey was undertaken earlier in the year. This revealed that the Council needs to invest £33m over the next 5 years. This had already been recognised when the 2016/17 capital strategy had been discussed, which recommended increasing the level of investment in new schemes from £3.7m to £5.1m (including £400k for new build schemes), an increase of £1.4m. However this will not be sufficient to meet the immediate investment needs of the housing stock.

3.5.2 The dilemma that the Council faces is how to balance the need to spend more on the current stock with the need to provide more Council housing to meet local need at a time when rental income is falling. However, the lack of investment in the current stock has significant implications.

3.5.3 The Council currently spends £1.8m (£698.58 per property) on revenue responsive maintenance on occupied properties which is higher than the benchmark figure of £645.98 per property. The level of spend reflects the under investment in the condition of the properties, and increasing the capital programme should reduce the level of spend on revenue maintenance in future. Consequently, the 30 year business plan assumes that the level of capital investment will increase over the next few years with a reducing level of revenue investment as follows:

Proposed budgets	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
Capital maintenance programme	4,700	5,290	5,900	6,518	7,148
Proposed increase		590	610	618	630
Revenue maintenance (excluding voids)	1,811	1,797	1,783	1,719	1,653
Estimated reduction		-14	-14	-64	-66

3.0 STRATEGIC RISKS AND CHALLENGES

3.5 Outcome of the condition survey

Once the backlog maintenance issues have been addressed, the level of investment required each year is expected to fall.

3.5.4 To minimise the financial impact of such a substantial increase in the capital programme upon the HRA, it is recommended that the annual set-aside for the repayment of debt is temporarily suspended (£1.7m) and that these resources are used to increase the size of the capital programme. Once the Council has addressed the backlog maintenance and returned to financial stability then these payments will resume.

3.5.5 There may be other benefits to addressing the backlog maintenance. The contact centre receives a considerable level of calls each year from tenants reporting issues with their properties. By improving the quality of the property, the level of calls should also reduce.

3.6 Changes to accounting practice

3.6.1 Earlier in the year the Council consulted on proposed changes to depreciation accounting. Under the previous guidance, the Council charged an amount for depreciation to the HRA which was equivalent to the Major Repairs Allowance which was then set aside to fund capital expenditure.

3.6.2 Under the new guidance, the Council will be obliged to charge depreciation to the HRA but this will be transferred to the Major Repairs Reserve and can then be used to fund capital expenditure or repay debt.

3.6.3 Depreciation is substantially higher than the Major Repairs Allowance, however within the HRA there is also a provision to repay debt and revenue set-asides to fund capital expenditure. Consequently, the implications of this change can be accommodated as follows:

	2016/17	2017/18
	£'000	£'000
Depreciation	2,202	4,407
Set-aside for loan repayments	1,717	-
Contribution to new development and acquisition reserve	311	-
Revenue contribution to capital outlay	207	-
Overall	4,437	4,407

3.6.4 The Council then has the option of using the Major Repairs Allowance to either pay for capital investment or the repayment of debt although in the period 2017/18 – 2021/22 the reserve will be used to fund capital expenditure whilst the Council addresses the issues raised by the condition survey (see paragraph 3.5.4 above).

4.0 THE HOUSING REVENUE ACCOUNT FOR 2017/18

4.1 The projected expenditure and income for the HRA in 2017/18 is as follows:-

	Estimate 2017/18	
	£'000	£'000
Expenditure		
Supervision and management	3,862	
Rent, rates, taxes and other charges	43	
Repairs and maintenance	2,798	
Depreciation	4,407	
Interest payments	2,316	
Movement in provision for bad debt	50	13,476
Income		-13,331
Net (Surplus)/Deficit for the year		145
Proposed contribution to /(from) earmarked reserves		-
Overall position for the year		145
Balance brought forward 1 st April, 2017		-2,074
Balance carried forward 31 st March, 2018		-1,929

More detailed estimates for the Housing Revenue Account for 2016/17 and 2017/18 are shown in Appendix 1.

4.2 These projections take into account the budget from 2016/17, which has been updated for inflation, capital financing costs in respect of debt, and proposed decrease in rent income together with the other proposed adjustments which are described more fully below. Overall the main changes are as follows:

Expenditure:	£'000
2016/17 budget	13,359
Impact of inflation	131
Impact of transition to depreciation accounting	-35
Other minor changes	21
2017/18 budget	13,476
Income:	
2016/17 budget	-13,358
Impact of 1% rent decrease	120
Improved voids management	-78
Impact of Right to Buy	21
Fall in income from garage rents to reflect current demand	5
Adjustment to service charges to reflect latest costs	-41
2017/18 budget	-13,331

4.0 THE HOUSING REVENUE ACCOUNT FOR 2017/18

4.3 The 2017/18 budget shows a deficit position, this results from a combination of factors including the rent reduction of 1% costing the Council £0.5m in real terms in the first year and the need to increase the capital investment programme to address maintenance issues with the current housing stock. To achieve this position the currently level of contributions to reserves has been reviewed and the treasury management strategy has been revised. Looking ahead to 2018/19, the challenge of reducing rental income will become ever harder, with a need for services to be delivered as efficiently as possible. However, whilst rent limitation remains in place, the Council may be faced with a deficit budget whilst it addresses the current condition of the housing stock. Once rent limitation comes to an end, the financial position of the HRA will improve albeit over a number of years.

5.0 RENT SETTING FOR 2017/18

5.1 Rent setting for the HRA is currently governed by the The Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016 which mandate that all rents must be reduced by 1% per year.

5.2 In 2016/17 most rents were reduced by 1% reducing the average council dwelling rent by £0.93 to £91.99 per week.

5.3 Formula target rents were introduced as part of 2002/03 social rent reforms. Although this policy has been replaced, formula target rents continue to have important financial implications for Adur Homes. The £51.2m cost to 'buy-out' of the old subsidy regime and move to self-financing was based on a DCLG financial business model that assumed rents were set at the formula target rent. The average formula rent for 2017/18 is calculated at £98.36.

5.4 Adur continues to lag behind on formula target rent. The current average gap between formula and actual rent is significant. As a rough guide if all properties were on average £8 below the formula rent the income shortfall represents £1.1m. The new policy of reducing rents by 1% for the next few years will widen this gap further and the Council will not be able to address this until 2020/21 at the earliest.

This year's proposed average dwelling rent level

5.5 The **average rental decrease recommended** for 2017/18 is in line with the Welfare Reform and Work Act. The required rental decrease is 1%. This will decrease the average rent by £0.92 from £91.99 to **£91.07**. This rent reduction will apply to all current tenants.

5.6 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. At the time this report was being produced the Department of Works and Pensions has not published the RRSL limit rents for 2017/18, the current limit for Adur is £95.05.

5.0 RENT SETTING FOR 2017/18

- 5.7 It is intended to relet vacant properties to new tenants at target rent. This policy will not be applied to transfers or mutual exchanges.
- 5.8 In June 2014 the Adur Homes Management Board approved an Adur Homes rent policy. Part of the policy took into consideration a published DCLG consultation document 'Guidance on Rents for Social Housing'

The Adur Homes policy stated the following:-

The Council will continue to charge 'social rents' for existing Council properties. For a 10-year period beginning 2015/16, we will comply with the CLG policy of annual increases for social rents to be no more than the Consumer Price Index rate at September each year +1%.

It is intended to revert to this policy once the current Government rent limitation policy comes to an end.

Garage Rents

- 5.9 Garage rents were increased by 5.0% in 2016/17 to £9.48 per week (plus VAT for non-Council tenants). It is proposed that the garage rents be increased in 2017/18 by 2% to £9.67. These proposals will generate an extra £10,700 in income.

6.0 DEBT FINANCING COSTS

- 6.1 The debt financing costs chargeable to HRA in 2017/18 relate to interest payments. From 2017/18 any Voluntary Revenue Provision set aside for the repayment of the debt will be charged to the Major Repairs Reserve.

The costs relate to three types of debt:

- 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 in 2012 to pay the HRA self-financing settlement payment of £51.185m, for which there will be a balance of £44.36m outstanding at 31 March 2016;
- iii) new borrowing for capital expenditure or to refinance existing debt.

6.0 DEBT FINANCING COSTS

6.2 The budgeted costs are:

2017/18 Budget	Interest £000
Historic Debt	974
Settlement Debt	1,280
New Borrowing	62
Total Budget	2,316

7.0 REPAIRS AND MAINTENANCE

7.1 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.

7.2 The budget for routine repair and maintenance has been increased by 2% which is 0.4% above inflation.

7.3 Housing Capital Investment Programme

7.3.1 The capital investment programme typically comprises refurbishment and improvement on a larger scale for schemes such as new central heating and double-glazing as well as new housing development schemes.

7.3.2 Future investment in the council housing stock is funded from:-

- (i) revenue contributions to capital expenditure;
- (ii) the Major Repairs Reserve. This will increase each year by an accounting adjustment for the amount of depreciation charged to the HRA (£4.4m). This contribution is ring-fenced for repayment of debt or for direct financing of capital and maintenance expenditure;
- (iii) capital receipts from the sale of Council houses; and
- (iv) prudential borrowing (subject to affordability), but overall borrowing must be contained within the Debt Ceiling of £68.912m set by Central Government.

7.0 REPAIRS AND MAINTENANCE

7.3 Housing Capital Investment Programme

7.3.3 The HRA capital renovation programme for 2017/18 was approved at £5.1m by the Joint Strategic Committee at its meeting of 6th December, 2016 at which it was reported that :

The estimated resources are sufficient to fund all the proposed schemes.

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.*

It should be noted that a stock condition survey recently undertaken has highlighted the need to increase the level of investment in future years. This is discussed in more detail in paragraph 3.5.

7.3.4 The programme also included an allowance for developing New Homes (£0.4m).

7.3.5 A detailed analysis of both the revenue maintenance spend and the capital spend is currently being undertaken to ensure that expenditure is targeted effectively.

8.0 SERVICE CHARGES – CONTRACT PRICE INCREASES

8.1 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.

8.0 SERVICE CHARGES – CONTRACT PRICE INCREASES

8.2 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 Head of Adur Homes and the Chief Financial Officer in consultation with the Executive Member, Customer Services, authority to defer such an increase to a more cost-effective date.

9.0 REALLOCATIONS OF SALARIES AND CENTRAL COSTS

9.1 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 and Worthing Councils. The Housing Revenue Account has benefited in recent years from savings achieved from joint shared support services. These costs are reviewed each year as part of the budget setting process.

10.0 LEVEL OF RESERVE BALANCES

10.1 In line with a more sustainable long term business approach the HRA is adopting a prudent approach to the level of reserves maintained.

Reserves	Forecast Balance at 01/04/16	Increase	Decrease	Forecast balance at year end 2016/17
	£000's	£000's	£000's	£000's
Housing Revenue Account	2,074	-	-	2,074
Discretionary Assistance Fund	116	-	-	116
New Development and Acquisition Fund	1,554	311	70	1,795
Business Development Fund	250	-	80	170
Major Repair Reserve	-	2,200	2,200	-
TOTAL	3,994	2,511	2,350	4,155

10.2 HRA general reserve balances are forecast to be £2.074m at 1st April 2017 and 15.4% of total expenditure. This is over the target level explained in Para 10.3 below, but reflective of the emphasis placed in securing resources to underpin revenue operations and capital expenditure in future years.

10.0 LEVEL OF RESERVE BALANCES

- 10.3 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.
- 10.4 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 and future risks surrounding revenues and costs (including the impact of the impending welfare reforms, the impact of rent limitation and RTB regime) are uncertain. Also, given the uncertainty of costs and timings relating to the Council's new build proposals 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.
- 10.5 Any balance in the Major Repairs Reserve (MRR) is utilised to fund in-year capital expenditure. The final position at year end may fluctuate as if any slippage occurs within the capital programme. Altogether, the 2017/18 capital budget includes provision for £4.3m to be utilised for financing HRA capital expenditure, comprising the carried forward balances and in-year contributions.
- 10.6 Although a balanced budget has been prepared, any underspends arising at the final revenue outturn for 2015/16 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.

11.0 IMPACT ON FUTURE YEARS

- 11.1 Attached at appendix 2 is the 30-year financial forecast. The focus for the 2017/18 budget has been to ensure that the HRA remains sustainable in the longer term whilst ensure that the issues raised by the condition survey are addressed. As with 2016/17, the proposed budget for 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.
- 11.2 The financial plan assumes that there are rent decreases for the next three years in line with government policy, thereafter rent increases are in line with the Council's rent policy and the Government's previous proposals (i.e. CPI plus 1%). The rent decrease places the HRA under significant financial pressure at the very time when the Council needs to invest more in maintaining the housing stock.

11.0 IMPACT ON FUTURE YEARS

11.3 The Council has managed the impact of the falling rent levels in the first two years, setting a balanced budget in 2016/17 and with only a limited withdrawal from reserves planned for 2017/18. However the HRA will become increasingly reliant on reserves over the following two years whilst the rent level remains constrained drawing down funds from the reserve. Once rent limitation comes to an end, the Council should be able to restore the reserves to the previous levels.

	2017/18	2018/19	2019/20	2020/21	2020/21
	£'000	£'000	£'000	£'000	£'000
Balance at the start of the year	2,074	1,929	1,594	1,035	845
Expected drawdown	-145	-335	-559	-190	142
Balance at the end of the year	1,929	1,594	1,035	845	987

There does remain a risk however that rent limitation will continue on beyond 2019/20.

11.4 The financial strategy within the 30-year forecast also includes the MRP allowance for the repayment of the debt once the maintenance backlog has been addressed, such that headroom below the Debit Limit is created for new borrowing and is affordable. The Debt Limit set by government is £68.912m and current borrowing is at £61.5m. This means that the Council's headroom for borrowing is £7.409m for 2017/18. This is in addition to future borrowing required for the current capital programme over the next 3 years.

11.5 In view of the available headroom for new borrowing the Council, the council is now actively investing in new housing stock. Current projects include:

1. Redevelopment of Albion Street
2. Redevelopment of Cecil Norris House.
3. Repurchase of previously owned Council dwellings (particularly leasehold flats).
4. Construction of new homes on infill sites such as Leconfield Close

All of these options are subject to a business case to ensure that they are financially viable which is of particular importance over the next four years.

11.6 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.

12.0 SUMMARY AND RENTAL OPTIONS

12.1 The Council has no option but to decrease rents for the next three years for the majority of properties, however despite this, the HRA remains in a financially viable position. However, caution will need to be exercised over the coming years as the financial position will be difficult until such time as the Council regains control over its rent increases.

13.0 LEGAL IMPLICATIONS

13.1 The Welfare Reform and Work Act 2016 has introduced the requirement to reduce social rents by 1%

'In relation to each relevant year, registered providers of social housing must secure that the amount of rent payable in respect of that relevant year by a tenant of their social housing in England is at least 1% less than the amount of rent that was payable by the tenant in respect of the preceding 12 months.'

13.2 The Housing and Planning Act give the Secretary of State the power to issue a determination that requires any Local Housing Authority in England to make a payment to the Secretary of State in respect of any given financial year that represents an estimate of:

1. the market value of the authority's interest in any higher value housing that is likely to become vacant during the year, less
2. any costs or other deductions of a kind described in the determination.

13.3 There are no other legal implications arising from the proposed budget other than those relating to :

- i) the use of capital receipts under Right To Buy regulations, 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 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.

14.0 RECOMMENDATIONS

14.1 The Executive is recommended to:-

- (i) consider and approve the Housing Revenue Account estimates

14.0 RECOMMENDATIONS

- (ii) determine the level of associated rents and charges with effect from week one of 2017/18:-
 - (a) **Rents of Council Dwellings (except supported housing)** – agree a decrease of 1.0% reducing the average council dwelling rent by £0.92 to £91.07 per week (average rent currently £91.99 per week) – (Para.5.5)
 - (b) **Rents of Council garages** – agree an increase of 2.0% to £9.67. (currently £9.48 per week), plus VAT for non-Council tenants) (Para.5.9)
 - (c) **Service Charges** - delegate to the Head of Housing and Chief Financial Officer in consultation with the Executive Member for Customer Services, the setting of the service charges (para. 8.2)
- (iii) To approve the HRA Treasury Management Strategy contained in Appendix 3.

Background Papers:

Reinvigoration the Right to Buy and one for one replacement

Laying the Foundations: A Housing Strategy for England

Guidance On Rents for Social Housing

Adur Capital Investment Programme 2016/17 - 2019/20

Welfare Work and Reform Act 2016

2014/15 Housemark Benchmarking Survey

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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 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.

12.0 PROCUREMENT STRATEGY

- 12.1 Matter considered and no issues identified.

13.0 PARTNERSHIP WORKING

- 13.1 Matter considered and no issues identified.

APPENDIX 1

HOUSING REVENUE ACCOUNT		
	ORIGINAL ESTIMATE 2016-17	ESTIMATE 2017/18
	£	£
EXPENDITURE		
General Management	3,032,520	3,671,240
Special Services	812,770	191,170
Rent, Rates, Taxes & Other Charges	44,400	42,830
Repairs and Maintenance	2,659,880	2,798,310
Depreciation	2,201,840	4,406,760
Bad/Doubtful Debt	50,000	50,000
Provision for refurbishment and new build	311,000	-
Capital Financing Costs		
Loan Repayments	1,717,000	-
Interest charges	2,322,240	2,315,330
Revenue Contributions to Capital	207,190	-
TOTAL EXPENDITURE	13,358,840	13,475,640
INCOME		
Dwelling Rents	-12,246,470	-12,183,440
Non-Dwelling Rents	-550,790	-545,130
Heating and Service Charges	-370,380	-365,090
Leaseholder's Service Charges	-163,200	-209,000
Interest Received	-28,000	-28,000
TOTAL INCOME	-13,358,840	-13,330,660
NET (SURPLUS)/DEFICIENCY	-	144,980

ADUR:
Housing Revenue Account Budget Report

HOUSING REVENUE ACCOUNT – APPENDIX 2

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
EXPENDITURE										
General Management	3,033	3,671	3,745	3,820	3,896	3,974	4,053	4,134	4,217	4,301
Special Services	813	191	195	199	203	207	211	215	220	225
Rents, Rates, Taxes & Other Charges	44	43	44	45	45	46	47	48	49	50
OVERALL RUNNING COSTS	3,890	3,905	3,984	4,064	4,144	4,227	4,311	4,397	4,486	4,576
Annual Revenue Maintenance Costs	2,659	2,798	2,752	2,739	2,659	2,577	2,595	2,665	2,735	2,808
Revenue Contribution to Capital	207	0	0	0	0	0	0	516	690	883
Charges for Capital										
Depreciation	2,202	4,407	4,495	4,585	4,631	4,677	4,724	4,866	5,012	5,162
Minimum Revenue Provision	1,717	0	0	0	0	0	0	0	0	0
Interest payable										
Interest - on historic debt	974	974	974	974	974	974	974	974	963	938
Interest - on assumed debt	1,348	1,313	1,296	1,278	1,259	1,241	1,223	1,205	1,187	1,169
Interest - on capital programme	0	28	31	34	36	85	146	160	160	160
Provisions For Bad Debt	50	50	50	50	50	50	50	50	50	50
Contribution to Reserves	311	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	13,358	13,475	13,582	13,724	13,753	13,831	14,023	14,833	15,283	15,746
INCOME										
Dwelling Rents	-12,246	-12,183	-12,062	-11,941	-12,299	-12,668	-13,048	-13,440	-13,843	-14,258
Other Rents and Charges	-1,084	-1,119	-1,157	-1,196	-1,236	-1,277	-1,321	-1,365	-1,412	-1,460
Interest Received	-28	-28	-28	-28	-28	-28	-28	-28	-28	-28
TOTAL INCOME	-13,358	-13,330	-13,247	-13,165	-13,563	-13,973	-14,397	-14,833	-15,283	-15,746
NET COST OF SERVICES	0	145	335	559	190	-142	-374	0	0	0

ADUR:
Housing Revenue Account Budget Report

HOUSING REVENUE ACCOUNT – APPENDIX 2

	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	2031/32 £'000	2032/33 £'000	2033/34 £'000	2034/35 £'000	2035/36 £'000
EXPENDITURE										
General Management	4,387	4,497	4,610	4,725	4,843	4,964	5,088	5,215	5,346	5,479
Special Services	228	234	240	246	252	258	265	272	279	285
Rents, Rates, Taxes & Other Charges	51	52	54	55	56	58	59	61	62	64
OVERALL RUNNING COSTS	4,666	4,783	4,904	5,026	5,151	5,280	5,412	5,548	5,687	5,828
Annual Revenue Maintenance Costs	2,884	2,962	3,038	3,149	3,266	3,386	3,510	3,638	3,771	3,911
Revenue Contribution to Capital	1,064	1,256	1,455	1,573	1,689	1,821	1,951	2,021	2,140	2,258
Charges for Capital										
Depreciation	5,317	5,477	5,641	5,867	6,102	6,346	6,600	6,864	7,139	7,425
Interest payable										
Interest - on historic debt	932	932	932	932	932	932	932	932	932	932
Interest - on assumed debt	1,151	1,099	1,047	996	944	892	841	789	737	685
Interest - on capital programme	160	160	160	160	160	146	132	129	127	124
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	16,224	16,719	17,227	17,753	18,294	18,853	19,428	19,971	20,583	21,213
Dwelling Rents	-14,686	-15,127	-15,580	-16,048	-16,529	-17,025	-17,536	-18,062	-18,604	-19,162
Other Rents and Charges	-1,510	-1,564	-1,619	-1,677	-1,737	-1,800	-1,864	-1,931	-2,001	-2,073
Interest Received	-28	-28	-28	-28	-28	-28	-28	-28	-28	-28
TOTAL INCOME	-16,224	-16,719	-17,227	-17,753	-18,294	-18,853	-19,428	-20,021	-20,633	-21,263
NET COST OF SERVICES	0	0	0	0	0	0	0	-50	-50	-50

HRA TREASURY MANAGEMENT STRATEGY

1.0 INTRODUCTION

- 1.1 This Appendix sets out the HRA Treasury Management Strategy Statement for 2017-18. 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 treasury management and investment strategies presented and proposed for 2017/18 are unchanged from 2016/17, as it has been accepted by the Council's external auditors as an appropriate method of apportioning debt management costs and interest accrued from balances and investments between HRA and General Fund. However, in order to provide additional capital funding to address a backlog of maintenance, the Voluntary Revenue Provision will be suspended for at least 10 years.
- 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 Council has adopted the "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

1.0 INTRODUCTION

- (iii) 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) Uninvested 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

The central aim of the Strategy agreed for 2016/17 and unchanged for 2017/18 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

2.0 OVERALL OBJECTIVES OF THE 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 arrangements (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 this provides a key prudential indicator for performance management. The HRA Debt Limit is £68.912m. The current estimates, based on the capital investment programme for the next three years, are shown in the table below:

Adur District Council	2015/16 Actual £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m	2019/20 Estimate £m
Capital Financing Requirement (CFR)					
General Fund	15.003	15.918	30.231	35.380	40.338
Housing Revenue Account	61.819	60.103	60.103	60.103	60.103
Total CFR	76.822	76.021	90.334	95.483	100.441

HRA TREASURY MANAGEMENT STRATEGY

3.0 THE CURRENT POSITION – UNDERLYING NEED TO BORROW COMPARED TO ACTUAL BORROWING

Adur District Council	2015/16 Actual £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m	2019/20 Estimate £m
Total CFR b/forward	76.822	76.021	90.334	95.483	100.441
Actual Debt					
General Fund	(12.978)	(12.968)	(26.100)	(30.194)	(34.104)
Housing Revenue Account	(61.290)	(59.581)	(57.875)	(56.169)	(54.462)
Total Debt Amount	(74.268)	(72.549)	(83.975)	(86.363)	(88.566)
(Over)/Under Borrowing					
General Fund	2.025	2.950	4.131	5.186	6.234
Housing Revenue Account	0.529	0.522	2.228	3.934	5.641
Total	2.554	3.472	6.359	9.120	11.875
HRA Borrowing Headroom	7.622	9.331	11.037	12.743	14.450

(Note that the General Fund position is shown for comparative purposes and is extracted from the Annual Treasury Management & Annual Investment Strategy Report 2017/18-2019/20 submitted to the meeting of the Joint Strategic Committee on 2nd February 2017).

3.3 The comparison shows the HRA is under borrowed at the end of 2015/16 by £529k, reflecting the amount by which debt outstanding and Minimum Revenue Provision (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 changes 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 2017/18 to 2019/20 the CFR is projected to be below the debt as reflected in the capital investment proposals to be approved by the meeting of the Joint Strategic Committee on 2nd February 2017.

HRA TREASURY MANAGEMENT STRATEGY**4.0 THE DEBT MATURITY PROFILE AND HEADROOM FOR NEW BORROWING**

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 2019/20 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.

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 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:

HRA TREASURY MANAGEMENT STRATEGY

5.0 HOW TO ALLOCATE DEBT AND ATTRIBUTABLE FINANCING COSTS BETWEEN HRA AND GENERAL FUND EQUITABLY – THE TWO POOLED APPROACH

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

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.

APPENDIX 3**HRA TREASURY MANAGEMENT STRATEGY****7.0 HOW TO RECOGNISE ANY COSTS OR REVENUES GENERATED FROM OVER/UNDER 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 at 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.

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



SERVICE BLOCKS	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
Chief Executive, Organisational Development & Communications	414,360	458,260
Director for Communities	5,918,310	5,690,090
Director for Customer Services	6,675,630	6,711,610
Director for Digital & Resources	8,597,500	8,314,130
Director for the Economy	3,272,990	3,321,220
TOTAL SERVICES	24,878,790	24,495,310
ALLOCATION OF COSTS		
Recharged to other joint services	(3,150,880)	(3,751,090)
	21,727,910	20,744,220
Adur District Council	(8,581,060)	(8,464,000)
Worthing Borough Council	(13,146,850)	(12,280,220)
TOTAL SERVICE BLOCK ALLOCATIONS	(21,727,910)	(20,744,220)

ADUR BUDGET SUMMARY SUMMARY OF DIRECTORATES

EXECUTIVE PORTFOLIO	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
Chief Executive, Organisational Development & Communications	9,870	32,160
Communities	4,243,060	4,129,380
Customer Services	1,747,510	1,674,540
Digital and Resources	3,849,400	3,560,110
Economy	1,162,490	946,860
Allocations	(665,500)	(635,450)
NET SERVICE EXPENDITURE	10,346,830	9,707,600
Credit Back Depreciation / Impairments	(1,776,510)	(1,378,220)
Minimum Revenue Provision	1,181,290	818,480
	9,751,610	9,147,860
Transfer to / from Reserves	14,000	14,000
Balance Available to Transfer To / (From) Reserves	14,700	4,000
Total budget requirement before external support from government	9,780,310	9,165,860
Baseline Funding	(1,617,270)	(1,650,290)
Additional business rate income	(818,820)	(736,110)
Revenue Support Grant	(773,930)	(271,200)
Transition Grant	(72,980)	(72,710)
Council Tax Reduction Scheme Grant	(40,000)	-
Council Tax Freeze Grant	-	-
Other unfenced grants (New homes bonus & Ctax Transition)	(766,640)	(553,290)
Contribution to/ (from) Collection Fund	(7,900)	(34,100)
Amount required from Council Tax - Adur District	5,682,770	5,848,160

WORTHING BUDGET SUMMARY SUMMARY OF DIRECTORATES

SERVICE BLOCKS	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
Chief Executive, Organisational Development & Communications	10,880	21,390
Director for the Communities	6,084,150	6,544,550
Director for Customer Services	2,356,330	2,456,920
Director for Digital and Resources	5,167,510	4,975,700
Director for the Economy	3,544,850	3,260,090
Allocations	(1,246,840)	(1,626,980)
NET SERVICE EXPENDITURE	15,916,880	15,631,670
Credit Back Depreciation	(3,272,280)	(3,323,380)
Minimum Revenue Provision	1,307,770	1,072,620
	13,952,370	13,380,910
Transfer to / from Reserves	86,250	86,250
Balance Available to Transfer To / (From) Reserves	-	1,470
Total budget requirement before external support from government	14,038,620	13,468,630
Baseline Funding	(2,464,180)	(2,514,490)
Additional business rate income	(345,440)	(505,750)
Revenue Support Grant	(1,193,380)	(452,930)
Transition Grant	(99,860)	(99,860)
Council Tax Reduction Scheme Grant	(60,000)	-
Council Tax Freeze Grant	-	-
Other unfenced grants (New homes bonus)	(1,599,440)	(1,388,230)
Contribution to/ (from) Collection Fund	(48,460)	(9,400)
Amount required from Council Tax	8,227,860	8,497,970

SERVICE DIRECTORATE:
Chief Executive & Communications

HEADS OF SERVICE

DETAILED SERVICES INCLUDED

CHIEF EXECUTIVE:

Strategic Management - Strategic risk assessment and monitoring.

COMMUNICATIONS:

Media and Communications - External communications - press, social media and reputation issues. Internal communications - manager and staff conferences, & staff engagement.

Community Engagement- Citizen panels, community engagement task force, consultation, social media.

**JOINT SUMMARY SERVICE BLOCK:
Chief Executive & Communications**



SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
CHIEF EXECUTIVE		
Chief Executive Office	252,840	262,910
	252,840	262,910
Head of Communications		
Head of Communications - Office	66,570	61,140
Policy and Consultation	-	-
Communications	94,950	134,210
	161,520	195,350
TOTAL FOR CEO AND COMMUNICATIONS	414,360	458,260
ALLOCATION OF COSTS		
Recharged to other joint services	(10)	(20)
Adur District Council	199,540	229,140
Worthing Borough Council	199,540	229,140
South Downs Leisure Trust	15,290	-
	414,360	458,260

JOINT VARIATIONS SERVICE BLOCK:
Chief Executive and Communications

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2016/2017	ESTIMATE 2017/2018
ORIGINAL ESTIMATE 2016/2017	£ 399,070
CHANGES TO BASE Virements between Directorates	13,560
INFLATION including Increments, Pension contribution increases	38,590
BUDGET TRANSFERS Changes in allocation of recharge from other services Other minor transfers	7,040
APPROVED ESTIMATE 2017/2018	458,260

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Direct Recharges	Support Services	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£
CHIEF EXECUTIVE											
Chief Executive Office	2	237,630	-	1,050	7,020	-	-	245,700	490	16,720	262,910
Head of Communications											
Head of Communications - Office	1	56,940	-	-	-	-	-	56,940	-	4,200	61,140
Policy and Consultation	0	-	-	-	-	-	-	0	-	-	0
Communications	4	96,200	-	390	18,320	-	(9,360)	105,550	960	27,700	134,210
	7										
TOTAL COST		390,770	0	1,440	25,340	0	(9,360)	408,190	1,450	48,620	458,260
Percentage Direct Cost		94%	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											

ADUR SUMMARY SERVICE BLOCK:
Chief Executive and Communications

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
CHIEF EXECUTIVE Head of Communications Policy and Consultation	£	£
	9,870	32,160
	9,870	32,160
TOTAL FOR CEO AND COMMUNICATIONS	9,870	32,160

ADUR VARIATIONS SERVICE BLOCK:
Chief Executive and Communications

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2017/2018	ESTIMATE 2017/2018
ORIGINAL ESTIMATE 2016/2017	£ 9,870
Changes in allocation of recharge from other services	22,290
APPROVED ESTIMATE 2017/2018	32,160

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
CHIEF EXECUTIVE		£	£	£	£	£	£	£	£	£	£	£
Head of Communications Policy and Consultation		-	-	-	-	-	-	-	0	32,160	-	32,160
TOTAL STAFF	0											
TOTAL COST		0	0	0	0	0	0	0	0	32,160	0	32,160
Percentage Direct Cost												

WORTHING SUMMARY SERVICE BLOCK:
Chief Executive and Communications

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
CHIEF EXECUTIVE		
Head of Communications		
Policy and Consultation	200	200
Communications	10,680	21,190
	10,880	21,390
TOTAL FOR CEO AND COMMUNICATIONS	10,880	21,390

WORTHING VARIATIONS SERVICE BLOCK:
Chief Executive and Communications

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2016/2017	ESTIMATE 2017/2018
ORIGINAL ESTIMATE 2016/2017	£ 10,880
INFLATION	-
Changes in allocation of recharge from other services	10,510
APPROVED ESTIMATE 2017/2018	21,390

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
CHIEF EXECUTIVE												
Head of Communications												
Policy and Consultation	0	-	-	-	-	200	-	-	200	-	-	200
Communications	0	-	10,800	-	-	-	-	-	10,800	10,390	-	21,190
	0											
		0	10,800	0	0	200	0	0	11,000	10,390	0	21,390
Percentage Direct Cost		0%	98%	0%	0%	2%	0%					

SERVICE DIRECTORATE:
Communities

HEADS OF SERVICE

DETAILED SERVICES INCLUDED

WELLBEING

Democratic Services and Community Engagement - 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 small Civic Head functions.

Public Health and Regulation – All aspects of Licensing including Taxi and private hire, premises and personal licensing. Includes environmental protection and noise, food safety and hygiene, health and safety enforcement, healthy workplace.

Communities and Wellbeing:

Early Help and Wellbeing - Support for Safer Communities Partnership, anti-social behaviour teams and co-ordination of the wider Safer Communities programme, police performance and intelligence liaison, young people and leisure development, Safeguarding of Children and Young People and Adults at Risk.

Early Help and Neighbourhoods – Work and skills and neighbourhoods. **Families and Wellbeing** – Public health and Wellbeing, Think Family and Early Help, British Heart Foundation Hearty Lives. **Third Sector and Partnerships** – Local Strategic Partnership, development and delivery of Waves Ahead, workability, support and liaison with the Voluntary and community Sector, Administration of Adur Community Grants, Wellbeing Hubs.

Going Local Grants – New grants programme (redeveloped from Worthing's Money Tree and Adur's Pot of Gold) including £20,000 from Worthing and £20,000 from Adur to provide small grants for the voluntary and community sector to deliver the aims of Going Local Community Referral project. Application levels are being designed and are not yet agreed. Start date will be around summer time.

ENVIRONMENT

Parks and Foreshore - Providing a grounds maintenance and management service for both Council's parks, open spaces, allotments and play areas. Also includes Community Parks Rangers, event management on open spaces managing beach huts and chalets and Worthing Pier and foreshore management.

SERVICE DIRECTORATE: *Communities*

HEADS OF SERVICE

DETAILED SERVICES INCLUDED

ENVIRONMENT

Bereavement Services - Provides a burial and cremation service that aims to meet the needs of the bereaved, in accordance with the ICCM's Charter for the Bereaved.

In accordance with statutory legislation, set in safe and attractive environments for burials and cremations.

Dog Warden Service - Dealing with Stray Dogs, investigating dog related complaints of ASB, Dog Fouling. Proactive engagement with the community regarding promoting responsible dog ownership and enforce Public Space Protection Orders for Dog related offences including issuing of Fixed Penalty Notices if offences committed.

HOUSING

Housing Solutions – Provides first point of contact for households who are homeless or at risk of becoming homeless. The service will initially look to see how homelessness can be prevented, and if there is a statutory duty to provide interim accommodation whilst a case is investigated and whether there's a duty to provide longer term accommodation. The service also maintains the Housing Register for both authorities and then subsequent allocation into social housing, either directly managed by the authority; transferred to a Registered Provider; or a nomination to a local Registered Provider..

Adur Homes – Providing tenancy management, estate management and resident engagement for people living in an Adur Homes property. Housing management incorporates both the sheltered and general needs stock; as well as other assets within the Housing Revenue Account, such as garages and shops. The service is responsible for the administration of Right to Buy and services to leaseholders, which will be funded through services charges or fees, rather than the HRA.

The Council has a statutory obligation to provide the following Wellbeing services:

- Support for neighbourhood plans.
- Duty to co-operate to safeguard children and young people – Children Act 1989.
- Duty to co-operate and safeguard adults at risk – Care Act 2014

There are no major changes in services planned for 2017-18.

SERVICE DIRECTORATE: ***Communities***

The Council has a statutory obligation to provide the following Democratic Services and Community Engagement:-

- The Democratic process (Council, Leader and Cabinet and Committees)
- Licensing: Both Councils have statutory responsibilities as licensing authorities.
- 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.

The Council has a statutory obligation to provide the following Environment services:

- Cemetery provision

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, **including the period during which an application is assessed**. Provision of temporary accommodation is one of the Council's chosen methods.

Adur Homes is not a joint service, being specific to the social housing owned by Adur District Council. The Executive Head of Housing, which includes responsibility for Adur Homes, is part of the senior officer structure that is included within the Joint Committee.

Adur Homes has a number of major contracts of over £100,000. These 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.

- Window cleaning contracts for Sheltered schemes and general areas ending January 2017.
- The following contracts are currently out to tender:
 - ❖ Gas contracts for Sheltered schemes and East and West District
 - ❖ Communal way cleaning
 - ❖ Door entry and Community alarm contracts

**JOINT SUMMARY SERVICE BLOCK:
Communities Directorate**

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR COMMUNITIES		
Director for Communities office	136,240	184,350
Leisure Support residual costs	-	-
	136,240	184,350
HEAD OF HOUSING		
Head of Housing	187,090	304,440
Housing	577,120	806,730
Environmental Health / Protection Team	325,240	322,650
Home Improvement Assistance	199,420	175,200
Housing Strategy	76,610	-
	1,365,480	1,609,020
HEAD OF ENVIRONMENT		
Head of Environment	110,760	113,100
Parks	1,591,740	1,015,700
Foreshores	195,620	203,770
Environmental Health	97,980	99,660
	1,996,100	1,432,230
HEAD OF WELLBEING		
Head of Wellbeing	182,440	235,430
Community Wellbeing	517,020	791,050
Community Safety	271,500	-
Environmental Health - Commercial	477,530	370,740
Environmental Health - Domestic	350,600	480,810
Licensing	311,950	257,210
Democratic Services	309,450	329,250
	2,420,490	2,464,490
TOTAL FOR COMMUNITIES	5,918,310	5,690,090
ALLOCATION OF COSTS		
Recharged to other joint services	120	50
Adur District Council	2,324,600	2,328,000
Worthing Borough Council	3,587,400	3,362,040
South Downs Leisure Trust	6,190	-
	5,918,310	5,690,090

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2016/2017	ESTIMATE 2017/2018
ORIGINAL ESTIMATE 2016/2017	£ 5,912,120
CHANGES TO BASE	
Virements	52,020
Joint transfers - grounds maintenance contract sum	(570,500)
INFLATION	
including Increments, National Insurance changes, Pension contribution increase	208,990
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Impact of job evaluation and additional overtime to deal with increased homelessness caseloads	70,000
Tree Surgery - to carry out essential maintenance works following tree survey	15,270
Agreed Savings	
Impact of Digital improvements	(25,000)
Environment Restructure	(55,000)
Parks increased income	(15,040)
Democratic Services - Various base budget changes	(2,000)
Community Wellbeing Restructure	(45,690)
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	144,920
Other minor transfers	-
APPROVED ESTIMATE 2017/2018	5,690,090

JOINT SUBJECTIVE ANALYSIS
Communities Directorate

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£
DIRECTOR OF COMMUNITIES											
Director of Communities Office	1	163,110	490	-	-	3,710	-	-	167,310	17,040	184,350
Leisure Support		-	-	-	-	-	-	-	0	-	0
Head of Housing											
Head of Housing	1	187,040	730	-	760	96,000	-	-	284,530	19,910	304,440
Housing	15.6	689,040	3,380	-	10,300	7,300	-	-	710,020	96,710	806,730
Environmental Health - Domestic	7.6	304,610	-	-	7,310	6,440	-	-	318,360	4,290	322,650
Home Improvement Assistance	4.1	136,640	960	-	2,140	1,940	-	-	141,680	33,520	175,200
Housing Strategy	1	-	-	-	-	-	-	-	0	-	0
Head of Environment											
Head of Environment	1	106,440	240	-	-	-	-	-	106,680	6,420	113,100
Parks	58	1,880,220	-	-	285,510	282,620	-	(1,534,870)	913,480	102,220	1,015,700
Foreshores	5.9	198,250	-	-	-	-	-	(5,300)	192,950	10,820	203,770
Environmental Health	2.4	82,190	-	-	3,810	14,990	-	(4,270)	96,720	2,940	99,660
Head of Wellbeing											
Head of Wellbeing	3.3	183,900	720	-	2,120	22,560	-	-	209,300	26,130	235,430
Community Wellbeing	33.9	1,279,100	5,800	-	5,720	36,410	-	(795,490)	531,540	259,510	791,050
Community Safety	0	-	-	-	-	-	-	-	0	-	0
Environmental Health- Commercial	5.5	298,410	1,700	-	7,590	3,270	-	-	310,970	59,770	370,740
Environmental Health- Domestic	7.6	402,890	1,930	-	6,480	1,080	-	-	412,380	68,430	480,810
Licensing	5.8	187,500	1,700	-	4,560	4,830	-	-	198,590	58,620	257,210
Democratic Services	6	249,240	1,450	-	170	16,840	-	-	267,700	61,550	329,250
	158.7										
TOTAL COST		6,348,580	19,100	0	336,470	497,990	0	(2,339,930)	4,862,210	827,880	5,690,090
Percentage Direct Cost		88%	0%	0%	5%	7%	0%				

ADUR SUMMARY SERVICE BLOCK:
Communities Directorate

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR COMMUNITIES		
Leisure Support	560,200	500,990
	560,200	500,990
HEAD OF HOUSING		
Temporary Accommodation & Community Alarm	87,250	228,860
Housing	635,590	694,470
Home Improvement Assistance	55,560	15,230
Housing Strategy	65,620	42,090
	844,020	980,650
HEAD OF ENVIRONMENT		
Dog Warden	50,380	44,400
Parks	719,900	902,120
Foreshores	7,700	(12,590)
Environmental Health	59,990	27,490
Cemeteries	286,530	111,070
	1,124,500	1,072,490
HEAD OF WELLBEING		
Community Wellbeing	553,320	429,950
Community Safety	170,020	233,990
Environmental Health - Commercial	224,870	180,800
Environmental Health - Domestic	168,370	200,070
Licensing	77,120	89,310
Democratic Services	520,640	441,130
	1,714,340	1,575,250
TOTAL FOR COMMUNITIES	4,243,060	4,129,380

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2017/2018	ESTIMATE 2017/2018
ORIGINAL ESTIMATE 2016/2017	£ 4,243,060
CHANGES TO BASE	
Virements	(29,170)
Joint Transfers - Grounds Maintenance	211,180
INFLATION	(13,030)
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Increasing demand for emergency accomodation	100,000
Tree Surgery - to carry out essential maintenance works following tree survey	4,700
Running costs of Fishersgate Community Centre	16,000
Member Allowances	8,600
Impact of 2017 rate revaluation	2,650
Agreed Savings	
ADC grant to Impulse leisure reduction	(10,000)
New Strategy for Emergency Accomodation (Housing)	(67,500)
Increase in fees & charges	(18,310)
Democratic Services - Various base budget changes	(6,500)
Changes in allocation of recharge from other services	(754,020)
Asset Hire/Impairment	441,720
APPROVED ESTIMATE 2017/2018	4,129,380

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
DIRECTOR FOR COMMUNITIES												
Leisure Support		-	12,560	29,660	-	4,410	160,000	(9,300)	197,330	16,430	287,230	500,990
HEAD OF HOUSING												
Temporary Accomodation & Community Alarm	4.4	130,750	121,140	478,140	6,860	41,610	40,050	(770,380)	48,170	164,370	16,320	228,860
Housing		-	315,970	-	-	356,230	16,510	(124,930)	563,780	130,490	200	694,470
Home Improvement Assistance		-	-	-	-	-	-	-	0	15,230	-	15,230
Housing Strategy		-	70,070	-	-	-	-	(33,770)	36,300	5,790	-	42,090
HEAD OF ENVIRONMENT												
Dog Warden		-	37,370	-	-	-	-	-	37,370	5,520	1,510	44,400
Parks		-	22,630	661,040	-	52,840	-	(151,180)	585,330	211,050	105,740	902,120
Foreshores		-	9,030	18,620	-	8,690	-	(94,870)	(58,530)	24,240	21,700	(12,590)
Environmental		-	8,880	20,440	-	-	-	(49,230)	(19,910)	44,780	2,620	27,490
Cemeteries		-	146,080	77,540	-	-	-	(187,370)	36,250	71,950	2,870	111,070
HEAD OF WELLBEING												
Community Wellbeing	1	-	147,130	1,020	-	240,770	-	-	388,920	41,030	-	429,950
Community Safety		-	203,530	1,310	-	8,600	-	-	213,440	20,550	-	233,990
Environmental Health - Commercial		-	149,650	-	-	10,360	-	(680)	159,330	19,230	2,240	180,800
Environmental Health - Domestic		-	1,250	-	-	15,840	4,700	(11,810)	9,980	188,800	1,290	200,070
Licensing		8,000	124,130	-	-	13,080	-	(116,490)	28,720	60,590	-	89,310
Democratic Services		208,490	83,710	-	-	13,410	-	(15,600)	290,010	151,120	-	441,130
TOTAL STAFF	5.4											
TOTAL COST		347,240	1,453,130	1,287,770	6,860	765,840	221,260	(1,565,610)	2,516,490	1,171,170	441,720	4,129,380
Percentage Direct Cost		9%	36%	32%	0%	19%	5%					

**WORTHING SUMMARY SERVICE BLOCK:
Communities Directorate**

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR COMMUNITIES		
Director for Communities office	183,880	232,430
Southdowns Leisure	1,317,120	1,298,350
	1,501,000	1,530,780
HEAD OF HOUSING		
Housing	928,690	1,535,880
Home Improvement Assistance	60,160	32,270
Housing Strategy	95,190	71,330
Adur Homes - Holding accounts	-	-
	1,084,040	1,639,480
HEAD OF ENVIRONMENT		
Parks	1,649,170	1,627,510
Foreshores	738,430	668,930
Allotments	61,940	63,190
Cemeteries	103,460	92,800
Crematorium	(1,449,360)	(1,438,670)
Environmental Health	86,370	72,290
	1,190,010	1,086,050
HEAD OF WELLBEING		
Community Wellbeing	740,250	530,090
Community Safety	192,870	308,770
Environmental Health - Commercial	304,490	246,310
Environmental Health - Domestic	319,420	374,880
Licensing	59,980	51,860
Democratic Services	692,090	776,330
	2,309,100	2,288,240
TOTAL FOR COMMUNITIES	6,084,150	6,544,550

WORTHING VARIATIONS SERVICE BLOCK:
Communities Directorate

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2016/2017	ESTIMATE 2017/2018
	£
ORIGINAL ESTIMATE 2016/2017	6,084,150
CHANGES TO BASE	
Virements	(26,450)
Joint transfers - Grounds Maintenance to joint	362,840
INFLATION	(38,740)
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Tree Surgery - to carry out essential maintenance works following tree survey	5,030
Cameo Scheme	20,000
Impact of pension valuation for SDLT - Fall out of pension costs.	(26,000)
Reopening of Brooklands Golf Course (reopens 2017/18)	(98,000)
Increasing demand for emergency accomodation	520,000
Housing condition survey - carried out once every 3 years	9,000
Impact of 2017 rate revaluation	36,000
Agreed Savings	
New Strategy for Emergency Accomodation (Housing)	(157,500)
Increase in fees & charges	(77,310)
Beach House Park Pavilion Rental Income	(20,000)
Construction of Additional Beach Huts	(23,000)
Beach House Park - Car Park Income	(25,000)
Democratic Services - Various base budget changes	(5,640)
Changes in allocation of recharge from other services	(1,610,030)
Asset Hire/Impairmnt	1,609,930
Other minor transfers	5,270
APPROVED ESTIMATE 2017/2018	6,544,550

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
DIRECTOR FOR COMMUNITIES												
Director for Communities office		10	38,300	243,510	-	9,420	-	(120,070)	171,170	31,590	29,670	232,430
South Downs Leisure		150,750	32,340	232,090	-	-	-	(99,900)	315,280	40,910	942,160	1,298,350
HEAD OF HOUSING												
Housing		-	602,020	-	-	794,310	153,500	(278,210)	1,271,620	262,640	1,620	1,535,880
Home Improvement Assistance		-	-	-	-	-	-	-	0	32,270	-	32,270
Housing Strategy		-	105,110	-	-	-	-	(41,160)	63,950	7,380	-	71,330
Housing Strategy		-	-	-	-	-	-	-	0	-	-	0
HEAD OF ENVIRONMENT												
Parks		-	172,150	1,083,860	-	132,890	-	(340,060)	1,048,840	342,260	236,410	1,627,510
Foreshores		-	237,000	385,410	5,590	30,930	-	(413,500)	245,430	154,830	268,670	668,930
Allotments		-	9,110	15,320	-	-	-	(620)	23,810	37,400	1,980	63,190
Cemeteries		-	121,340	126,960	-	16,000	-	(266,020)	(1,720)	65,890	28,630	92,800
Crematorium	7.3	235,340	150,880	467,610	3,470	176,350	-	(2,678,520)	(1,644,870)	115,870	90,330	(1,438,670)
Environmental Health		-	57,300	-	-	-	-	-	57,300	12,480	2,510	72,290
HEAD OF WELLBEING												
Community Wellbeing		-	238,510	19,670	-	215,780	-	-	473,960	53,240	2,890	530,090
Community Safety		-	247,760	3,650	-	20,700	-	-	272,110	35,320	1,340	308,770
Environmental Health - Commercial		-	212,680	-	-	15,360	-	(3,740)	224,300	22,010	-	246,310
Environmental Health - Domestic		-	1,250	-	-	39,100	-	(4,290)	36,060	335,100	3,720	374,880
Licensing		-	186,540	-	-	3,830	-	(216,690)	(26,320)	78,180	-	51,860
Democratic Services	0	269,430	270,600	-	3,520	24,410	-	-	567,960	208,370	-	776,330
	7.3											
		655,530	2,682,890	2,578,080	12,580	1,479,080	153,500	(4,462,780)	3,098,880	1,835,740	1,609,930	6,544,550
Percentage Direct Cost		9%	35%	34%	0%	20%	2%					

SERVICE DIRECTORATE: *Customer Services*

The Customer Services Directorate comprises many of the core services which drive resident engagement, income generation, service delivery and safeguarding of the wellbeing of our people and our places.

The building blocks of our highly regarded service include:

- Customer contact and transformation services,
- Revenues and Benefits services,
- Electoral Services,
- Parking Services,
- Building Control and Land Charges, and
- Waste Management Services.

The Director is responsible for increasing the customer focus of the organisation, commercialisation of council services, behavioural change, and improved responsiveness to the emerging needs and capabilities of the people and businesses of Adur District and Worthing Borough Councils.

HEADS OF SERVICE

DETAILED SERVICES INCLUDED

WASTE AND CLEANSING

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.

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.

Pest Control – Provision of the Pest Control service.

SERVICE DIRECTORATE:
Customer Services

HEADS OF SERVICE

DETAILED SERVICES INCLUDED

CUSTOMER CONTACT AND ENGAGEMENT

Corporate Contact Centre – Delivering a multi-channel contact centre and in-person customer service sites at Portland House and the Shoreham Centre; Corporate complaints and LGO liaison, Customer Insight, Oversight and coordination of customer journey mapping and process improvement.

Electoral Services - 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 through the annual canvass. Undertake formal consultation as part of the democratic franchise with the citizens of Adur & Worthing Councils'

Business Support – workflow and fulfilment operations: administrative support operations.

Parking Services - provide On and Off street parking management including enforcement. Management of off street car parks including multi storey` car parks in Worthing

REVENUES AND BENEFITS

Worthing Revenues & Recovery – the billing, collection and enforcement of Council Tax, National Non Domestic Rates and the Business Improvement District (BID) levy. The service delivers a tailored high-quality customer-centric approach that balances the need to maximise income for the Council whilst supporting customers in meeting their financial commitments. Collection of the BID Levy enables the Town Centre Initiative to enhance and promote the town centre thereby supporting businesses throughout the area.

Worthing Housing Benefit and Council Tax Support - the assessment, payment and maintenance of claims. The high-quality service ensures that claims are administered as swiftly as possible whilst maintaining accuracy whilst supporting customers in ensuring that they receive appropriate financial support so they are able to pay their rent and Council Tax.

Adur's Revenues and Benefits - until 1 October 2017 services are provided by CenSus. Thereafter, a joint Adur-Worthing Service will be created that builds upon the strategy to deliver a high-quality customer-focused approach that is based upon circles of influence in collaboration with both internal and external stakeholders.

CenSus Relationship (Adur) - The Head of Revenues & Benefits is a member of the Census Programme Management Board and until 1 October 2017 acts as client officer for Adur Revenues and Benefits Service.

SERVICE DIRECTORATE:
Customer Services

HEADS OF SERVICE

DETAILED SERVICES INCLUDED

BUILDING CONTROL AND LAND CHARGES

Building Control - Building Regulation applications and notices, Dangerous Structures, Demolitions and enforcement of the Building Acts. Processing of Initial Notices and Competent Persons data and maintenance of statutory registers. Provision of Fire Safety Advice and Fire Risk Assessments to both internal and external customers and control of Access for All to the built environment.

Street Naming and Numbering/ LLPG - Provision of Street Names and property numbers in accordance with DEC Rules and BS7666. Maintenance of the corporate register of compliant property address data.

Land Charges - The Local Land Charges Team maintain the register of local land charges and provide them to persons upon request. The service also provides the CON29 and LLC1 search response to customers.

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
- Electoral registration and managing of elections

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.

Major changes in services planned for 2017/18 are:-

- ◆ In October 2017, a joint Adur-Worthing Revenues and Benefits service will be created that builds upon the strategy to deliver a high-quality customer-focused approach that is based upon circles of influence in collaboration with both internal and external stakeholders.

Customer Services are responsible for the following material contracts.

- ◆ 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, 2020.

**JOINT SUMMARY SERVICE BLOCK:
Customer Services Directorate**

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF CUSTOMER SERVICES		
Director for Customer Services office	164,300	206,480
Head of Waste & Cleansing		
Waste Management	326,960	306,620
Commerce Way Depot	108,290	105,700
Clinical Waste Collection	(5,880)	(6,750)
Recycling	(1,017,030)	(1,114,830)
Refuse Collection	1,631,740	1,573,810
Street Sweeping & Cleansing	1,496,740	1,495,790
Trade Refuse Collection	439,940	451,600
Vehicle Workshop	611,840	610,660
Pest Control	34,000	1,420
Waste Strategy	254,390	261,090
	3,880,990	3,685,110
Less: Vehicle Works Trading A/c - recharged to services per job	(612,940)	(584,540)
Head of Customer Services		
Customer Services	1,223,010	1,341,160
Parking Services	621,470	645,240
Business Support	258,650	254,070
Elections	214,910	217,150
	2,318,040	2,457,620
Head of Revenues & Benefits		
Head of Revenues & Benefits	81,880	96,370
	81,880	96,370
Head of Building Control & Land Charges		
Building Control	673,610	684,890
LLPG	30,520	20,970
Land Charges	139,230	144,710
	843,360	850,570
TOTAL for CUSTOMER SERVICES	6,675,630	6,711,610
ALLOCATION OF COSTS		
Recharged to other joint services	244,390	290,700
Adur District Council	2,320,780	2,381,080
Worthing Borough Council	4,110,460	4,039,830
South Downs Leisure Trust	-	-
	6,675,630	6,711,610

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2016/2017	ESTIMATE 2017/2018
	£
ORIGINAL ESTIMATE 2016/2017	6,675,630
CHANGES TO BASE	
Joint transfers	(63,260)
INFLATION	
including Increments, Pension contribution increases	161,130
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Additional costs arising from recent Job Evaluation	14,000
Recycling payment from WSCC overstated	45,000
Agreed Savings	
Restructure of Waste & Cleansing service	(101,730)
Repairs on New Fleet	(65,000)
Base budget review	(3,000)
Bin delivery charge	(4,000)
Increased Waste & Cleansing income	(142,420)
Rationalisation of SNN/LLPG resources	(10,000)
Added Value income from Building Control	(20,000)
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	225,260
APPROVED ESTIMATE 2017/2018	6,711,610

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Direct Recharges	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£
DIRECTOR OF CUSTOMER SERVICES Director for Customer Services office	2	193,990	-	660	3,430	-	(10)	198,070	-	8,410	206,480
Head of Waste & Cleansing											
Waste Management	6	260,100	100	4,220	16,640	-	(18,990)	262,070	1,210	43,340	306,620
Commerce Way Depot	0	-	148,340	60	10,650	-	(58,880)	100,170	4,030	1,500	105,700
Clinical Waste Collection	1	26,420	-	7,380	11,720	-	(53,210)	(7,690)	-	940	(6,750)
Recycling	24	656,610	-	165,030	101,020	-	(2,133,210)	(1,210,550)	490	95,230	(1,114,830)
Refuse Collection	41	1,318,630	-	291,070	22,460	-	(115,740)	1,516,420	720	56,670	1,573,810
Street Sweeping & Cleansing	47.3	1,272,330	-	237,950	57,840	(10)	(132,590)	1,435,520	960	59,310	1,495,790
Trade Refuse Collection	9.8	290,580	-	99,400	27,430	-	(5,120)	412,290	240	39,070	451,600
Vehicle Workshop	8.7	263,320	260	9,210	315,290	-	(33,910)	554,170	2,170	54,320	610,660
Pest Control	2.6	60,690	520	8,460	11,040	-	(92,730)	(12,020)	-	13,440	1,420
Waste Strategy	5.6	191,910	-	11,600	-	-	-	203,510	1,930	55,650	261,090
Less: Vehicle Works Trading Account - recharged to services per job		-	-	-	-	-	(584,540)	(584,540)	-	-	(584,540)
Head of Customer Services											
Customer Services	30.4	989,090	-	50	10,950	-	-	1,000,090	9,650	331,420	1,341,160
Parking Services	18.4	592,430	-	-	-	-	-	592,430	1,450	51,360	645,240
Business Support	7.8	204,090	-	-	79,210	-	(85,300)	198,000	-	56,070	254,070
Elections	4.9	162,830	-	500	2,140	-	-	165,470	1,450	50,230	217,150
Head of Revenues & Benefits											
Head of Revenues & Benefits	2	95,850	-	-	-	-	-	95,850	-	520	96,370
Head of Building Control & Land Charges											
Building Control	10.9	560,300	2,880	11,460	46,810	-	(34,360)	587,090	3,130	94,670	684,890
LLPG	1	44,570	-	520	16,030	-	(41,930)	19,190	-	1,780	20,970
Land Charges	3.4	107,050	-	-	3,380	-	-	110,430	960	33,320	144,710
TOTAL COST		7,290,790	152,100	847,570	736,040	(10)	(3,390,520)	5,635,970	28,390	1,047,250	6,711,610
Percentage Direct Cost		81%	2%	9%	8%	0%					

ADUR SUMMARY SERVICE BLOCK:
Customer Services Directorate

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF CUSTOMER SERVICES		
Head of Waste & Cleansing		
Waste Management	25,730	29,480
Clinical Waste Collection	17,360	14,690
Pest Control	18,350	11,100
Recycling	(155,090)	(223,790)
Refuse Collection	823,040	773,270
Street Sweeping & Cleansing	579,010	588,750
Trade Refuse Collection	(152,520)	(171,890)
Vehicle Workshop	-	5,470
Graffiti: Visual Quality Initiative	3,680	4,680
Waste Strategy	1,290	940
	1,160,850	1,032,700
Head of Customer Services		
Elections	177,270	153,580
Parking	(266,240)	(217,570)
	(88,970)	(63,990)
Head of Revenues & Benefits		
Benefits	167,120	224,690
Revenues	395,220	383,560
	562,340	608,250
Head of Building Control & Land Charges		
Building Control	125,670	110,910
Land Charges	(12,380)	(13,330)
	113,290	97,580
TOTAL for CUSTOMER SERVICES	1,747,510	1,674,540

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2017/2018	ESTIMATE 2017/2018
ORIGINAL ESTIMATE 2016/2017	£ 1,747,510
CHANGES TO BASE	
Virements	190
Joint Transfers	(3,300)
INFLATION	(30,170)
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Loss of Housing Benefit Grant	63,200
Agreed Savings	
Increased waste income from fees & charges	(26,250)
Increased Parking income	(10,000)
Increased Building Control income	(24,800)
Restructure savings from Adur Revenues & Benefits provision in-house	(80,000)
Increased Land Charges income	(4,650)
Non Recurring items	
Elections - no local election	(42,660)
Changes in allocation of recharge from other services	(146,490)
Asset Hire/Impairment	231,960
Other minor transfers	-
APPROVED ESTIMATE 2017/2018	1,674,540

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	Depreciation /Impairment	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£	£
DIRECTOR OF CUSTOMER SERVICES													
Head of Waste & Cleansing													
Waste Management		-	-	-	1,110	-	4,690	-	5,800	23,680	-	-	29,480
Clinical Waste Collection		-	(2,450)	-	-	-	-	-	(2,450)	17,140	-	-	14,690
Pest Control		-	560	-	-	-	-	-	560	9,470	1,070	1,070	11,100
Recycling		-	(405,800)	-	-	-	-	-	(405,800)	125,620	56,390	56,390	(223,790)
Refuse Collection		-	572,860	-	-	-	-	-	572,860	105,600	94,810	94,810	773,270
Street Sweeping & Cleansing		-	592,250	-	-	-	-	(127,870)	464,380	84,870	39,500	39,500	588,750
Trade Refuse Collection		-	135,480	-	-	209,780	-	(582,780)	(237,520)	39,180	26,450	26,450	(171,890)
Vehicle Workshop		-	-	-	-	-	-	-	0	5,470	-	-	5,470
Graffiti: Visual Quality Initiative		-	170	-	-	-	-	-	170	2,760	1,750	1,750	4,680
Waste Strategy		-	-	-	-	-	-	-	0	-	940	940	940
Head of Customer Services													
Elections		-	80,350	-	-	42,330	-	(3,220)	119,460	30,450	3,670	3,670	153,580
Parking		-	3,680	106,280	-	127,950	57,800	(658,720)	(363,010)	140,120	5,320	5,320	(217,570)
Head of Revenues & Benefits													
Benefits		-	8,670	-	-	13,130	21,344,360	(21,385,990)	(19,830)	242,460	2,060	2,060	224,690
Revenues		-	2,890	-	-	-	476,980	(252,920)	226,950	156,610	-	-	383,560
Head of Building Control & Land Charges													
Building Control		-	284,680	-	-	-	-	(213,860)	70,820	40,090	-	-	110,910
Land Charges		-	51,580	-	-	19,710	-	(98,540)	(27,250)	13,920	-	-	(13,330)
TOTAL STAFF	0												
TOTAL COST		0	1,324,920	106,280	1,110	412,900	21,883,830	(23,323,900)	405,140	1,037,440	231,960	231,960	1,674,540
Percentage Direct Cost		0%	6%	0%	0%	2%	92%						

WORTHING SUMMARY SERVICE BLOCK:
Customer Services Directorate

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF CUSTOMER SERVICES		
Head of Waste & Cleansing		
Waste Management	31,220	28,580
Clinical Waste Collection	28,880	16,780
Pest Control	26,790	8,800
Recycling	(327,390)	(408,920)
Refuse Collection	1,382,200	1,336,980
Street Sweeping & Cleansing	764,270	758,220
Trade Refuse Collection	(318,290)	(401,430)
Vehicle Workshop	630	630
Graffiti: Visual Quality Initiative	4,610	670
Waste Strategy	830	(360)
	1,593,750	1,339,950
Head of Customer Services		
Customer Services	-	-
Car Parking	(858,520)	(829,560)
Elections	293,550	256,880
	(564,970)	(572,680)
Head of Revenues & Benefits		
Head of Revenues & Benefits	-	-
Benefits	806,180	1,048,920
Revenues	392,760	523,920
	1,198,940	1,572,840
Head of Building Control & Land Charges		
Building Control	117,940	108,180
Land Charges	10,670	8,630
	128,610	116,810
TOTAL for CUSTOMER SERVICES	2,356,330	2,456,920

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2016/2017	ESTIMATE 2017/2018
ORIGINAL ESTIMATE 2016/2017	£ 2,356,330
CHANGES TO BASE	
Virements	(27,350)
Joint transfers	2,860
INFLATION	(8,940)
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Non Recurring items	
Elections - no local election	(76,000)
Committed Growth	
Loss of Housing Benefit Administration Grant	29,850
Agreed Savings	
Increased waste income from fees & charges	(92,250)
Increased Parking income	(40,000)
Increased Building Control income	(37,200)
Restructure savings from Adur Revenues & Benefits provision in-house	(20,000)
Increased Land Charges income	(10,350)
Changes in allocation of recharge from other services	(247,680)
Asset Hire/Impairmnt	627,650
Other minor transfers	-
APPROVED ESTIMATE 2017/2018	2,456,920

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
DIRECTOR OF CUSTOMER SERVICES		£	£	£	£	£	£	£	£	£	£	£
Head of Waste & Cleansing												
Waste Management		-	-	-	-	2,220	-	(460)	1,760	26,820	-	28,580
Clinical Waste Collection		-	(4,280)	-	-	-	-	-	(4,280)	19,840	1,220	16,780
Pest Control		-	850	-	-	-	-	-	850	6,880	1,070	8,800
Recycling		-	(709,040)	-	-	-	1,400	-	(707,640)	160,820	137,900	(408,920)
Refuse Collection		-	1,000,940	-	-	-	-	-	1,000,940	131,010	205,030	1,336,980
Street Sweeping & Cleansing		-	910,930	-	-	-	-	(323,320)	587,610	95,300	75,310	758,220
Trade Refuse Collection		-	316,110	-	-	410,310	-	(1,228,470)	(502,050)	50,090	50,530	(401,430)
Vehicle Workshop		-	-	-	-	-	-	-	0	-	630	630
Graffiti: Visual Quality Initiative		-	(4,430)	-	-	-	-	-	(4,430)	2,500	2,600	670
Waste Strategy		-	-	-	-	-	-	(1,770)	(1,770)	-	1,410	(360)
Head of Customer Services												
Car Parking		-	485,240	677,080	3,890	148,020	-	(2,475,210)	(1,160,980)	183,310	148,110	(829,560)
Elections		-	136,810	-	-	65,130	-	(5,370)	196,570	56,470	3,840	256,880
Head of Revenues & Benefits												
Benefits	15.3	469,810	479,970	-	270	71,630	36,661,040	(37,373,790)	308,930	739,990	-	1,048,920
Revenues	12	355,300	24,100	-	3,280	99,950	-	(540,100)	(57,470)	581,390	-	523,920
Head of Building Control & Land Charges												
Building Control		-	394,060	-	-	3,920	-	(369,730)	28,250	79,930	-	108,180
Land Charges		-	113,310	-	-	45,570	-	(175,690)	(16,810)	25,440	-	8,630
	27.3											
		825,110	3,144,570	677,080	7,440	846,750	36,662,440	(42,493,910)	(330,520)	2,159,790	627,650	2,456,920
Percentage Direct Cost		2%	7%	2%	0%	2%	87%					

SERVICE BLOCK:
Digital and Resources Directorate

HEADS OF SERVICE

DETAILED SERVICES INCLUDED

LEGAL SERVICES

The **Legal Services Section** provides legal advice to the Councils, its internal client departments, Officers and Members; it supports the decision-making process and governance arrangements of the Councils; it acts on behalf of the Councils in legal proceedings in the criminal and civil courts. The Legal Services Team proactively enables the Councils to achieve its corporate objectives, whilst protecting it by ensuring the Councils always act lawfully. Legal Services Officers provide general advice, draft legal documents, including contracts and conveyancing documents, issue legal proceedings and represent the Council in Courts and Tribunals.

The **Monitoring Officer**, within the Legal Services Section, provides corporate governance advice to Members and Senior Officers, ensures that high standards of ethics and behaviour are maintained, provides training in respect of the democratic process, deals with standards complaints and ensures that the Councils' Constitutions are maintained to provide an agile, enabling framework.

HUMAN RESOURCES

Provides strategic HR business focussed advice to all Directorates of the Council. Offers an HR Business Partner linked to each directorate to advise managers in understanding and implementing the Council's employment policies and procedures, in accordance with employment legislation.

ORGANISATIONAL DEVELOPMENT

Staff learning and development, skills training, work experience, training needs analysis

BUSINESS AND TECHNICAL SERVICES

Engineering and Surveying - Non-housing property repairs, maintenance, refurbishment, improvements, new build, seats in streets, public conveniences, energy management and sustainability. Coast protection, surface water management, flood prevention, coastal monitoring, land drainage, bus shelters, road nameplates, hard surfaces, highways liaison.

Procurement and Contracts. Facilities – facility management, building cleaning, superintendents/porters, telephony, desktop printing and reprographics and corporate health and safety.

Corporate and Emergency Planning and business continuity.

SERVICE BLOCK:
Digital and Resources Directorate

HEADS OF SERVICE

DETAILED SERVICES INCLUDED

DESIGN AND DIGITAL

The **Digital and Design Service** is responsible for enabling digital transformation through service design and innovation programmes within the Councils. It is also responsible for ensuring the smooth running of the underpinning technology infrastructure services alongside our partners and suppliers. Digital and Design are a key resource for the maintenance and upkeep of the Councils' websites, geographic information systems and the continued development and management of the cloud platform solutions that support the growing technology needs of the Councils.

FINANCE

Management and Technical Accounting - 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;

Strategic Accounting

Exchequer and Fraud - Payments and income service, including debt management. Payment of salaries to staff and allowances to members. Front line cash receipting service operating out of the Town Hall. Investigation into all types of fraud and theft including Housing Benefit Fraud and Single Person Discount.

Internal Audit Service which ensures that the Councils processes are fit for purpose and safeguard the Council's financial assets. Fraud for Worthing Borough Council.

The Council has a statutory obligation to provide the following, in accordance with Section 5 of the Local Government Housing Act 1989:-

- Monitoring Officer

No Major changes in the delivery of the service are being considered currently and are likely to be implemented in 2017/18.

The Council has a statutory obligation to provide the following Technical Services:-

- Coast Protection
- Corporate Health and Safety

SERVICE DIRECTORATE: ***Digital and Resources***

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 2017/18.

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;

**JOINT SUMMARY SERVICE BLOCK:
Digital and Resources Directorate**

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR DIGITAL AND RESOURCES		
Director for Digital and Resources office	167,990	185,040
	167,990	185,040
Head of Finance		
Head of Finance office	146,070	135,500
Management, Technical and Strategic Accounting	1,084,280	1,034,690
Adur & Worthing Vacancy Provision consolidation		(760,150)
Exchequer and Fraud	729,650	687,180
Procurement	-	144,840
Internal Audit	480	490
	1,960,480	1,242,550
Head of Legal Services		
Legal Services	839,990	830,590
	839,990	830,590
Head of Digital and Design		
Head of Digital and Design	97,690	101,620
ICT, Systems Support and Development Team	2,033,050	2,121,980
	2,130,740	2,223,600
Head of Human Resources		
Human Resources	360,990	423,300
Organisational Development	309,940	227,710
	670,930	651,010
Head of Business and Technical Services		
Head of Business and Technical Services	93,710	99,960
Business Services	467,070	371,420
Engineers	660,170	727,760
Surveyors and Sustainability	941,100	951,360
Facilities - Admin Buildings	637,350	675,910
Centralised Costs	27,970	354,930
	2,827,370	3,181,340
TOTAL for DIGITAL AND RESOURCES	8,597,500	8,314,130
ALLOCATION OF COSTS		
Recharged to other joint services	2,892,760	3,446,220
Adur District Council	2,456,060	2,275,270
Worthing Borough Council	2,906,970	2,592,640
South Downs Leisure Trust	341,710	-
	8,597,500	8,314,130

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2016/2017	ESTIMATE 2017/2018
	£
ORIGINAL ESTIMATE 2016/2017	8,255,790
CHANGES TO BASE	
Vacancy Provision transfer from Adur & Worthing	(760,150)
Virements between Directorates	115,480
INFLATION	
including Increments, Pension contribution increases	(42,270)
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Net impact of SDLT commissioning support services from external providers	237,600
Agreed Savings	
Removal of EU car allowances	(75,000)
OD rationalisation	(1,750)
Courier Post Deletion	(11,910)
Treasury Management Fee	(9,000)
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	605,340
APPROVED ESTIMATE 2017/2018	8,314,130

SERVICE / ACTIVITY	Staff FTE	Employees	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Direct Recharges	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£
DIRECTOR FOR DIGITAL& RESOURCES											
Director Office	2	163,120	-	660	13,430	-	(10)	177,200	-	7,840	185,040
Head of Finance											
Head of Finance office	2	113,950	-	550	5,180	-	(30)	119,650	480	15,370	135,500
Management, Technical & Strategic Accounting	28	84,300	-	(74,360)	93,420	-	(29,510)	73,850	4,830	195,860	274,540
Exchequer and Fraud	12	409,090	-	90	76,300	-	(28,800)	456,680	6,020	224,480	687,180
Procurement	0	133,780	-	-	-	-	-	133,780	680	10,380	144,840
Internal Audit	0	-	-	-	490	-	-	490	-	-	490
Head of Legal Services											
Legal Services		748,990	-	1,740	40,460	-	(108,220)	682,970	4,100	143,520	830,590
Head of Digital and Design											
Head of Digital and Design	1	93,120	-	-	70	-	-	93,190	240	8,190	101,620
ICT, Systems Support and Development Team	10	534,720	-	1,880	264,000	1,310,880	-	2,111,480	-	10,500	2,121,980
Head of Human Resources											
Human Resources	5.2	330,330	-	2,430	17,000	-	-	349,760	2,170	71,370	423,300
Organisational Development	2	221,710	-	30	2,320	-	-	224,060	-	3,650	227,710
Head of Business & Technical Services											
Head of Business & Technical Services	1	93,520	-	-	-	-	-	93,520	240	6,200	99,960
Business Services	15	326,200	50	3,710	73,880	-	(113,060)	290,780	1,690	78,950	371,420
Engineers	14	646,940	-	7,910	11,300	-	(49,670)	616,480	3,140	108,140	727,760
Surveyors	18	783,380	-	5,310	21,410	-	-	810,100	4,110	137,150	951,360
Facilities - Admin Buildings	0	-	530,120	-	27,380	-	(75,330)	482,170	1,030	192,710	675,910
Centralised Costs	0	-	-	-	354,930	-	-	354,930	-	-	354,930
TOTAL COST		4,683,150	530,170	(50,050)	1,001,570	1,310,880	(404,630)	7,071,090	28,730	1,214,310	8,314,130
Percentage Direct Cost		63%	7%	-1%	13%	18%					
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:
Digital and Resources Directorate

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR DIGITAL AND RESOURCES		
Head of Finance		
Head of Finance office	1,462,730	1,274,910
Treasury Management	647,800	757,450
Exchequer and Fraud	265,820	287,490
Internal Audit	67,070	68,640
	2,443,420	2,388,490
Head of Legal Services		
Legal Services	(1,200)	(2,880)
	(1,200)	(2,880)
Head of Digital and Design		
ICT, Systems Support and Development Team	278,650	265,860
	278,650	265,860
Head of Human Resources		
Human Resources	-	-
	-	-
Head of Business and Technical Services		
Business Services	42,150	43,300
Engineers	287,180	287,050
Surveyors and Sustainability	245,020	242,280
Facilities - Admin Buildings	239,300	135,940
Administrative Buildings	314,880	200,070
	1,128,530	908,640
TOTAL for DIGITAL AND RESOURCES	3,849,400	3,560,110

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2017/2018	ESTIMATE 2017/2018
ORIGINAL ESTIMATE 2016/2017	£ 3,849,400
CHANGES TO BASE	
Virements	2,880
Joint Transfers - Vacancy provision to joint	243,420
INFLATION	18,850
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Reletting of Insurance contract	21,630
Treasury management fee budget	19,860
Impact of reprocurement of building maintenance contracts for corporate buildings	3,600
Additional Income	
Treasury Management Investment Income	75,910
Agreed Savings	
Savings relating to the demolition of the Civic Centre	(41,850)
Pension Costs	(24,060)
Impact of Capital Programme	(21,670)
Changes in allocation of recharge from other services	(1,087,090)
Asset Hire/Impairment	499,230
Other minor transfers	-
APPROVED ESTIMATE 2017/2018	3,560,110

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Transfer to/from Reserves	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£	£
DIRECTOR FOR DIGITAL & RESOURCES													
Head of Finance													
Head of Finance office		1,201,830	(182,060)	122,820	-	208,150	29,070	(508,600)	871,210	483,160	(62,450)	(17,010)	1,274,910
Treasury Management		-	-	-	-	-	-	(115,370)	(115,370)	69,260	-	803,560	757,450
Exchequer and Fraud	0	171,860	-	90,080	21,190	4,360	-	-	287,490	-	-	-	287,490
Internal Audit		-	-	-	-	67,740	-	-	67,740	900	-	-	68,640
Head of Legal Services													
Legal Services		-	-	-	-	50,230	-	(53,810)	(3,580)	700	-	-	(2,880)
Head of Digital & Design													
ICT, Systems Support & Development Team		-	-	-	-	16,740	-	-	16,740	-	-	249,120	265,860
Head of Business and Technical Services													
Business Services		-	29,090	-	-	-	-	-	29,090	14,210	-	-	43,300
Engineers		-	7,350	45,060	-	21,240	-	(7,860)	65,790	116,250	-	105,010	287,050
Surveyors & Sustainability		-	16,240	145,250	-	120	-	(340)	161,270	27,960	-	53,050	242,280
Facilities - Admin Buildings		-	63,900	45,450	-	4,130	-	-	113,480	7,870	-	14,590	135,940
Administrative Buildings	3	66,150	-	38,600	-	17,860	-	-	122,610	-	-	77,460	200,070
TOTAL STAFF	3												
TOTAL COST		1,439,840	(65,480)	487,260	21,190	390,570	29,070	(685,980)	1,616,470	720,310	(62,450)	1,285,780	3,560,110
Percentage Direct Cost		63%	-3%	21%	1%	17%	1%						

WORTHING SUMMARY SERVICE BLOCK:
Digital and Resources Directorate

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR DIGITAL AND RESOURCES		
Head of Finance		
Head of Finance office	2,650,400	2,431,230
Management, Technical and Strategic Accounting	37,700	38,780
Treasury Management	269,990	268,110
Exchequer and Fraud	398,560	383,200
Internal Audit	130,630	118,230
Fraud, Verification & Adjudication	395,640	453,740
	3,882,920	3,693,290
Head of Legal Services		
Legal Services	(2,230)	(2,230)
	(2,230)	(2,230)
Head of Digital and Design		
ICT, Systems Support and Development Team	294,350	254,970
	294,350	254,970
Head of Human Resources		
Human Resources	20,870	20,890
	20,870	20,890
Head of Business and Technical Services		
Business Services	53,970	55,870
Engineers	306,540	319,760
Surveyors and Sustainability	386,560	412,360
Facilities - Admin Buildings	224,530	220,790
	971,600	1,008,780
TOTAL for DIGITAL AND RESOURCES	5,167,510	4,975,700

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2016/2017	ESTIMATE 2017/2018
	£
ORIGINAL ESTIMATE 2016/2017	5,167,510
CHANGES TO BASE	
Virements	76,380
Joint transfers - Vacancy Provision	513,350
INFLATION	37,570
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Impact of 2017 rate revaluation	13,840
Brokers fees	15,000
Insurance premium	7,000
Loss of Housing Benefit admin grant	27,350
Additional Income	
Borrowing costs for property investments and reduction in investment income	104,420
Agreed Savings	
Fall out of pension costs	(7,830)
Worthing Homes Loan	(46,880)
Reletting of Insurance	(22,360)
Impact of Capital Programme	(134,000)
Changes in allocation of recharge from other services	(1,392,130)
Asset Hire/Impairment	616,480
Other minor transfers	-
APPROVED ESTIMATE 2017/2018	4,975,700

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
DIRECTOR FOR DIGITAL AND RESOURCES												
Head of Finance												
Head of Finance office	0	2,279,750	(425,270)	(36,540)	-	244,970	-	(190,090)	1,872,820	557,540	870	2,431,230
Management, Technical and Strategic Accounting		-	-	-	-	-	-	-	0	-	38,780	38,780
Treasury Management		-	-	-	-	15,030	-	(158,000)	(142,970)	68,590	342,490	268,110
Exchequer and Fraud	0	89,840	-	225,040	60,600	(10)	-	-	375,470	-	7,730	383,200
Internal Audit	1	40,120	3,130	-	210	73,400	-	-	116,860	1,370	-	118,230
Fraud, Verification & Adjudication	9.2	286,860	-	-	7,830	232,380	-	(190,330)	336,740	114,170	2,830	453,740
Head of Legal Services												
Legal Services		-	-	-	-	46,590	-	(49,700)	(3,110)	880	-	(2,230)
Head of Digital and Design												
ICT, Systems Support and Development Team		-	-	-	-	16,060	-	-	16,060	-	238,910	254,970
Head of Human Resources												
Human Resources		-	-	-	-	-	-	-	0	-	20,890	20,890
Head of Business & Technical Services												
Business Services		-	43,630	-	-	-	-	-	43,630	9,890	2,350	55,870
Engineers		-	5,000	170,150	-	4,770	-	(23,170)	156,750	144,360	18,650	319,760
Surveyors and Sustainability		-	42,500	301,180	-	3,300	80	(103,100)	243,960	66,080	102,320	412,360
Facilities - Admin Buildings		-	-	38,390	-	-	-	(750)	37,640	-	183,150	220,790
	10.2											
		2,696,570	(331,010)	698,220	68,640	636,490	80	(715,140)	3,053,850	962,880	958,970	4,975,700
Percentage Direct Cost		72%	-9%	19%	2%	17%	0%					

SERVICE BLOCK:
Economy Directorate

DETAILED SERVICES INCLUDED

ECONOMY DIRECTORATE:

The Economy Directorate is focussed on providing a platform upon which our places can grow and thrive.

Our starting point is 'not to get in the way' of growth and to use regulatory activity sensibly and creatively to support local business.

We are striving to be a 'trusted partner' with a strong reputation for securing public and private investment to deliver the infrastructure that is necessary to support growth.

We aim to ensure that a rich and vibrant cultural offer is a vital part of the attraction of our places to residents and businesses.

CULTURE:

Culture is a key driver for the economic development of Adur and Worthing with £7 spent in restaurants and shops for every £1 invested by the Council. A high quality cultural offer that balances the challenging and cutting edge with the joy of entertainment has changed the perception of the area, drawing more people to live here and importantly more businesses to consider this as a viable area for relocation. Culture is currently developing the business plan for the next three years which will have the following focus:

Further improve the cultural offer, building a reputation for excellence and innovation.

Maximise the opportunities to develop the commercial business
Lead the sector in outstanding customer experience
Seek external funding for capital improvements and creative projects

Key Projects 2017/2018

Large scale application to refurbish Worthing Museum

Research the development of the Pavilion Theatre

Investigation into opportunities to develop the Assembly Hall as a music hub

Further development of the Summer of Circus

Improvement to the toilets across the venues

SERVICE BLOCK:
Economy Directorate

DETAILED SERVICES INCLUDED

Museums - Worthing Museum holds the most extensive costume collection outside the V&A which is of national significance. It also has a local history collection with particular areas of strength in children's toys and archaeology.

The museum ensures the appropriate rotating display of the collection in addition to storing, cataloguing and maintaining the artefacts. It works in partnership with other museums and educational establishments. The Art Gallery provides storage, cataloguing and display of the Council's collection of art work.

The museum installed the HLF funded Costume Trail in 16/17 and this will continue through 17/18.

The Museum Future Plan will feed into the overarching Business Plan and is a key document to support a large scale bid to HLF to refurbish the museum.

In 17/18 the Museum will launch a new website.

Theatres - Worthing Theatres includes the Pavilion Theatre and Cafe Bar, Connaught Theatre/Cinema, Connaught Studio Theatre / Cinema and the Assembly Hall providing a varied, high quality cultural offer across the four venues. All venues are hired for community events and commercial activities

The cultural programme has greatly improved over the last three years and now has a strong balance of high quality events. Continue to develop the programme, making new creative partners. The marketing team will be focused on developing new audiences and increasing ticket sales. The front of house team will be focused on exceptional customer care to maximise repeat visits.

In 17/18 Theatres will be developing a large scale application for improvements to the Pavilion including new seating and additional rigging that would be installed in 18/19. We will also be investigating possible partners to establish the Assembly Hall as a music hub.

We will also be installing a new box office system which will support theatres and the museum, looking for funding streams to refurbish the theatres toilets that are currently well below standard and receiving many complaints as well as investigating the possibility of moving our box office function into the vacant shop under the Connaught Studio Theatre.

Both Theatres and Museum are expanding their volunteer programme, creating a cultural community of supporters.

SERVICE BLOCK:
Economy Directorate

DETAILED SERVICES INCLUDED

Cultural Partnership - Commit to Culture is the Cultural Partnership for Adur & Worthing which will encourage excellent and inclusive cultural activities, bringing together the energy, creativity and resources of individuals, organisations and business involved in delivering and supporting cultural activity.

PLACE AND INVESTMENT:

Place and Investment works with partners to help improve and grow the local economy. This includes identifying needs and opportunities to develop the skills of the local workforce, ensuring that businesses have the information and support they need to be successful and grow, and attracting new investment to improve infrastructure or develop new housing and employment space.

The Service works with partners to help support the retail and visitor economy and improve the quality of our 'places' for all to enjoy. This includes improving the public realm, bidding for funding to develop new facilities, developing stronger partnerships with business, and attracting and developing high quality events and markets - all helping to raising the profile of Adur & Worthing as a great place to live, visit, invest and work.

Following the transfer of the Estates function to Place & Investment in late 2016, the Service is now responsible for strategic property investments and management of the Councils' commercial property portfolio, with a focus on securing efficiencies and revenues for reinvestment into Council services.

PLANNING AND DEVELOPMENT:

Planning Policy - Local Plans, Area Action Plans, Master Plans, Neighbourhood Plans, Policy Guidance, Development Briefs, Conservation Areas, Community Infrastructure Levy and Transport Policy. Also responsible for ensuring cross boundary strategic issues are addressed through the duty to co-operate as contained in the Localism Act.

Estates - Asset management, sales, purchases, leases, licences, easements, corporate property terriers, etc.

Development Management - Planning applications, enforcement, trees, advertisements, conservation and listed buildings.

The Council is obliged by statute to provide the following services:

- Development Management - processing of planning applications in accordance with the Planning Acts and accompanying regulations

SERVICE DIRECTORATE:

Economy

The Council is obliged by statute to provide the following services:

- Production of Local Plans to set out the spatial vision for both authorities to help create sustainable communities. Support for neighbourhood plans.

Major changes in services planned for 2016/17 are:-

- Service redesign of the Development Management Service with Building Control to provide a more integrated development service responsive to the needs of its customers;
- Restructure of the Development Management Service to improve operational efficiency and ensure the delivery of strategic developments;
- Replacement of the existing back office IT systems and electronic documents and records system (EDRMS) with a new, web based (digital) solution to improve customer service, facilitate greater mobile working and increase efficiency;
- Ensure that the Service can respond positively to the proposed changes to the planning system following the Housing White Paper (Feb 2017) to assist in delivering economic growth;
- Ensure that the Major Projects team has the relevant support and resources to deliver strategic regeneration projects, taking a proactive approach to ensure delivery including where necessary undertaking land assembly and securing external funding to unlock stalled development sites.

JOINT SUMMARY SERVICE BLOCK:
Economy Directorate

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR ECONOMY		
Director of Economy Office	177,940	182,910
Growth		
Head of Growth	106,180	107,890
Planning Policy	559,020	615,000
Estates	424,810	432,800
Development Control	1,330,350	1,343,550
	2,420,360	2,499,240
Place & Investment		
Head of Place & Investment	86,860	90,390
Economic Development	375,080	449,430
	461,940	539,820
Culture		
Head of Culture	95,030	99,250
Tourism	117,720	-
	212,750	99,250
TOTAL for ECONOMY	3,272,990	3,321,220
ALLOCATION OF COSTS		
Recharged to other joint services	13,620	14,140
Adur District Council	1,280,080	1,250,510
Worthing Borough Council	1,979,290	2,056,570
South Downs Leisure Trust		
	3,272,990	3,321,220

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2016/2017	ESTIMATE 2017/2018
ORIGINAL ESTIMATE 2016/2017	£ 3,272,990
CHANGES TO BASE	
Virements	(1,460)
INFLATION	
including Increments, Pension contribution increases	65,160
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Place & Investments Income targets for events	10,000
Funding from WSCC for the Major Projects Officers ceases.	35,000
Agreed Savings	
Restructure savings	(51,000)
Digital transformation of planning function	(83,000)
Licence fee savings	(11,000)
Print room budget	(5,000)
Regeneration Travel costs	(2,000)
Tourism and Events - Filming proposed increase in income	(1,000)
BUDGET TRANSFERS	
Changes in allocation of recharge from other services	92,530
Other minor transfers	
APPROVED ESTIMATE 2017/2018	3,321,220

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£
DIRECTOR OF ECONOMY											
Director of Economy Office	2	164,180	490	-	100	1,420	-	-	166,190	16,720	182,910
Growth											
Head of Growth	1	96,120	240	-	510	740	-	-	97,610	10,280	107,890
Planning Policy	10.42	554,680	2,660	-	4,590	82,740	-	(120,270)	524,400	90,600	615,000
Estates	6.5	366,710	1,700	-	3,550	2,810	-	-	374,770	58,030	432,800
Development Control	24.57	1,001,740	7,720	-	5,460	62,830	-	-	1,077,750	265,800	1,343,550
Place & Investment											
Head of Place & Investment	1	89,870	-	-	-	-	-	-	89,870	520	90,390
Economic Development	6.19	341,150	6,660	-	4,320	35,500	-	(11,400)	376,230	73,200	449,430
Culture											
Head of Culture	1	98,650	-	-	-	-	-	-	98,650	600	99,250
Tourism and Events	2.81	-	-	-	-	-	-	-	0	-	0
	55.49										
TOTAL COST		2,713,100	19,470	0	18,530	186,040	0	(131,670)	2,805,470	515,750	3,321,220
Percentage Direct Cost		92%	1%	0%	1%	6%	0%				

ADUR SUMMARY SERVICE BLOCK:
Economy Directorate

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR ECONOMY		
Growth		
Planning Policy	300,510	332,790
Major Projects	59,230	85,060
Estates	58,990	(194,530)
Development Control	415,340	406,730
	834,070	630,050
Place & Investment		
Economic Development	328,420	316,810
TOTAL for ECONOMY	1,162,490	946,860

ADUR VARIATIONS SERVICE BLOCK:
Economy Directorate

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2017/2018	ESTIMATE 2017/2018
	£
ORIGINAL ESTIMATE 2016/2017	1,162,490
CHANGES TO BASE	
Virements	(5,400)
Joint Transfers	180
INFLATION	(2,700)
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Additional contribution to Coastal West Sussex	10,000
Impact of 2017 rate revaluation	4,150
Agreed Savings	
Predicted additional income on commercial property	(170,000)
General grants offered as savings	(5,000)
Shoreham markets - additional income	(10,000)
Changes in allocation of recharge from other services	(242,170)
Asset Hire/Impairment	205,310
Other minor transfers	-
APPROVED ESTIMATE 2017/2018	946,860

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
DIRECTOR FOR ECONOMY												
Growth												
Planning Policy	-	144,910	9,930	-	-	17,360	-	(143,100)	29,100	303,690	-	332,790
Major Projects	-	-	-	-	-	-	-	-	0	85,060	-	85,060
Estates	-	-	50,900	129,680	-	14,870	-	(681,400)	(485,950)	136,910	154,510	(194,530)
Development Control	-	-	530,700	-	-	8,410	5,250	(232,600)	311,760	94,970	-	406,730
Place & Investment												
Economic Development	-	-	147,400	-	370	94,020	-	(39,050)	202,740	63,270	50,800	316,810
TOTAL STAFF	0											
TOTAL COST		144,910	738,930	129,680	370	134,660	5,250	(1,096,150)	57,650	683,900	205,310	946,860
Percentage Direct Cost		13%	64%	11%	0%	12%	0%					

WORTHING SUMMARY SERVICE BLOCK:
Economy Directorate

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR FOR ECONOMY		
Worthing Symphony	-	-
Growth		
Planning Policy	338,990	369,990
Major Projects	76,410	155,060
Estates	115,840	(424,130)
Development Control	523,860	533,480
	1,055,100	634,400
Place and Investment		
Economic Development	339,770	522,750
Culture		
Theatres	1,442,490	1,613,360
Museums	536,600	489,580
Tourism	170,890	-
	2,149,980	2,102,940
TOTAL for ECONOMY	3,544,850	3,260,090

DETAILS OF CHANGES SINCE THE ORIGINAL BUDGET 2016/2017	ESTIMATE 2017/2018
	£
ORIGINAL ESTIMATE 2016/2017	3,544,850
CHANGES TO BASE	
Virements	(111,740)
Joint transfers	120
INFLATION	
including Increments, Pension contribution increases	67,830
APPROVED VARIATIONS REPORTED TO JOINT COMMITTEE	
Committed Growth	
Impact of 2017 rate revaluation	17,960
Impact of reprocurement of building maintenance contracts for corporate buildings	14,400
Income targets for events not realistic	10,000
Agreed Savings	
Rent increase HSBC site - Worthing	(25,000)
Investment income	(60,000)
Savings from Scanning costs	(10,000)
Additional income from Decoy farm - Former Civic Amenity site.	(30,000)
General grant budget	(5,000)
Resort and publicity computer cost savings	(7,730)
Theatres Levy income	(40,000)
Additional income	
Rental income from Investments	(278,360)
Changes in allocation of recharge from other services	(366,560)
Asset Hire/Impairmnt	469,320
APPROVED ESTIMATE 2017/2018	3,190,090

SERVICE / ACTIVITY	Staff FTE	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
		£	£	£	£	£	£	£	£	£	£	£
DIRECTOR FOR ECONOMY												
Worthing Symphony		-	-	-	-	-	-	-	0	-	-	0
Growth												
Planning Policy	3	-	26,300	-	-	67,890	-	-	94,190	275,800	-	369,990
Major Projects	-	-	-	-	-	70,000	-	-	70,000	85,060	-	155,060
Estates	-	-	111,190	401,220	-	26,670	-	(1,255,910)	(716,830)	240,590	52,110	(424,130)
Development Control	-	-	779,290	-	-	48,970	5,250	(495,350)	338,160	193,450	1,870	533,480
Place & Investment												
Economic Development	-	-	274,580	9,640	-	129,920	-	-	414,140	87,570	21,040	522,750
Culture												
Theatres	54	1,671,560	151,390	441,770	8,110	2,068,310	-	(3,458,700)	882,440	404,050	326,870	1,613,360
Museums	8	170,150	38,130	96,030	1,060	43,040	-	(58,740)	289,670	132,480	67,430	489,580
Tourism	-	-	-	-	-	-	-	-	0	-	-	0
	65.36											
		1,841,710	1,380,880	948,660	9,170	2,454,800	5,250	(5,268,700)	1,371,770	1,419,000	469,320	3,260,090
Percentage Direct Cost		28%	21%	14%	0%	37%	0%					

CAPITAL INVESTMENT PROGRAMME INTRODUCTION

CAPITAL PROGRAMME 2017/18

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 2016/17 – 2019/20, 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
6th December 2016
Agenda Item No: 8
Ward: All

CAPITAL INVESTMENT PROGRAMME 2017/18 - 2019/20 ADUR DISTRICT COUNCIL, WORTHING BOROUGH COUNCIL AND JOINT COMMITTEE
REPORT BY DIRECTOR FOR DIGITAL AND RESOURCES

1.0 SUMMARY

- 1.1 The report recommends the schemes for inclusion in the overall Capital Investment Programme for the three years 2017/2018 - 2019/2020 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 Adur District Council and Worthing Borough Council partnership 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.

1.0 SUMMARY

1.4 Members were consulted on the capital bids to be included in the draft programmes. Their comments are included in this report. The final recommendations for the capital programmes will be made to Adur District Council on the 15th December, 2016 and Worthing Borough Council on the 20th December, 2016.

2.0 BACKGROUND

2.1 The Adur and Worthing Capital Strategy 2016 - 2019 was updated and agreed by JSC on 13th July, 2016. The harmonised strategy and financing policy for the proposed Capital Investment Programme was set out in the “Outline Forecast 2017/18 – 2021/22 and Budget Strategy” report and agreed by JSC at the meeting in September.

2.2 The Outline Forecast, 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 £4.7m for the Housing Investment Programme)
Worthing Borough Council:	£2.0m

- (b) The Outline Forecast highlighted 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. The funding of the programmes is to be comprised of prudential borrowing, capital grants and capital receipts.
- (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 2016 included the following changes to resource allocations:

- A reduction in the amount set aside for partnership schemes of £100,000.
- The refuse and recycling fleet will need to be replaced during 2016/17 at an overall cost of £4.5m

2.0 BACKGROUND

- An increase in the Strategic Property Investment Fund to £10m for each Council.

2.4 As the July 2016 Capital Strategy explained, the top slicing of the capital programmes in each year to ensure funding for key strategic issues such as ICT and the other partnership programmes will mean that, of the overall resources available in 2016/17, only the following resources will remain for other schemes:

- **Adur District Council:** £542,000
- **Worthing Borough Council:** £1,358,000

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:

(a) Overall programme progress

Progress on the programme is regularly reported to members, the most recent report was presented to Committee in November.

(b) Purchase of a new refuse and recycling fleet

The contract for the purchase of the new fleet (£4.13m) has now been agreed and delivery is expected from March 2017.

(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. This is 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. The use of the Council's own assets to enable affordable housing development is becoming increasingly important as the more traditional funding sources, such as the Homes and Communities Agency (HCA) decrease. The Housing Strategy targets 120 new affordable homes per annum.

3.0 UPDATE ON KEY SCHEMES WITHIN THE EXISTING CAPITAL INVESTMENT PROGRAMME

(c) *Adur and Worthing Affordable Housing*

The need for a budget provision:

The Councils continue 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.

No schemes have come forward for Adur in 2016/17 and the budget will be re-profiled to 2017/18. Worthing has one scheme in progress with an estimated further contribution of £125,000 expected. No further allocations are currently expected in 2016/17 and the remaining budget will be re-profiled to 2017/18.

The Homes and Communities Agency (HCA) contributions to housing developments:

The £2.8 billion Affordable Homes Programme (AHP) 2015-18 will 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 circa £20-25,000 per rented unit, which is similar to the previous programme though the HCA is clear that it will not fund housing which is let at less than 80% of open market rent.

(d) *Adur Homes Programme*

Good progress has been made on the 2016/17 capital programme with the majority of contracts let, the extent of any potential slippage cannot be fully determined at this point in the financial year as there are a number of influencing factors which cannot be predicted until contractor performance is assessed.

3.0 UPDATE ON KEY SCHEMES WITHIN THE EXISTING CAPITAL INVESTMENT PROGRAMME

(e) Disabled Facilities Grants

Since 2015/16 this has been funded from the Better Care Fund which is managed in by West Sussex County Council (WSSC) in its Public Health capacity with the Care Commissioning Groups.

The 2016/17 allocations received from WSSC are as follows:-

- **Adur District Council:** £511,700
- **Worthing Borough Council:** £986,900

These will be sufficient to fund all of the grants awarded in 2016/17.

3.2 The 2016/17 Capital programme continues to be monitored and reported to the Capital Working Group and members 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 extent to which the revenue consequences of the programmes in terms of the cost of borrowing and any associated running costs can be accommodated within the revenue budget.

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 and new initiatives, means that both Councils will need to sustain the size of programmes outlined in 2.2 to 2.4 for the foreseeable future. The Worthing programme has been increased for 2017/18 to reflect the increasing maintenance responsibilities following the end of the contract for Car Park management. Despite this increase, the Worthing programme in particular, is under pressure. However the need to increase the level of investment has to be balanced against the difficult financial position of the Councils.

4.3 There is little change in the method of financing the programmes planned over the next 3 years. In addition, both Councils have approved a 'Strategic Property Investment Fund which is an *invest-to-save* provision and specific investments which meet the criteria will be funded through prudential borrowing.

4.0 RESOURCES

4.4 Both proposed programmes assume a phased use of the available prudential borrowing, capital receipts, reserves and the Major Repairs Reserve for Adur Homes which is generated from the depreciation set aside on an annual basis. Investment will be financed using a mix of the following types of resources:

4.4.1 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 as follows:

i) *Adur District Council*

In the past, the main source of capital receipts for Adur District Council has come from council housing sales which are used to support the HRA Investment Programmes. However the potential 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 to finance new affordable homes within the Adur area. However, the receipt can only provide 30% of the cost of any new build which means that the remaining 70% has to be financed from other sources including borrowing. A condition of being able to retain capital receipts arising from RTB sales was that they must be spent within a 3 year time limit. Receipts have to be returned after 3 years if we cannot allocate the receipts to any new homes. Properties may be built by Adur Homes or another Registered Provider.

Other Housing Revenue Account property or land sales fall outside the requirements of RTB receipts and may retained by Adur provided it is spent on affordable housing, regeneration or the paying off of Housing Revenue Account debt.

ii) *Worthing Borough Council*

Worthing Borough Council is currently using any new receipts generated to pay down debt following the £9.6m borrowing undertaken to finance the 'Splashpoint' swimming pool including the receipt expected from the sale of the Aquarena site.

4.0 RESOURCES

4.4.1 Usable Capital Receipts derived from the sale of assets

ii) Worthing Borough Council

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 0.5%	2,500	5,000

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 easily 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;
- 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;

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:

4.0 RESOURCES

4.4.1 Usable Capital Receipts derived from the sale of assets

Adur District Council

Adur District Council		Balance at 1st April £'000	* Receipts Generated £'000	Planned Use £'000	Balance at 31 st March £'000
2017/18	General	0	0	0	0
	Ring-fenced				
	- HRA	2,951	600	500	3,051
	- General Fund	431	16	150	297
	Total	3,382	616	650	3,348
2018/19	General	0	0	0	0
	Ring-fenced				
	- HRA	3,051	600	500	3,151
	- General Fund	297	16	6	307
	Total	3,348	616	506	3,458
2019/20	General	0	0	0	0
	Ring-fenced				
	- HRA	3,151	600	500	3,251
	- General Fund	307	16	6	317
	Total	3,458	616	506	3,568

Worthing Borough Council

Worthing Borough Council		Balance at 1 st April £'000	Receipts Generated £'000	Planned Use £'000	Balance at 31 st March £'000
2017/18	General	0	0	0	0
	Ring-fenced	4,461	145	(571)	4,035
	Total	4,461	145	(571)	4,035

4.0 RESOURCES

4.4.1 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
2018/19	General	0	0	0	0
	Ring-fenced	4,035	145	(502)	3,678
	Total	4,035	145	(502)	3,678
2019/20	General	0	0	0	0
	Ring-fenced	3,678	145	(502)	3,321
	Total	3,678	145	(502)	3,321

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.

4.4.2 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 impact of the associated revenue consequences on the revenue budget and on council tax.

The position for Adur's Housing Revenue Account is 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 £68.9 million. Headroom to borrow is currently at £7.6m.

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.

4.0 RESOURCES

4.4.2 Prudential Borrowing

However, the announcements on rent levels for 2016/17 – 2019/20 will impact on the affordability of any new borrowing. The high level 30 year financial business plan will be updated and presented to Adur Cabinet in February 2017 and will consider further the impact of the 1% rent reduction.

The annual revenue costs of each additional £1m of Prudential Code borrowing are estimated to be as follows:-

	Year 1 £	Year 2 £
Principal repayment based on the annuity method *	0	53,770
Interest at say 3%	15,000	30,000
Total costs	15,000	83,770

* 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.

4.4.3 Adur Housing Revenue Account Major Repairs Reserve contribution

The Council is 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 2016/17 is estimated at £4.11m of which £2.4m will be used to finance the capital programme with the remainder financing debt repayments..

New capital expenditure on housing will be financed from direct revenue contributions, capital receipts, the Major Repairs Reserve or from Prudential Borrowing (if overall borrowing is less than the ‘borrowing limit’ of £68.9 million). The latter source of funding requires amounts to be set aside for repayment of debt.

4.0 RESOURCES

4.4.4 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 revenue contribution towards the Adur Homes capital programme for 2016/17 is set at £207,000. The revenue contribution reflects a long term strategy to fund a significant proportion of the proposed HRA capital programme from revenue thereby making a revenue saving on the cost of borrowing. The Joint Strategic Committee will be considering the Housing Revenue Account budget in February 2017, the contribution is expected to be at a similar level but may increase if there is adequate capacity within the budget.

In addition, the HRA has set up a 'New Acquisition and Development' reserve specifically to fund initiatives to increase the supply of affordable housing. This will be used to fund the preliminary works on Cecil Norris House and the costs associated with Albion Street.

4.4.5 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 2017/18 capital programme:

Adur District Council External Funding

	£
Disabled Facilities Grant (Better Care Fund)	305,000

Worthing Borough Council External Funding

	£
Disabled Facilities Grant (Better Care Fund)	650,000
Corporate Sponsorship (Theatres)	10,000
S106 Receipts	134,400
Theatres Restoration Levy	50,000

4.0 RESOURCES

Worthing Borough Council External Funding

4.4.5 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. Both Councils have received increased Better Care Fund Grant Allocations in 2016/17 which are forecast to be sufficient to fund all grant allocations in 2016/17. Any unspent grant can be carried forward to 2017/18 to fund outstanding grant commitments at 31st March 2017. This will reduce the amount of Council resource funding required for 2017/18.

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 programmes. 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 Worthing Borough Council - Brooklands Lake

Brooklands lake was last dredged in 1995. A report elsewhere on the agenda considers the options for the Lake in detail and recommends that option 4 be considered which is estimated to cost between £750,000 and £850,000. Contributions from partners are being sought towards the cost of this scheme. The maximum annual revenue impact of including this scheme in the capital programme is estimated to be:

5.0 DRAFT PROGRAMMES

5.3 Other matters

5.3.1 Worthing Borough Council - Brooklands Lake

	2017/18 £	2018/19 £
Principal repayment – repaid over 40 years.	12,750	25,500
Interest at say 3.00%	0	11,270
Total revenue costs	12,750	36,770

The budget update report elsewhere on the agenda reveals that this additional cost can be accommodated from within the proposed 2017/18 revenue budget.

It is recommended that members approve this increase to the capital programme.

5.3.2 Adur District Council – Works to stand pipes within parks and open spaces:

Currently the stand pipes do not comply with water regulations and there is a risk of contamination to fresh mains water supplies. The overall cost of addressing this issue is estimated to be £84,000.

	2017/18 £	2018/19 £
Principal repayment – repaid over 40 years.	1,260	2,520
Interest at say 3.00%	0	1,110
Total revenue costs	1,260	3,630

Members are asked to consider whether to add this project to the programme given the marginal additional cost arising from the scheme

5.3.3 Worthing Borough Council – Multi Storey Car Parks (MSCPs)

The recent condition surveys have confirmed some long term concerns with regards to the condition of the structures of the MSCPs. The programme of works recommended for 2017/18 and listed below is designed to address immediate maintenance issues:

5.0 DRAFT PROGRAMMES

5.3.3 Worthing Borough Council – Multi Storey Car Parks (MSCPs)

1. GRAFTON MSCP	2017/18	2018/19	2019/20
	£	£	£
Concrete repairs	150,000	40,000	
Waterproofing to upper deck		270,000	
External Protective Coating	59,000	59,000	59,000
Regular concrete testing and hammer testing	15,000	15,000	15,000
Lift shaft roof repair/bowling alley roof	15,000		
Lift lobby – repairs to glazing	10,000		
Lift refurbishment x 2 @ £120k each	120,000	120,000	
Provision for drainage works as a result of survey	33,000	33,000	34,000
Surveyors Fees	48,240	64,440	12,960
Total for Grafton MSCP	£450,240	£601,440	£120,960
2. BUCKINGHAM MSCP			
Replacement lifts @ £120k each x 2. Replace south lift and north lift		120,000	120,000
Repairs (ongoing to railings).	5,000	5,000	5,000
Foyer improvements (phased - south first, north following year)	15,000		
Surveyor's Fees	2,400	15,000	15,000
Total for Buckingham MSCP	£22,400	£140,000	£140,000
3. HIGH STREET MSCP			
Concrete repairs	30,000		
Protective coatings	160,000	160,000	
Replacement fire doors	13,000		
Stair tower redecorations			
Repointing works	15,000		
Intercom	15,000		
Surveyor's Fees	27,960	19,200	
Total for High Street MSCP	£260,960	£179,200	-

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 potential additional income from empty properties via New Homes Bonus, 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.

The future of the New Homes Bonus (NHB) scheme is still unknown. If the New Homes Bonus ceases then this scheme will be funded in future from the repayment of empty property grants and loans. The effectiveness of the scheme is 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 Councils continue to build on the working relationship with the nominated private sector letting agent that we are currently in partnership with to manage our guaranteed rent scheme. We have already achieved one of our objectives by developing a Guaranteed Rent Scheme with Northwood’s letting agent. This is proving successful with 23 properties to date being referred to them and the housing options team receiving the nomination rights. There has been a growing number of empty home owners interested in the schemes and new approaches continue to be sought 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.

Close working with our Legal Team to develop and finalise the Enforced Sales Procedure is nearing fruition which will allow us to proceed with the sale of three long term empty properties, we anticipate using this procedure on further properties in the future.

A number of projects are currently underway with the YMCA, who still have HCA grant funding. The councils funding from the Empty Property Assistance Programme will see an empty run down property of over three years being renovated and bought back into occupancy as a four bed HMO nomination rights to this property will be awarded to the council for the next five years.

5.0 DRAFT PROGRAMMES

5.4 Invest to save schemes

(i) Empty Properties

The Councils will continue to focus on achieving the objectives set out in the Empty Property Strategy and working with partners in the charitable sector as well as individual empty property owners to increase the supply of affordable housing as these properties are let at social rents.

The success of this initiative will be monitored to ensure that the bonus is generated as expected.

(ii) Strategic Property Investment Fund

As part of the Capital Strategy, it was proposed that each Council would set aside funding for a Strategic Investment Fund. This fund would be used to invest in commercial property; each investment should generate income which exceeds the potential borrowing costs associated with the purchase or development of the new property.

Whilst under the constitution the Head of Growth has the delegated authority to purchase property provided that a budget exists; given the nature of these investments, each individual purchase or development is the subject of a business case which is approved by the relevant Executive Member of Resources.

5.5 Schemes currently below programme financial cut-off

5.5.1 This year there are a few schemes which fall below the proposed cut-off for each of the programmes. These are detailed in appendices 2 and 3.

5.6 Adur Housing Investment Programme

5.6.1 The estimated resources available to fund the 2017/18 HRA Investment Programme of £5,100,000 are sufficient to fund all the proposed schemes (Appendix 5). However, in the light of the recent condition survey the level of proposed investment in the properties may need to be reconsidered.

5.6.2 The first priority is the continued maintenance of decent homes standards for the benefit of existing tenants.

5.0 DRAFT PROGRAMMES

5.6 Adur Housing Investment Programme

5.6.3 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.

5.7 Overall

The following assumptions have been used in preparing the draft programmes:

- (a) Maximise use of external funding where possible.
- (b) Continuation of Specific Grant Aided Funding for Mandatory Disabled Facilities Grants.
- (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 £
2017/2018						
General Fund	57,470	0	305,000	6,000	1,078,000	1,446,470
HRA	400,000	4,100,000	0	600,000	0	5,100,000
Total	457,470	4,100,000	305,000	606,000	1,078,000	6,546,470

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 £
2018/2019						
General Fund	57,470	0	305,000	6,000	994,000	1,362,470
HRA	400,000	4,100,000	0	600,000	0	5,100,000
Total	457,470	4,100,000	305,000	606,000	994,000	6,462,470
2019/2020						
General Fund	57,470	0	305,000	6,000	910,000	1,278,470
HRA	400,000	4,100,000	0	600,000	0	5,100,000
Total	457,470	4,100,000	305,000	606,000	910,000	6,378,470
TOTAL						
General Fund	172,410	0	915,000	18,000	2,982,000	4,087,410
HRA	1,200,000	12,300,000	0	1,800,000	0	15,300,000
GRAND TOTAL	1,372,410	12,300,000	915,000	1,818,000	2,982,000	19,387,410

5.9 Members will note that the total planned new spending over the next three years, is £19,387,410. 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 £	Theatres Levy/ Corporate Sponsorship £	Usable Capital Receipts £	Borrowing £	TOTAL £
2017/2018						
General Fund	112,580	784,400	60,000	2,000	2,804,500	3,763,480

5.0 DRAFT PROGRAMMES

5.10 Worthing Borough Council

Programme Year	Revenue Contributions and Reserves £	Capital Grants and Contributions £	Theatres Levy/ Corporate Sponsorship £	Usable Capital Receipts £	Borrowing £	TOTAL £
2018/2019 General Fund	69,080	756,400	60,000	502,000	1,498,000	2,885,480
2019/2020 General Fund	69,080	756,400	60,000	502,000	1,388,580	2,776,060
GRAND TOTAL	250,740	2,297,200	180,000	1,006,000	5,691,080	9,425,020

5.11 Members will note that the total planned new spending over the next three years, is £9,425,020. 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.

6.2 The full year revenue impact of financing the capital programme is shown below:-

Adur District Council

6.0 REVENUE IMPLICATIONS

Adur District Council

Programme Year	Revenue Impact		Cumulative		Full-Year Impact in
	General Fund £	HRA £	General Fund £	HRA £	
2017/2018	107,830	6,000	107,830	6,000	2018/2019
2018/2019	99,430	6,000	207,260	12,000	2019/2020
2019/2020	91,030	6,000	298,290	18,000	2020/2021

Worthing Borough Council

Programme Year	Revenue Impact		Cumulative		Full-Year Impact in
	Borrowing £	Capital Receipts £	Borrowing £	Capital Receipts £	
2017/2018	280,450	10	280,450	10	2018/2019
2018/2019	149,800	2,510	430,250	2,520	2019/2020
2019/2020	138,858	2,510	569,108	5,030	2020/2021

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;
- ICT Hardware Replacement Programme – Provision of special keyboards and screens where required;
- Empty Property Grants – Increase the supply of affordable housing in the locality.
- Public Conveniences – Upgraded and new facilities include DDA improvements and facilities.

There will be no negative equalities and diversity outcomes arising from the proposed programmes.

9.0 LEGAL

9.1 Part 1 of the Local Government Act, 2003 sets out the framework for capital finance and expenditure.

9.2 The Local Government (Capital Finance and Accounting) (England) Regulations 2003 provide more detailed requirements.

9.0 LEGAL

- 9.3 Section 111 of the Local Government Act, 1972 allows the Council to do anything which is intended to facilitate or is conducive to or ancillary to any of its functions.

10.0 CONCLUSION

- 10.1 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, £2.0m for Worthing Borough Council each year and £5.1m 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.
- 10.2 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.
- 10.3 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 2017/18 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.

11.0 RECOMMENDATIONS

11.1 The Joint Strategic Committee is recommended to:

- (a) Consider increasing the Worthing Borough Council programme by £0.85m to provide for the Environmental Improvements to Brooklands Lake;**
- (b) Consider increasing the Adur District programme by £84,000 for the installation of new stand pipes**
- (c) Consider the three General Fund Capital Investment Programmes for the three-year period 2017/18 to 2019/2020 and confirm the schemes to be included as detailed in Appendix 2, 3 and 4 as amended by the decision above;**

11.0 RECOMMENDATIONS

- (d) Agree the Adur Housing Renovation Programme for the three-year period 2017/18 to 2019/2020 as detailed at Appendix 5;**
- (e) Agree the amendments and additions to the reserve lists as detailed in Appendices 6 and 7;**
- (f) Recommend the 3 Year Programmes for approval by the respective Councils on the 20th December 2016 (Adur) and 15th December 2016 (Worthing).**

Local Government Act 1972

Background Papers:

CIPFA Prudential Code for Capital Finance in Local Government 2003

Capital Estimates 2017/18 – Working papers

Capital Strategy 2016/19 – Report to Joint Strategic Committee on 13th July 2016

Outline Forecast 2017/18 - 2021/22 and Budget Strategy - Report to Joint Strategic Committee on 13th September 2016

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 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 - £250,000 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 £250,000 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 2016 - 2019 in July 2016 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 2016 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 Executive Member's programme.
5. **VAT** – Adur District Council and Worthing Borough Council have no VAT liability.
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 Executive 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 2016/2017 – 2019/2020 Capital Investment Programmes.**


INDEX OF LEAD OFFICERS

ADJ	Arjan de Jong	Strategy and Development Manager
AE	Andy Edwards	Head of Environment
AN	Andy Northeast	Transport Manager
AO	Amanda O'Reilly	Head of Culture
BR	Bruce Reynolds	Team Leader, Environmental Health
CA	Cally Anthill	Head of Housing
CH	Clare Halstead	Project Officer, Regeneration
CJ	Chris Jones	Planning Policy Officer
DM	Derek Magee	Engineering and Surveying Manager
ED	Emma Davies	Project Manager
GH	Greg Harris	Project Surveyor, Regeneration
JA	James Appleton	Head of Growth
LD	Lynda Dine	Head of Place and Investment
MR	Matthew Reeve	Tenancy Services Manager
PT	Paul Turner	Monitoring and Systems Support Team Leader
SG	Sarah Gobey	Chief Finance Officer
ST	Simon Taylor	Head of Digital and Design
TP	Tony Patching	Head of Waste Management and Cleansing

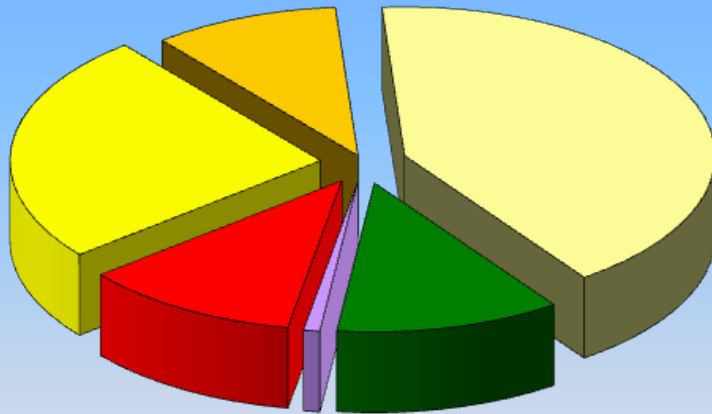
**ADUR DISTRICT COUNCIL AND WORTHING BOROUGH COUNCIL PARTNERSHIP SCHEMES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES						
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 Estimate £	Future Years £
					Original £	Revised £				
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
<u>PARTNERSHIP SCHEMES</u>										
Cemeteries										
Replacement of Mechanical Excavator	98077	AE	22,000	-	-	22,000	-	-	-	-
Compliance Service										
Replacement of one vehicle	98068	AN	13,000	-	13,000	13,000	-	-	-	-
Environmental Health										
Replacement of one vehicle	98069	AN	70,000	-	-	-	-	25,000	-	45,000
Grounds Maintenance										
Provision of a storage building at Commerce Way for grounds maintenance vehicles and equipment	98070	DM	250,000	-	250,000	-	250,000	-	-	-
Vehicle replacements	98067	AN	1,019,000	-	-	-	108,500	345,500	147,000	418,000
Information and Communications Technology										
Corporate Asset Management System	98076	PT	80,000	-	80,000	32,000	48,000	-	-	-
CenSus ICT Partnership Schemes	98063	ST	382,660	-	132,660	132,660	100,000	50,000	50,000	50,000
Corporate ICT hardware and infrastructure replacement programme	98065	ST	508,560	-	100,000	108,560	100,000	100,000	100,000	100,000
Digital Strategy general provision to facilitate delivery of the digital strategy	98073	ST	366,980	-	127,000	141,980	225,000	-	-	-
Financial Management System - Total licence extension, Total documents and document service facilities	98000	SG	565,000	-	565,000	400,000	165,000	-	-	-

**ADUR DISTRICT COUNCIL AND WORTHING BOROUGH COUNCIL PARTNERSHIP SCHEMES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

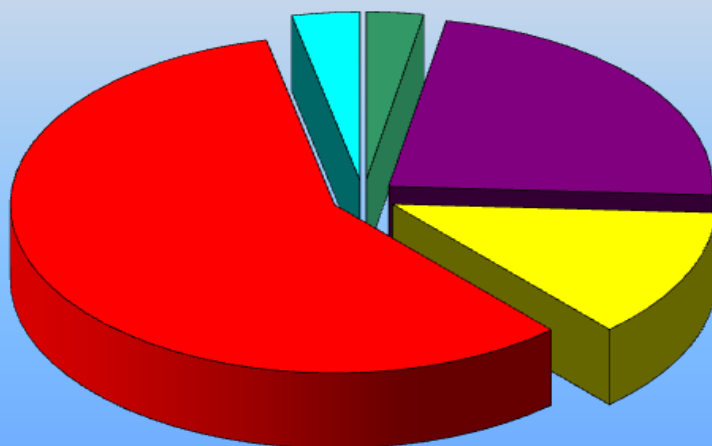
 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES						
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 Estimate £	Future Years £
					Original £	Revised £				
Column Reference (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
<u>PARTNERSHIP SCHEMES (continued)</u>										
<i>Refuse/Recycling Service</i>										
Provision of wheeled bins	98047	TP	220,000	-	20,000	20,000	50,000	50,000	50,000	50,000
Vehicle Replacements	98061	AN	4,876,110	-	4,358,110	328,110	4,030,000	182,500	83,000	252,500
<i>Refuse/Recycling/Street Cleansing</i>										
Vehicle Communications and Data Transfer System	98048	TP	123,750	112,240	11,510	11,510	-	-	-	-
<i>Street Cleansing/Clinical Waste/Trade Waste</i>										
Vehicle Replacements	98062	AN	1,212,000	-	109,000	109,000	264,500	234,000	210,000	394,500
TOTAL			9,709,060	112,240	5,766,280	1,318,820	5,341,000	987,000	640,000	1,310,000

Capital Expenditure




- Regeneration: £2.950m
- Customer Services (Adur Homes): £6.496m
- Customer Services (Other): £2.521m
- Resources: £10.750m
- Environment: £3.048m
- Health and Wellbeing: £0.220m

Capital Financing




- Capital Receipts: £0.74m
- Reserves and Revenue Contributions: £5.967m
- Government Grants: £3.255m
- Borrowing: £15.146m
- External Contributions: £0.877m

SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME

 Adur District Council	Total Estimate £ (4)	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
		Prior to 1.4.2016 £ (5)	2016/2017		2017/2018 Estimate £ (8)	2018/2019 Estimate £ (9)	2019/2020 Estimate £ (10)	Future Years £ (11)	Interest Foregone/ Cost of Borrowing £ (12)	Net Other £ (13)
			Original £ (6)	Current £ (7)						
Column Reference (1)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<u>BUDGETS</u>										
Executive Member for Customer Services	32,171,530	-	7,207,800	4,932,720	9,017,160	6,046,550	6,087,550	6,087,550	372,840	(56,000)
Executive Member for Environment	5,837,790	197,810	3,482,440	1,531,160	3,047,670	370,120	224,120	466,910	490,950	-
Executive Member for Health and Wellbeing	305,800	-	40,500	33,600	219,800	16,800	17,800	17,800	30,580	-
Executive Member for Regeneration	4,273,200	125,590	3,701,500	321,840	2,950,500	837,770	12,500	25,000	1,000	-
Executive Member for Resources	56,122,000	3,766,390	2,446,240	860,610	10,750,000	20,647,000	10,049,000	10,049,000	5,612,210	-
	98,710,320	4,089,790	16,878,480	7,679,930	25,985,130	27,918,240	16,390,970	16,646,260	6,507,580	(56,000)
<u>FINANCING</u>										
<i>Capital Grants and Contributions</i>										
Communities and Local Government			3,886,210	559,930	3,200,000	1,130,270	305,000	305,000		
Environment Agency			44,500	71,000	55,500	12,500	12,500	25,000		
S106 Contributions from Planning Agreements			844,000	227,000	877,000	-	-	-		
Other Contributions			37,860	129,550	-	-	-	-		
<i>Prudential Borrowing</i>			5,594,440	1,876,750	15,145,570	21,612,000	10,910,000	11,152,790		
<i>Revenue Contributions and Reserves</i>										
Revenue Contributions			177,220	196,190	70,970	57,470	57,470	57,470		
Revenue Reserves			5,382,250	3,847,990	5,895,610	4,500,000	4,500,000	4,500,000		
<i>Usable Capital Receipts</i>			912,000	771,520	740,480	606,000	606,000	606,000		
			16,878,480	7,679,930	25,985,130	27,918,240	16,390,970	16,646,260		

SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME


 Column Reference (1)	CAPITAL ESTIMATES					
	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 Estimate £	Future Years £
	Original £	Current £				
	(6)	(7)	(8)	(9)	(10)	(11)
DETAILED FUNDING						
Capital Grants and Contributions						
<u>Communities and Local Government</u>						
Better Care Fund (Disabled Facilities Grants)	239,000	336,470	305,000	305,000	305,000	305,000
Local Enterprise Partnership (Governments Growth Deal) Shoreham Harbour Walls Project	3,495,000	80,000	2,820,000	600,000	-	-
Planning Delivery Grant (Ferry Road Environmental Improvements)	80,460	80,460	-	-	-	-
Pocket Parks Grant (Landscaping and environmental improvements)	-	20,000	-	-	-	-
Shoreham Harbour Growth Point Grant (Fishersgate play area improvements)	-	2,410	-	-	-	-
(Shoreham Harbour Projects)	35,000	-	75,000	225,270	-	-
(Ferry Road Environmental Improvements)	36,750	40,590	-	-	-	-
	3,886,210	559,930	3,200,000	1,130,270	305,000	305,000
<u>Environment Agency</u>						
Coast Protection Grant (Adur Beach Management Plan - Preliminary Study for the Rivers Arun to Adur)	32,000	16,500	-	-	-	-
(Strategic Monitoring Project for the South East Phases 3 and 4)	12,500	12,500	12,500	12,500	12,500	25,000
(Shoreham Harbour Walls Project)	-	42,000	43,000	-	-	-
	44,500	71,000	55,500	12,500	12,500	25,000
<u>S106 Contributions from Planning Agreements</u>						
(Affordable Housing - Unallocated provision)	477,000	-	477,000	-	-	-
(Buckingham Park Pavilion - Replacement)	150,000	-	150,000	-	-	-
(Contribution to skateboard park, Beach Green, Lancing)	-	100,000	-	-	-	-
(Contribution to Southwick Cricket Club for new cricket nets)	-	10,000	-	-	-	-
(Lower Beach Road Car Park - Enhancements)	117,000	117,000	-	-	-	-

SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME




Adur District Council	CAPITAL ESTIMATES					
	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 Estimate £	Future Years £
	Original £	Current £				
Column Reference (1)	(6)	(7)	(8)	(9)	(10)	(11)
<u>DETAILED FUNDING (Continued)</u>						
<i>Capital Grants and Contributions (Continued)</i>						
<u>S106 Contributions from Planning Agreements (Continued)</u>						
(Southwick Leisure Centre - All weather pitch for football / tennis / netball)	-	-	150,000	-	-	-
(Wadurs Swimming Pool - Expansion of changing facilities)	100,000	-	100,000	-	-	-
	844,000	227,000	877,000	-	-	-
<u>Other Contributions</u>						
Sompting Big Local						
(Hamble Recreation Ground - Play Area Improvements)	-	10,000	-	-	-	-
Sompting Parish Council						
(Hamble Recreation Ground - Play Area Improvements)		3,000	-	-	-	-
Veolia Environmental Trust						
(Fishersgate Play Area)	20,000	39,800	-	-	-	-
West Sussex County Council						
(Lower Beach Road Car Park - Enhancements)	17,860	36,750	-	-	-	-
Worthing Borough Council						
(Contribution to the Preliminary Study for the Rivers Arun to Adur)	-	40,000	-	-	-	-
	37,860	129,550	-	-	-	-
<i>Prudential Borrowing</i>						
<u>Invest to Save Schemes</u>						
(Property Acquisition - Acquisition of emergency or temporary property for the homeless)	-	-	1,200,000	-	-	-
(Southwick Leisure Centre - All weather pitch for football / tennis / netball)	-	-	150,000	-	-	-
(Strategic Property Investment Fund for investments in commercial property)	2,000,000	-	10,000,000	10,000,000	10,000,000	10,000,000


SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME

 Adur District Council	CAPITAL ESTIMATES					
	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 Estimate £	Future Years £
	Original £	Current £				
Column Reference (1)	(6)	(7)	(8)	(9)	(10)	(11)
DETAILED FUNDING (Continued)						
Prudential Borrowing (Continued)						
<u>General Fund Schemes</u>						
(Adur Civic Centre - Demolition)	-	500,000	500,000	-	-	-
(Construction of a new office building)	-	-	-	10,600,000	-	-
(Replacement of refuse/recycling fleet)	1,586,350	136,350	1,450,000	-	-	-
(Other Schemes)	2,008,090	1,240,400	1,845,570	1,012,000	910,000	1,152,790
	5,594,440	1,876,750	15,145,570	21,612,000	10,910,000	11,152,790
Revenue Contributions and Reserves						
<u>Revenue Contributions</u>						
Community Alarm Service						
(Purchase of community alarm equipment)	25,000	25,000	25,550	25,550	25,550	25,550
Housing Revenue Account						
(Asset Management System)	45,000	31,500	13,500	-	-	-
(Adur Homes Capital Investment Programme)	74,480	74,480	-	-	-	-
New Homes Bonus						
(Empty Properties - Grants and loans to bring empty properties back into use)	32,740	63,010	21,000	21,000	21,000	21,000
Play Areas						
(Fishersgate Recreation Ground - Play area improvements)	-	2,200	-	-	-	-
Adur and Worthing Refuse and Recycling Service						
(Wheeled bin replacements)	-	-	10,920	10,920	10,920	10,920
	177,220	196,190	70,970	57,470	57,470	57,470


**SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Column Reference (1)	CAPITAL ESTIMATES						
	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 Estimate £	Future Years £	
	Original £	Current £					(6)
DETAILED FUNDING (Continued)							
Revenue Contributions and Reserves (Continued)							
<u>Revenue Reserves</u>							
Building Maintenance Reserve (Fishersgate Community Centre - Play Area Fencing)	-	2,560	-	-	-	-	
Reserve for Development and Refurbishment of Housing (Development and refurbishment of Council Dwellings)	1,496,250	100,000	1,795,610	400,000	400,000	400,000	
Major Repairs Reserve (Adur Homes Capital Investment Programme)	3,886,000	3,745,430	4,100,000	4,100,000	4,100,000	4,100,000	
	5,382,250	3,847,990	5,895,610	4,500,000	4,500,000	4,500,000	
Usable Capital Receipts							
Affordable Housing	140,480	-	140,480	-	-	-	
Adur Homes Capital Investment Programme	400,000	400,000	600,000	600,000	600,000	600,000	
General Fund Schemes	6,000	6,000	-	6,000	6,000	6,000	
Ring-Fenced (Shoreham Renaissance - Lower Beach Car Park refurbishment)	365,520	365,520	-	-	-	-	
	912,000	771,520	740,480	606,000	606,000	606,000	


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - £250,000 AND UNDER												
CenSus ICT Partnership Provision for ICT schemes (Partnership scheme with CenSus Partners)	18020	ST	116,330	-	66,330	66,330	50,000	-	-	-	11,630	-
Community Alarm Service Purchase of community alarm equipment to replace old equipment (Funded from the Community Alarm Service)	18307	ADJ	50,550	-	25,000	25,000	25,550	-	-	-	-	-
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	BR	84,010	-	32,740	63,010	21,000	-	-	-	-	(14,000)
Housing Renewal Assistance <u>Discretionary Grants</u> Home Repair Assistance Grants	18006	BR	165,000	-	65,000	100,000	65,000	-	-	-	16,500	-
<u>Mandatory Grants</u> Disabled Facilities Grants (Part funded by a Better Care Fund Grant. 2016/2017 fully funded by grant. 2017/2018 grant estimated at £305,000)	18005	BR	686,470	-	350,000	336,470	350,000	-	-	-	4,500	-
			1,102,360	-	539,070	590,810	511,550	-	-	-	32,630	(14,000)
COMMITTED SCHEMES - KEY DECISIONS												
Affordable Housing (LASHG) Grants to Registered Social Landlords for the provision of affordable housing (£477,000 funded from S106 receipts)	18080	ADJ	810,000	-	810,000	-	810,000	-	-	-	33,300	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
Property Acquisition Acquisition of emergency interim or temporary accommodation for the homeless (Invest to Save Scheme)	18632	CA	1,200,000	-	-	-	1,200,000	-	-	-	120,000	-
			2,010,000	-	810,000	-	2,010,000	-	-	-	153,300	-
FUTURE PROGRAMME												
Affordable Housing (LASHG) Grants to Registered Social Landlords for the provision of affordable housing	18080	ADJ	1,500,000	-	-	-	-	500,000	500,000	500,000	150,000	-
CenSus ICT Partnership Provision for ICT schemes (Partnership scheme with CenSus Partners)	18020	ST	75,000	-	-	-	-	25,000	25,000	25,000	7,500	-
Community Alarm Service Purchase of community alarm equipment to replace old equipment (Funded from the Community Alarm Service)	18307	ADJ	76,650	-	-	-	-	25,550	25,550	25,550	-	-
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, and repayments of grants and loans made)	18403	BR	63,000	-	-	-	-	21,000	21,000	21,000	-	(42,000)


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
<i>Housing Renewal Assistance</i>												
<i>Discretionary Grants</i>												
Home Repair Assistance Grants	18006	BR	155,000	-	-	-	-	25,000	65,000	65,000	15,500	-
<i>Mandatory Grants</i>												
Disabled Facilities Grants (Part funded by a Better Care Fund Grant estimated at £305,000 p.a.)	18005	BR	1,050,000	-	-	-	-	350,000	350,000	350,000	13,500	-
<i>Contingency: Inflation and Fluctuations</i>	18599		4,000	-	2,000	2,000	-	-	1,000	1,000	400	-
			2,923,650	-	2,000	2,000	-	946,550	987,550	987,550	186,900	(42,000)
TOTAL GENERAL FUND SCHEMES			6,036,010	-	1,351,070	592,810	2,521,550	946,550	987,550	987,550	372,830	(56,000)


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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												
COMMITTED SCHEMES												
1 Disability Adaptations for Homes On-going programme providing access and home facilities for Council tenants with disabilities	18056	BR	520,000	-	260,000	260,000	260,000	-	-	-	-	-
2 External Structural Works i) Flat Roof Recovering/Replacement Programme ii) Re-Pointing Programme and Structural Works Essential work to keep buildings water tight and maintain structures iii) Pitched Roofs Recovering/Replacement Renewal of roof coverings, timber structures, chimney stacks and firewalls iv) External Joinery and Window Replacements Replacement of double glazed windows, external doors and timber frames v) Replacement/Upgrade of door entry systems	18522	DM	1,506,130	-	1,970,280	706,130	800,000	-	-	-	-	-
3 Kitchen and Bathroom Improvements Refurbishment programme to meet Government decency standards	18060	DM	3,067,840	-	1,073,200	1,415,640	1,652,200	-	-	-	-	-
4 Environmental Improvements Major repair items or improvements to external communal areas and facilities as part of the Decent Homes Programme	18063	DM	108,140	-	87,000	68,140	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 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 Fire Safety Order Works Rolling programme of works to meet Regulatory Reform (Fire Safety) Order 2005 identified from Fire Risk Assessments	18505	DM	1,010,000	-	450,000	450,000	560,000	-	-	-	-	-
6 Central Heating Installation Programme Full central heating installation	18070	DM	820,000	-	400,000	420,000	400,000	-	-	-	-	-
7 Boiler Replacements Boilers, heating controls, gas fires or existing heating systems found to be failing or beyond repair are replaced with high efficiency boilers with improved controls where necessary	18072	ADJ	950,000	-	-	550,000	400,000	-	-	-	-	-
8 Stock Condition Survey To inform a planned programme of structural works	18508	DM	70,000	-	-	40,000	30,000	-	-	-	-	-
9 Asbestos Management Management and removal of asbestos found in council dwellings	18524	DM	70,000	-	-	30,000	40,000	-	-	-	-	-
10 Responsive Capital Repairs Urgent capital repairs identified in advance of planned capital works	18525	ADJ	180,000	-	-	30,000	150,000	-	-	-	-	-
11 Capital Works on Empty Properties Over the course of a year approximately 120 council dwellings become vacant and require capital works before they can be re-let	18523	MR	400,000	-	-	200,000	200,000	-	-	-	-	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
12 Sheltered Accommodation - Community Alarms Systems Replacement of existing community alarm communication/alert system	18512	ADJ	202,800	-	120,000	70,000	132,800	-	-	-	-	-
13 ICT Systems Essential upgrades to the current Housing Management System	18526	PT	35,000	-	-	-	35,000	-	-	-	10	-
14 Development of Properties The development of new properties for let by Adur Homes. (Funded from the new Development and Acquisition Reserve)	18506	CA	1,895,610	-	1,496,250	100,000	1,795,610	-	-	-	-	-
			10,835,520	-	5,856,730	4,339,910	6,495,610	-	-	-	10	-
FUTURE PROGRAMME												
1 External Structural Works i) Flat Roof Recovering/Replacement Programme ii) Re-Pointing Programme and Structural Works Essential work to keep buildings water tight and maintain structures	18522	DM	2,400,000	-	-	-	-	800,000	800,000	800,000	-	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
1 External Structural Works (continued)												
iii) Pitched Roofs Recovering/Replacement Renewal of roof coverings, timber structures, chimney stacks and firewalls												
iv) External Joinery and Window Replacements Replacement of double glazed windows, external doors and timber frames												
v) Replacement/Upgrade of door entry systems												
2 Kitchen and Bathroom Improvements Refurbishment programme to meet Government decency standards replacements	18060	DM	5,460,000	-	-	-	-	1,820,000	1,820,000	1,820,000	-	-
3 Environmental Improvements Major repair items or improvements to external communal areas and facilities as part of the Decent Homes Programme	18063	DM	120,000	-	-	-	-	40,000	40,000	40,000	-	-
4 Fire Safety Order Works Rolling programme of works to meet Regulatory Reform (Fire Safety) Order 2005 identified from Fire Risk Assessments	18505	DM	1,680,000	-	-	-	-	560,000	560,000	560,000	-	-
5 Central Heating Installation Programme Full central heating installation	18070	DM	1,200,000	-	-	-	-	400,000	400,000	400,000	-	-
6 Stock Condition Survey To inform a planned programme of structural works	18508	DM	90,000	-	-	-	-	30,000	30,000	30,000	-	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
7 Asbestos Management Management and removal of asbestos found in council dwellings	18524	DM	120,000	-	-	-	-	40,000	40,000	40,000	-	-
8 Boiler Replacements Boilers, heating controls, gas fires or existing heating systems found to be failing or beyond repair are replaced with high efficiency boilers with improved controls where necessary	18072	ADJ	1,200,000	-	-	-	-	400,000	400,000	400,000	-	-
9 Responsive Capital Repairs Urgent capital repairs identified in advance of planned capital works	18525	ADJ	450,000	-	-	-	-	150,000	150,000	150,000	-	-
10 Disability Adaptations for Homes On-going programme providing access and home facilities for Council tenants with disabilities	18056	BR	780,000	-	-	-	-	260,000	260,000	260,000	-	-
11 Capital Works on Empty Properties Over the course of a year approximately 120 council dwellings become vacant and require capital works before they can be re-let	18512	MR	600,000	-	-	-	-	200,000	200,000	200,000	-	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
12 Development of Properties The development of new properties for let by Adur Homes. (Funded from the new Development and Acquisition Reserve)	18506	CA	1,200,000	-	-	-	-	400,000	400,000	400,000	-	-
			15,300,000	-	-	-	-	5,100,000	5,100,000	5,100,000	-	-
TOTAL HOUSING INVESTMENT PROGRAMME			26,135,520	-	5,856,730	4,339,910	6,495,610	5,100,000	5,100,000	5,100,000	10	-
TOTAL			32,171,530	-	7,207,800	4,932,720	9,017,160	6,046,550	6,087,550	6,087,550	372,840	(56,000)


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - £250,000 AND UNDER												
Allotments												
* Williams Road Allotment Site - Refurbishment of tenants' sheds and resurfacing of paths and access roads	18085	DM	26,400	-	26,400	26,400	-	-	-	-	2,640	-
Car Parks												
* South Street Lancing car park resurfacing of hard surfaces	18095	DM	32,000	-	29,120	-	32,000	-	-	-	3,200	-
Cemeteries												
Replacement of Mechanical Excavator	18238	AE	12,100	-	-	12,100	-	-	-	-	1,210	-
Compliance Service												
Replacement of one vehicle (Partnership scheme with Worthing Borough Council. Total cost £13,000)	18212	AN	5,200	-	5,200	5,200	-	-	-	-	520	-
Foreshore												
Kingston Beach - Environmental improvements	18304	AE	20,000	2,000	18,000	-	-	18,000	-	-	2,000	-
Grounds Maintenance Service												
Replacement of 4 vehicles (Partnership scheme with Worthing Borough Council. Total cost £108,500)	18207	AN	43,400	-	-	-	43,400	-	-	-	4,340	-
Lancing Manor Leisure Centre												
* Renewal of flat roof areas over the kitchen and offices	18514	DM	13,440	-	-	-	13,440	-	-	-	1,340	-
* Renewal of flat roof area over the entrance hall and replacement of glazing units in the entrance hall	18514	DM	44,800	-	-	-	44,800	-	-	-	4,480	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - £250,000 AND UNDER (continued)												
<i>Parks and Open Spaces</i>												
Buckingham Park - Contribution to the replacement of the pavilion (£150,000 funded from S106 receipts)	18224	AE/DM	172,000	-	172,000	-	172,000	-	-	-	17,200	-
* Adur Recreation Ground - Fencing renewal	18215	DM	22,400	-	-	-	22,400	-	-	-	2,240	-
Skateboard Park on Lancing Beach Green - Contribution to Lancing Parish Council for the provision of a skateboard park on Lancing Beach Green (Funded from S106 receipts)	18225	JA	100,000	-	-	100,000	-	-	-	-	-	-
Southern Water compliance works to water stand pipes to ensure the Council's parks water supplies comply with water regulations and to avoid the potential risk of contamination of fresh water main supplies	18215	DM	84,000	-	-	-	84,000	-	-	-	8,400	-
Southwick Cricket Club Contribution towards the provision of new cricket nets on Middle Road playing pitches to improve practice facilities for the Club and students attending the facility (Funded from S106 receipts)	18226	JA	10,000	-	-	10,000	-	-	-	-	-	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - £250,000 AND UNDER (continued)												
Parks and Open Spaces (continued)												
* Southwick Recreation Ground - Refurbishment of access road	18113	DM	36,000	2,500	33,500	33,500	-	-	-	-	3,600	-
Play Area Improvements												
Elmgrove Open Space	18209	AE	82,500	-	82,500	7,500	75,000	-	-	-	8,250	-
Fishersgate Recreation Ground (£10,000 funded from Shoreham Harbour Growth Point Grant, £35,000 Veolia Environmental Trust, £30,000 Building Maintenance Reserve and £2,200 contribution from Parks)	18209	AE	217,990	35,030	100,000	182,960	-	-	-	-	14,080	-
Hamble Recreation Ground (£3,000 funded from Sompting Parish Council and £10,000 funded from Sompting Big Local)	18209	AE	95,500	-	82,500	95,500	-	-	-	-	8,250	-
Quayside Play Area (New play area for children up to the age of 12 years)	18209	AE	156,800	-	-	-	156,800	-	-	-	15,680	-
Refuse/Recycling Service												
Provision of wheeled bins (Partnership scheme with Worthing Borough Council. Total cost £50,000 p.a. from 2017/2018)	18100	TP	25,480	-	7,280	7,280	18,200	-	-	-	2,550	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - £250,000 AND UNDER (continued)												
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	4,260	-	-	-	-	4,520	-
Southwick Leisure Centre												
* Boiler - Replacement	18520	DM	96,000	2,640	94,000	93,360	-	-	-	-	9,600	-
* Renewal of flat roof areas	18520	DM	55,000	-	55,000	5,000	50,000	-	-	-	5,500	-
Replacement of outdoor courts 1 - 3 with an outdoor all weather pitch for football / tennis / netball (£150,000 funded from S106 receipts)	18520	DM	322,000	-	22,000	-	322,000	-	-	-	32,200	-
Street Cleansing / Clinical Waste / Trade Waste												
Replacement of 8 vehicles (Partnership scheme with Worthing Borough Council. Total cost £373,500)	18102	AN	145,980	-	42,950	42,950	103,030	-	-	-	14,600	-
Street Lighting												
Enhancements to WSCC lighting in Conservation Areas or near Heritage Sites (Upgrade of WSCC street lighting)	18216	DM	30,000	-	-	30,000	-	-	-	-	3,000	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - £250,000 AND UNDER (continued)												
Streetscene												
Replacement of one vehicle	18223	AN	19,000	-	33,000	19,000	-	-	-	-	1,900	-
Rolling programme of works to improve the environment of Adur District	18096	LD	170,100	-	120,000	30,000	140,100	-	-	-	17,010	-
Wadurs Swimming Pool												
Expansion of changing facilities (Funded from S106 receipts)	18513	DM	100,000	-	100,000	-	100,000	-	-	-	-	-
			2,183,260	83,080	1,027,710	705,010	1,377,170	18,000	-	-	188,310	-
COMMITTED SCHEMES - KEY DECISIONS												
Car Parks												
Lower Beach Road Car Park - Enhancements (Funded from a WSCC contribution of £143,000, S106 receipts and capital receipts)	18095	DM	632,000	112,730	500,380	519,270	-	-	-	-	3,660	-
Grounds Maintenance												
Provision of a storage building for vehicles and equipment (Partnership scheme with Worthing Borough Council. Total cost £250,000)	18218	AE	100,000	-	100,000	100,000	-	-	-	-	10,000	-
Lancing Manor Leisure Centre												
Car Park Extension	18514	DM	267,400	2,000	250,000	65,400	200,000	-	-	-	26,740	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
Refuse/Recycling/Service Replacement of 24 refuse/recycling vehicles (Partnership scheme with Worthing Borough Council. Total cost £4,358,110)	18202	AN	1,586,350	-	1,586,350	136,350	1,450,000	-	-	-	158,640	-
			2,585,750	114,730	2,436,730	821,020	1,650,000	-	-	-	199,040	-
FUTURE PROGRAMME												
Environmental Health Replacement of one dog wardens van (Partnership scheme with Worthing Borough Council. Total cost £25,000)	18213	AN	12,500	-	-	-	-	12,500	-	-	1,250	-
Grounds Maintenance Service Vehicle replacements (Partnership scheme with Worthing Borough Council. Total cost £910,500)	18207	AN	364,200	-	-	-	-	138,200	58,800	167,200	36,420	-
Parks and Open Spaces * Fencing Renewals	18215	DM	67,200	-	-	-	-	22,400	22,400	22,400	6,720	-
Refuse/Recycling Service Provision of wheeled bins (Partnership scheme with Worthing Borough Council. Total cost £50,000 p.a.)	18100	TP	54,600	-	-	-	-	18,200	18,200	18,200	2,180	-


**CABINET MEMBER FOR ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
Refuse/Recycling/Street Cleansing/ Trade Waste												
Replacement of vehicles for the joint service (Partnership scheme with Worthing Council. Total cost £1,356,500)	18102 18202	AN	518,920	-	-	-		158,630	112,950	247,340	51,890	-
Contingency: Inflation and Fluctuations	18114		51,360	-	18,000	5,130	20,500	2,190	11,770	11,770	5,140	-
			1,068,780	-	18,000	5,130	20,500	352,120	224,120	466,910	103,600	-
TOTAL			5,837,790	197,810	3,482,440	1,531,160	3,047,670	370,120	224,120	466,910	490,950	-


**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 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - £250,000 AND UNDER												
Equalities												
Disability Discrimination Act Improvements - Provision of minor alterations and improvements to Council properties	18031	DM	25,760	-	11,000	8,960	16,800	-	-	-	2,580	-
Disability Discrimination Act Improvements - Extension of the existing footpath at Middle Road Recreation Ground to Shoreham Football Club	18031	DM	20,500	-	12,000	20,500	-	-	-	-	2,050	-
Disability Discrimination Act Improvements - Extension of the coastal footpath linking the existing access points along the Shoreham Beach frontage to enable disabled access on to the beach (Phase 3 2017/2018 The Burrells to the old fort)	18031	DM	160,000	-	-	-	160,000	-	-	-	16,000	-
Disability Discrimination Act Improvements - Shoreham Centre provision of self levelling stair crawlers to enable the disabled or wheelchair users to be evacuated safely from the building	18031	DM	22,000	-	-	-	22,000	-	-	-	2,200	-
Public Health												
Asbestos Removal - Provision for removal of asbestos from Council buildings	18039	DM	22,140	-	16,500	3,140	19,000	-	-	-	2,210	-
			250,400	-	39,500	32,600	217,800	-	-	-	25,040	-


**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 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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												
Equalities Disability Discrimination Act Improvements - Provision of minor alterations and improvements to Council properties	18031	DM	50,400	-	-	-	-	16,800	16,800	16,800	5,040	-
Contingency: Inflation and Fluctuations	18399		5,000	-	1,000	1,000	2,000	-	1,000	1,000	500	-
			55,400	-	1,000	1,000	2,000	16,800	17,800	17,800	5,540	-
TOTAL			305,800	-	40,500	33,600	219,800	16,800	17,800	17,800	30,580	-


**CABINET MEMBER FOR REGENERATION
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - £250,000 AND UNDER												
Coast Protection Works												
Adur Beach Management Plan - Preliminary Study for the Rivers Arun to Adur to advise works required over the next 4 years (Contribution of £40,000 from Worthing Borough Council. Total cost £80,000. Funded by the Environment Agency)	18408	DM	80,000	23,500	32,000	56,500	-	-	-	-	-	-
Strategic Monitoring Project for the South East Phases 3 and 4. Contribution to the partnership scheme between Maritime Authorities (Funded by the Environment Agency)	18306	DM	165,430	90,430	12,500	12,500	12,500	12,500	12,500	25,000	-	-
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	JA	142,500	11,660	127,000	130,840	-	-	-	-	1,000	-
			387,930	125,590	171,500	199,840	12,500	12,500	12,500	25,000	1,000	-
COMMITTED SCHEMES - KEY DECISIONS												
Shoreham Harbour Walls Project (Funded from the Governments Growth Deal and the Environment Agency)	18407	DM	3,585,000	-	3,495,000	122,000	2,863,000	600,000	-	-	-	-


**CABINET MEMBER FOR REGENERATION
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
Shoreham Harbour Projects (Approved by the Shoreham Harbour Project Board and funded from Shoreham Harbour Growth Point Grant)	18054	CJ	300,270	-	35,000	-	75,000	225,270	-	-	-	-
			3,885,270	-	3,530,000	122,000	2,938,000	825,270	-	-	-	-
TOTAL			4,273,200	125,590	3,701,500	321,840	2,950,500	837,770	12,500	25,000	1,000	-

**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - £250,000 AND UNDER												
Corporate Buildings												
* Condition Surveys (To provide an assessment of the current condition of the Council's corporate buildings to inform a programme of planned maintenance works)	18628	DM	11,000	-	11,000	11,000	-	-	-	-	1,100	-
Information and Communications Technology												
Corporate Asset Management System	18627	PT	59,000	-	59,000	41,300	17,700	-	-	-	5,900	-
Corporate ICT hardware and infrastructure replacement programme 2016/2017 and 2017/2018 (Partnership scheme with Worthing Borough Council. Total cost £208,560)	18121	ST	95,780	-	47,000	48,780	47,000	-	-	-	9,580	-
Digital Strategy General Provision (Partnership scheme with Worthing Borough Council. Total cost £366,980 to facilitate delivery of the digital strategy)	18625	ST	172,480	-	59,690	66,730	105,750	-	-	-	17,250	-
			338,260	-	176,690	167,810	170,450	-	-	-	33,830	-
COMMITTED SCHEMES - KEY DECISIONS												
Admin Buildings												
Adur Civic Centre - Demolition	18631	ED	1,000,000	-	-	500,000	500,000	-	-	-	100,000	-
Construction of a new office building	18600	DM	10,600,000	-	-	-	-	10,600,000	-	-	1,060,000	-
Shoreham Community Centre - Extension for New Ways of Working	18617	DM	3,767,190	3,766,390	-	800	-	-	-	-	376,720	-

**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
Information and Communications Technology Financial Management System Replacement (Partnership scheme with Worthing Borough Council. Total cost £565,000)	18619	SG	265,550	-	265,550	188,000	77,550	-	-	-	26,560	-
Strategic Property Investment Investments in commercial property to generate income	18630	SG	10,000,000	-	2,000,000	-	10,000,000	-	-	-	1,000,000	Variable Income
			25,632,740	3,766,390	2,265,550	688,800	10,577,550	10,600,000	-	-	2,563,280	-
FUTURE PROGRAMME												
Information and Communications Technology Corporate hardware and infrastructure replacement programme (Partnership scheme with Worthing Borough Council. Total cost £100,000 p.a.)	18121	ST	141,000	-	-	-	-	47,000	47,000	47,000	14,100	-
Strategic Property Investment Investments in commercial property to generate income	18630	SG	30,000,000	-	-	-	-	10,000,000	10,000,000	10,000,000	3,000,000	Variable Income
Contingency: Inflation and Fluctuations	18650		10,000	-	4,000	4,000	2,000	-	2,000	2,000	1,000	-
			30,151,000	-	4,000	4,000	2,000	10,047,000	10,049,000	10,049,000	3,015,100	-
TOTAL			56,122,000	3,766,390	2,446,240	860,610	10,750,000	20,647,000	10,049,000	10,049,000	5,612,210	-



ADUR'S
CAPITAL SCHEMES
RESERVE LISTS

	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>CENSUS ICT PARTNERSHIP CenSus ICT Partnership Schemes (Annual provision for partnership schemes with CenSus Partners)</p>	25,000
<p>DISABLED FACILITIES GRANTS Mandatory grants for adaptations to private housing (Annual provision)</p>	350,000
<p>HOME REPAIR ASSISTANCE GRANTS Discretionary grants and loans to finance home repairs and home insulation works (Annual provision)</p>	65,000
<p>HOUSING Empty Properties - Provision of grants and loans to bring empty properties back into use (Annual provision)</p>	21,000
<p>N/C = Not Costed * = New Scheme</p>	

	Estimates £
(a) <u>YEARS 4-7</u>	
<i>ALLOTMENTS</i>	
Rolling programme to resurface roads and paths (Annual provision)	16,500
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>GROUNDS MAINTENANCE</i>	
* Provision for the replacement of vehicles for the joint service (Partnership scheme with Worthing Borough Council. Total cost £418,000)	167,200
<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 vehicles for Adur services	32,000
Provision for the replacement of operational vehicles for Adur District Council and Worthing Borough Council joint services (2019/2020 - 2020/2021)	18,000
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u> (continued)	
<i>PARKS</i>	
Adur Recreation Ground - Cycleway link between the railway bridge and the highway	70,520
Buckingham Park - Renewal of fencing	20,000
Buckingham Park - Replacement of groundsman's building	66,000
Play Areas - Rolling programme of replacements, upgrades and improvements to include outdoor fitness equipment (Annual provision)	112,000
Programme of works to resurface hard surfaces in the Council's parks (Annual provision)	22,000
<i>PUBLIC CONVENIENCES</i>	
Programme of works to improve and upgrade the Council's public conveniences (Annual provision)	33,000
Lancing Manor Park - Provision of a public convenience	132,000
<i>REFUSE/RECYCLING/STREET CLEANSING SERVICE</i>	
Provision for the replacement of vehicles for the joint service (Partnership scheme with Worthing Borough Council. Total cost £647,000)	247,340
Wheeled bins replacement programme - Annual provision (Partnership scheme with Worthing Borough Council. Total annual provision £50,000)	18,200
<i>SOUTHWICK LEISURE CENTRE</i>	
Tennis Courts - Fencing renewal	19,800
<i>STREET SCENE</i>	
Rolling programme of works to improve the environment of Adur District (Annual provision)	50,000
N/C = Not Costed * = New Scheme	

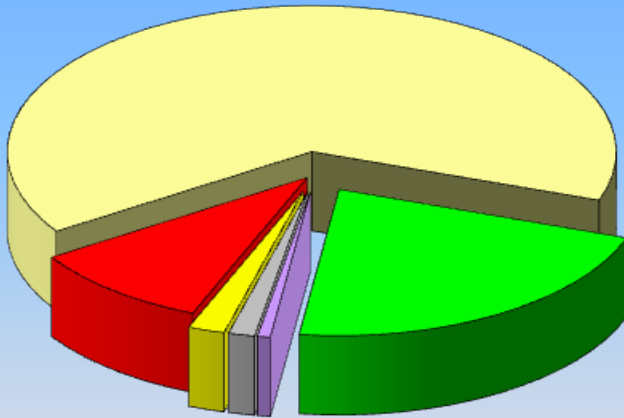
	Estimates £
(a) <u>YEARS 4-7</u>	
<p>COMMUNITY ALARM SERVICE Purchase of community alarm equipment (Annual provision)</p>	25,000
<p>DISABILITY DISCRIMINATION ACT IMPROVEMENTS Shoreham Coastal Footway - Provision of a footpath to improve and extend the existing footpath from Ferry Road to Beach Road</p>	220,000
<p>EQUALITIES Disability Discrimination Act Improvements - Provision of minor alterations and improvements to Council properties (Annual provision)</p>	16,800
<p>PUBLIC HEALTH Asbestos removal from Council buildings (Annual provision)</p>	16,800
<p>N/C = Not Costed * = New Scheme</p>	

	Estimates £
<p>(a) <u>YEARS 4-7</u></p> <p>COAST PROTECTION WORKS Strategic Monitoring Project for the South East Phase 4. Contribution to the partnership scheme between Maritime Authorities (Funded by the Environment Agency)</p>	<p>50,000</p>
<p>N/C = Not Costed * = New Scheme</p>	

	Estimates £
(a) <u>YEARS 4-7</u>	
<p>ADMIN BUILDINGS</p>	
<p>Commerce Way</p>	
<p>Improvements to south car park area (50% contribution from Worthing Borough Council)</p>	N/C
<p>* Vehicle Workshop - Replacement of roof (Contribution of £126,500 from Worthing Borough Council. Total cost £253,000)</p>	253,000
<p>INFORMATION AND COMMUNICATIONS TECHNOLOGY</p>	
<p>ICT Corporate Hardware Replacement Programme (Partnership scheme with Worthing Borough Council. Total annual provision £100,000)</p>	47,000
<p>N/C = Not Costed * = New Scheme</p>	

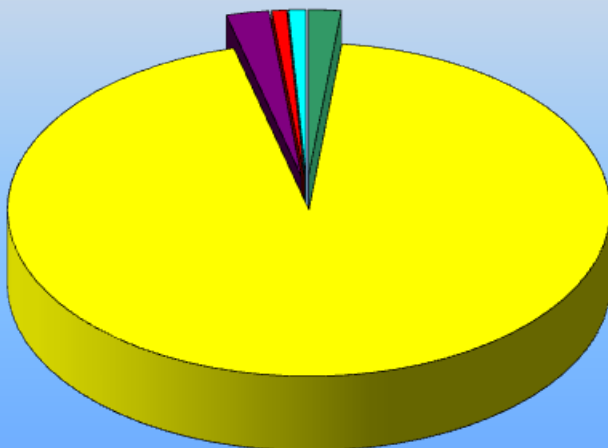
WORTHING:
Capital Spending 2017-2018 : £29.278m

Capital Expenditure




- Regeneration: £0.41m
- Customer Services (Affordable Housing): £0.569m
- Customer Services (Other): £2.842m
- Resources: £18.902m
- Environment: £6.355m
- Health and Wellbeing: £0.2m

Capital Financing




- Capital Receipts: £0.509m
- Prudential Borrowing: £27.595m
- Government Grants: £0.668m
- Reserves and Revenue Contributions: £0.233m
- External Contributions: £0.273m

**SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME**


 Column Reference (1)	Total Estimate £ (4)	CAPITAL ESTIMATES						ANNUAL REVENUE COSTS		
		Prior to 1.4.2016 £ (5)	2016/2017		2017/2018 Estimate £ (8)	2018/2019 Estimate £ (9)	2019/2020 Estimate £ (10)	Future Years £ (11)	Interest Foregone/ Cost of Borrowing £ (12)	Net Other £ (13)
			Original £ (6)	Current £ (7)						
BUDGETS										
Executive Member for Customer Services	9,401,730	302,080	1,784,680	1,338,650	3,411,000	1,450,000	1,450,000	1,450,000	240,460	(100,000)
Executive Member for Environment	11,874,010	389,770	5,675,480	1,917,720	6,355,110	1,402,680	1,013,260	795,470	888,790	-
Executive Member for Health and Wellbeing	291,310	6,830	179,710	34,280	199,800	16,800	16,800	16,800	29,130	-
Executive Member for Regeneration	3,384,690	219,120	1,770,800	2,248,850	409,720	235,500	235,500	36,000	314,880	(17,585)
Executive Member for Resources	56,790,060	-	12,968,590	7,579,560	18,902,000	10,152,500	10,078,000	10,078,000	5,679,010	-
	81,741,800	917,800	22,379,260	13,119,060	29,277,630	13,257,480	12,793,560	12,376,270	7,152,270	(117,585)
FINANCING										
Capital Grants and Contributions										
Communities and Local Government			445,000	750,000	650,000	650,000	650,000	650,000		
Environment Agency			17,500	57,500	17,500	17,500	17,500	35,000		
S106 Contributions from Planning Agreements			563,000	496,630	273,400	106,400	106,400	106,400		
Other Contributions			12,000	82,000	-	18,300	-	-		
Prudential Borrowing			20,424,350	11,387,030	27,594,900	11,776,200	11,330,580	10,895,790		
Revenue Contributions and Reserves										
Revenue Contributions			161,780	221,400	139,080	139,080	139,080	139,080		
Revenue Reserves			162,730	124,500	93,500	50,000	50,000	50,000		
Usable Capital Receipts										
General			592,900	-	509,250	500,000	500,000	500,000		
			22,379,260	13,119,060	29,277,630	13,257,480	12,793,560	12,376,270		

**SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME**


 Column Reference (1)	CAPITAL ESTIMATES					
	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 Estimate £	Future Years £
	Original £	Current £				
(6)	(7)	(8)	(9)	(10)	(11)	
<u>DETAILED FUNDING</u>						
<i>Capital Grants and Contributions</i>						
<u>Communities and Local Government</u>						
Better Care Fund (Disabled Facilities Grants)						
	445,000	750,000	650,000	650,000	650,000	650,000
	445,000	750,000	650,000	650,000	650,000	650,000
<u>Environment Agency</u>						
Coast Protection Grant (Rivers Arun to Adur Beach Management Plan - Preliminary Study) (Contribution to the Strategic Monitoring Project for the South East Phases 3 and 4)						
	-	40,000	-	-	-	-
	17,500	17,500	17,500	17,500	17,500	35,000
	17,500	57,500	17,500	17,500	17,500	35,000
<u>S106 Contributions from Planning Agreements</u>						
(Affordable Housing - Unallocated provision)						
	325,000	325,000	-	-	-	-
(Colonnade House - Refurbishment of building to provide artists studios)						
	-	16,690	-	-	-	-
(Homefield Park - Multi Use Games Area)						
	150,000	11,000	139,000	-	-	-
(Homefield Skate Park - Improvements)						
	23,000	80,500	-	-	-	-
(Outdoor Fitness Equipment - Victoria Park						
	20,000	20,000	-	-	-	-
- The Gallops Open Space, Findon						
	-	-	22,400	-	-	-
- Windsor Lawns						
	-	-	28,000	-	-	-
- Future Schemes)						
	-	-	-	22,400	22,400	22,400
(Play Area Improvements - The Gallops Open Space, Findon						
	25,000	23,440	-	-	-	-
- Hill Barn/Rotary Recreation Ground						
	20,000	20,000	-	-	-	-
- West Park						
	-	-	84,000	-	-	-
- Future schemes)						
	-	-	-	84,000	84,000	84,000
	563,000	496,630	273,400	106,400	106,400	106,400

**SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME**




 Column Reference (1)	CAPITAL ESTIMATES					
	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 Estimate £	Future Years £
	Original £	Current £				
(6)	(7)	(8)	(9)	(10)	(11)	
DETAILED FUNDING (continued)						
<u>Other Contributions</u>						
Chapman Group (Highdown Gardens - Resurfacing of vehicular access)	-	-	-	18,300	-	-
South Downs Leisure Trust (Worthing Leisure Centre - Main hall floor replacement)	12,000	82,000	-	-	-	-
	12,000	82,000	-	18,300	-	-
<u>Prudential Borrowing</u>						
<u>Invest to Save Schemes</u>						
(General Provision)	-	-	-	74,500	-	-
(Grounds Maintenance - Provision of a storage building at Commerce Way)	48,000	-	-	-	-	-
(Property Acquisition - Acquisition of emergency or temporary property for the homeless)	-	-	1,800,000	-	-	-
(Purchase and installation of new beach huts)	32,220	-	34,220	-	-	-
(Solar renewable energy projects)	368,500	368,500	-	-	-	-
(Strategic Property Investment Fund for investments in commercial property)	3,500,000	3,535,680	13,500,000	10,000,000	10,000,000	10,000,000
(Worthing Theatres - Capital Investment)	-	112,460	32,000	-	-	-
<u>General Fund Schemes</u>						
(Car Parks - Essential maintenance)	500,000	-	500,000	-	-	-
(Durrington Cemetery - Extension of burial space)	270,000	25,380	300,000	-	-	-
(Loans - Worthing Homes Limited to finance social housing)	10,000,000	5,000,000	5,000,000	-	-	-
(Replacement of refuse/recycling fleet)	2,771,760	191,760	2,580,000	-	-	-
(Other Schemes)	2,933,870	2,153,250	3,848,680	1,701,700	1,330,580	895,790
	20,424,350	11,387,030	27,594,900	11,776,200	11,330,580	10,895,790


**SUMMARY
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Worthing Borough Council	CAPITAL ESTIMATES					
	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 Estimate £	Future Years £
	Original £	Current £				
Column Reference (1)	(6)	(7)	(8)	(9)	(10)	(11)
<u>DETAILED FUNDING (continued)</u>						
<i>Revenue Contributions and Reserves</i>						
<u>Revenue Contributions</u>						
AWCS Refuse/Recycling Service (Provision of wheeled bins)	-	-	19,080	19,080	19,080	19,080
Corporate Sponsorship (Worthing Theatres - Capital improvements)	-	-	10,000	10,000	10,000	10,000
Crematorium Trading Account (Crematorium Improvement Scheme repaid from additional income estimated at the rate of £60,000 p.a. over the next 14 years)	60,000	60,000	60,000	60,000	60,000	60,000
New Homes Bonus (Empty Properties - Grants and loans to bring empty properties back into use)	101,780	161,400	50,000	50,000	50,000	50,000
	161,780	221,400	139,080	139,080	139,080	139,080
<u>Revenue Reserves</u>						
Capital Expenditure Reserve (Brooklands Lake - Environmental Improvements)	-	-	43,500	-	-	-
Capacity Issues Reserve (Theatres - Purchase of new box office system)	-	3,740	-	-	-	-
Leisure Lottery and Other Capital Partnership Fund (Worthing Sculpture Trail Plinths)	40,230	40,230	-	-	-	-
Theatres Restoration Levy (Worthing Theatres - Capital improvements)	122,500	80,530	50,000	50,000	50,000	50,000
	162,730	124,500	93,500	50,000	50,000	50,000
<u>Usable Capital Receipts</u>						
Affordable Housing	368,900	-	368,900	500,000	500,000	500,000
Ring Fenced Capital Receipt (EON Windfarm - Brooklands Park replacement of Par 3 Club House)	224,000	-	140,350	-	-	-
	592,900	-	509,250	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 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000												
Assembly Hall												
* Renewal of dance floor	58501	DM	33,600	-	-	-	33,600	-	-	-	3,360	-
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	BR	211,400	-	101,780	161,400	50,000	-	-	-	-	(40,000)
Housing Renewal Assistance												
<u>Discretionary Grants</u>												
Home Repair Assistance Grants	58506	BR	195,520	-	90,000	105,520	90,000	-	-	-	19,550	-
<u>Mandatory Grants</u>												
Disabled Facilities Grants (Better Care Fund Grant £750,000 2016/2017 and £650,000 anticipated 2017/2018)	58049	BR	1,500,000	-	750,000	750,000	750,000	-	-	-	50,490	-
Museum and Art Gallery												
Conversion of ground floor area vacated by Tourist Information Centre into useable accommodation/exhibition space	58503	DM	27,500	1,000	26,500	-	26,500	-	-	-	2,750	-
Theatres												
Capital improvements to Worthing Theatres (Funded from the Theatres Restoration Levy, Invest to Save Initiatives and Corporate Sponsorship)	58507	AO	338,610	53,620	122,500	192,990	92,000	-	-	-	-	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000</u>												
<u>(continued)</u>												
<i>Theatres (continued)</i>												
Purchase of new box office system (£80,000 funded from the Capacity Issues Reserve)	58015	AO	126,200	122,460	-	3,740	-	-	-	-	4,620	-
			2,432,830	177,080	1,090,780	1,213,650	1,042,100	-	-	-	80,770	(40,000)
<u>COMMITTED SCHEMES - KEY DECISIONS</u>												
<i>Affordable Housing</i>												
Grants to Registered Social Landlords for the provision of affordable housing (Funded by Right to Buy Clawback Receipts, Housing Capital Receipts and S106 Receipts)	58054	ADJ	568,900	-	568,900	-	568,900	-	-	-	5,690	-
<i>Worthing Homes</i>												
Littlehampton Road Site (22 Units) (Funded by Right to Buy Clawback Receipts and Housing Capital Receipts)	58054	ADJ	250,000	125,000	125,000	125,000	-	-	-	-	2,500	-
<i>Property Acquisition</i>												
Acquisition of emergency interim or temporary accommodation for the homeless (Invest to Save Scheme)	58632	CA	1,800,000	-	-	-	1,800,000	-	-	-	18,000	-
			2,618,900	125,000	693,900	125,000	2,368,900	-	-	-	26,190	-


**CABINET MEMBER FOR CUSTOMER SERVICES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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												
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	ADJ	1,500,000	-	-	-	-	500,000	500,000	500,000	15,000	-
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, and repayments of grants and loans made)	58505	BR	150,000	-	-	-	-	50,000	50,000	50,000	-	(60,000)
Housing Renewal Assistance <u>Discretionary Grants</u> Home Repair Assistance Grants	58506	BR	270,000	-	-	-	-	90,000	90,000	90,000	27,000	-
<u>Mandatory Grants</u> Disabled Facilities Grants (Better Care Grant funding anticipated at £650,000 p.a.)	58049	BR	2,250,000	-	-	-	-	750,000	750,000	750,000	91,500	-
Theatres Capital improvements to Worthing Theatres (Funded from the Theatres Restoration Levy, Invest to Save Initiatives and Corporate Sponsorship)	58507	AO	180,000	-	-	-	-	60,000	60,000	60,000	-	-
			4,350,000	-	-	-	-	1,450,000	1,450,000	1,450,000	133,500	(60,000)
TOTAL			9,401,730	302,080	1,784,680	1,338,650	3,411,000	1,450,000	1,450,000	1,450,000	240,460	(100,000)


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000												
Allotments												
* Replacement of water pipe at West Tarring Allotment (Budget not utilised as repairs undertaken from the revenue budget)	58004	DM	-	-	48,500	-	-	-	-	-	-	-
Beach House Park												
Bowling Greens - Replacement of irrigation system	58212	AE	95,000	39,660	32,500	55,340	-	-	-	-	9,500	-
* New Pavilion - Renew electrical mains and rewiring, and provision of changing rooms for the Bowls Club	58212	DM	62,000	50,320	-	11,680	-	-	-	-	6,200	-
Boundary Signs												
Replacement of existing boundary signs on main entry routes into Worthing and additional signs on the A27	58236	LD	42,000	-	42,000	42,000	-	-	-	-	4,200	-
Brooklands Park												
Replacement of Par 3 Club House (Part funded from ring-fenced capital receipts)	58227	AE	225,000	2,000	224,000	-	223,000	-	-	-	2,250	-
Cemeteries												
Replacement of Mechanical Excavator	18238	AE	12,100	-	-	9,900	-	-	-	-	1,210	-
Car Parks												
Multi Storey Car Parks - Renewal of CCTV	58123	DM	99,000	14,890	99,000	84,110	-	-	-	-	9,900	-
Compliance Service												
Replacement of one vehicle (Partnership scheme with Adur District Council. Total cost £13,000)	58220	AN	7,800	-	7,800	7,800	-	-	-	-	780	-


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000 (continued)												
Crematorium												
Driveway works:	58217	DM	213,070	25,270	180,000	130,000	57,800	-	-	-	21,310	-
i) Upgrade of ICT connection												
ii) Repair of gas main												
* iii) Driveway resurface												
Improvement Scheme	58217	AE	226,230	-	-	-	226,230	-	-	-	22,620	-
i) Redevelopment of the main office												
ii) DDA access improvements to exterior public toilets												
iii) A new showroom for memorialisation												
iv) DDA access improvements to the childrens' garden												
v) Air conditioning to main chapel												
Provision of a car parking surface for the overflow car park	58217	DM	126,000	-	100,000	126,000	-	-	-	-	12,600	-
* Replacement and resiting of car park attendant's kiosk	58217	DM	19,800	-	19,800	-	19,800	-	-	-	1,980	-
Field Place												
Car Park extension to increase the number of parking spaces	58204	DM	132,000	104,590	-	27,410	-	-	-	-	13,200	-
Grounds Maintenance												
Replacement of 4 vehicles (Partnership scheme with Adur District Council. Total cost £108,500)	58218	AN	65,100	-	-	-	65,100	-	-	-	6,510	-


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000</u>												
<u>(continued)</u>												
<i>Homefield Park</i>												
Provision of a multi use games area on the existing tennis courts to include the provision of lighting and repair of the northern tennis court (£150,000 funded from S106 receipts)	58228	AE	205,520	-	191,000	11,000	194,520	-	-	-	5,550	-
Skate Park improvements to include an improved surface and the provision of a range of features/ramps to encourage a wider range of users. (£88,000 funded from S106 receipts)	58228	AE	165,000	7,500	100,000	157,500	-	-	-	-	7,700	-
<i>Parks and Open Spaces</i>												
* Goring Recreation Ground - Renewal of a high level fence	58222	DM	30,200	700	30,200	29,500	-	-	-	-	3,020	-
* Highdown Gardens - Resurfacing of vehicular access (Contribution of £18,300 from the Chapman Group)	58223	DM	55,000	-	-	-	-	55,000	-	-	3,670	-
* Manor Sports Ground Fencing renewal	58239	DM	55,000	-	-	-	55,000	-	-	-	5,210	-
<i>Outdoor Fitness Equipment</i> (Homefield Park)	58229	AE	31,300	-	-	31,300	-	-	-	-	2,840	-
(The Gallops. Funded from S106 receipts)	58229	AE	22,400	-	-	-	22,400	-	-	-	-	-


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000 (continued)												
Outdoor Fitness Equipment (continued) (Victoria Park. Funded from S106 receipts)	58229	AE	20,000	-	20,000	20,000	-	-	-	-	-	-
(Windsor Lawns. Funded from S106 receipts)	58229	AE	28,000	-	-	-	28,000	-	-	-	-	-
* Pond Lane Recreation Ground Pavilion - Renewal of roof covering	58215	DM	15,500	15,500	-	-	-	-	-	-	1,550	-
* Resurfacing and repair of hard surfaces	58003	DM	18,480	1,980	31,020	16,500	-	-	-	-	1,850	-
Play Area Improvements												
Hill Barn/Rotary Recreation Ground (£20,000 funded from S106 receipts)	58224	AE	82,500	-	82,500	22,500	60,000	-	-	-	6,250	-
The Gallops Open Space (£30,000 funded from S106 receipts)	58224	AE	103,900	6,560	98,900	97,340	-	-	-	-	7,390	-
West Park Recreation Ground (Funded from S106 receipts)	58224	AE	84,000	-	-	-	84,000	-	-	-	-	-
Public Conveniences												
Improvement and upgrading of Durrington Cemetery site, Buckingham Road Car Park site and Beach House Park site	58225	DM	62,360	-	51,000	62,360	-	-	-	-	6,240	-


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000</u> <u>(continued)</u>												
<i>Refuse/Recycling Service</i> Provision of wheeled bins (Partnership scheme with Adur District Council. Total cost £50,000 p.a.)	58036	TP	44,520	-	12,720	12,720	31,800	-	-	-	4,450	-
<i>Refuse/Recycling/Street Cleansing</i> Vehicle Communications and Data Transfer System (Partnership scheme with Adur District Council. Total cost £123,750)	58042	TP	78,580	71,330	7,250	7,250	-	-	-	-	7,860	-
<i>Street Cleansing / Clinical Waste / Trade Waste</i> Replacement of 8 vehicles (Partnership scheme with Adur District Council. Total cost £373,500)	58209	AN	227,520	-	66,050	66,050	161,470	-	-	-	22,750	-
<i>Street Lighting</i> Enhancements in Conservation Areas or near Heritage Sites (Upgrade of WSCC street lighting)	58231	DM	30,000	-	30,000	30,000	-	-	-	-	3,000	-
<i>Worthing Leisure Centre</i> * Main hall floor replacement (Contribution of £82,000 from South Downs Leisure Trust)	58205	DM	165,460	-	95,460	165,460	-	-	-	-	15,350	-
* Renewal of fire alarm system	58205	DM	55,000	-	55,000	55,000	-	-	-	-	5,500	-
* Renewal of glazing in the nursery and café area	58205	DM	48,500	5,550	33,000	42,950	-	-	-	-	4,850	-


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000 (continued)</u>												
<i>Worthing Leisure Centre (continued)</i>												
* Replacement of service pipework	58205	DM	185,080	-	125,080	185,080	-	-	-	-	18,510	-
			3,138,920	345,850	1,782,780	1,506,750	1,229,120	55,000	-	-	245,800	-
<u>COMMITTED SCHEMES - KEY DECISIONS</u>												
<i>Brooklands Park</i>												
Environmental Improvements (The removal of contaminated land silt from the water balancing facility known as Brooklands Lake, and associated planting in the area)	58227	AE	850,000	-	-	-	850,000	-	-	-	85,000	-
<i>Car Parks</i>												
Lyndhurst Road (West) Surface Car Park - Increased parking	58234	DM	275,000	-	50,000	15,000	35,000	225,000	-	-	27,500	-
* Multi Storey Car Parks - Planned structural repairs and improvement programme	58123	DM	1,360,650	-	628,000	15,890	1,344,760	-	-	-	13,610	-
<i>Cemeteries</i>												
Durrington Cemetery - Extension of burial space	58213	AE	369,300	43,920	270,000	25,380	300,000	-	-	-	36,930	-
<i>Grounds Maintenance</i>												
Provision of a storage building at Commerce Way for grounds maintenance vehicles and equipment (Partnership scheme with Adur District Council. Total cost £250,000)	58233	DM	150,000	-	150,000	150,000	-	-	-	-	15,000	-


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
Refuse/Recycling Service												
Replacement of 24 refuse/recycling vehicles (Partnership scheme with Adur District Council. Total cost £4,358,110)	58208	AN	2,771,760	-	2,771,760	191,760	2,580,000	-	-	-	277,180	-
			5,776,710	43,920	3,869,760	398,030	5,109,760	225,000	-	-	455,220	-
FUTURE PROGRAMME												
Car Parks												
* Multi Storey Car Parks - Planned structural repairs and improvement programme	58123	DM	1,100,000	-	-	-	-	500,000	600,000	-	11,000	-
Environmental Health												
Replacement of one dog wardens van (Partnership scheme with Adur District Council. Total cost £25,000)	58221	AN	12,500	-	-	-	-	12,500	-	-	1,250	-
Grounds Maintenance Service												
Vehicle replacements (Partnership scheme with Adur District Council. Total cost £910,500)	58218	AN	546,300	-	-	-	-	207,300	88,200	250,800	54,630	-
Parks and Open Spaces												
Outdoor Fitness Equipment Areas	58229	AE	67,200	-	-	-	-	22,400	22,400	22,400	6,430	-
Play Area Improvements	58224	AE	252,000	-	-	-	-	84,000	84,000	84,000	16,200	-
Refuse/Recycling Service												
Provision of wheeled bins (Partnership scheme with Adur District Council. Total cost £50,000 p.a.)	58036	TP	95,400	-	-	-	-	31,800	31,800	31,800	9,540	-


**CABINET MEMBER FOR THE ENVIRONMENT
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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)												
Refuse/Recycling/Street Cleansing/ Trade Waste Replacement of vehicles for the joint service (Partnership scheme with Worthing Council. Total cost £1,356,500)	58200	AN	837,580	-	-	-	-	257,870	180,050	399,660	83,760	-
Contingency: Inflation and Fluctuations	58044		49,600	-	22,940	12,940	16,230	6,810	6,810	6,810	4,960	-
			2,960,580	-	22,940	12,940	16,230	1,122,680	1,013,260	795,470	187,770	-
TOTAL			11,876,210	389,770	5,675,480	1,917,720	6,355,110	1,402,680	1,013,260	795,470	888,790	-


**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 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000												
Equalities												
Disability Discrimination Act Improvements - Provision of minor alterations and improvements to Council properties	58301	DM	42,590	-	41,190	12,590	30,000	-	-	-	4,260	-
Disability Discrimination Act Improvements - Town Hall provision of self levelling stair crawlers to enable the disabled or wheelchair users to be evacuated safely from the building	58301	DM	22,000	-	-	-	22,000	-	-	-	2,200	-
Public Health												
Asbestos removal from Council buildings	58302	DM	174,320	6,830	137,520	20,690	146,800	-	-	-	17,430	-
			238,910	6,830	178,710	33,280	198,800	-	-	-	23,890	-
FUTURE PROGRAMME												
Equalities												
Disability Discrimination Act Improvements - Provision of minor alterations and improvements to Council properties	58301	DM	50,400	-	-	-	-	16,800	16,800	16,800	5,040	-
Contingency: Inflation and Fluctuations	58399		2,000	-	1,000	1,000	1,000	-	-	-	200	-
			52,400	-	1,000	1,000	1,000	16,800	16,800	16,800	5,240	-
TOTAL			291,310	6,830	179,710	34,280	199,800	16,800	16,800	16,800	29,130	-


**CABINET MEMBER FOR REGENERATION
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000												
<i>Coast Protection</i>												
Rivers Arun to Adur Beach Management Plan - Preliminary Study (Contribution to study by Adur District Council. Funded by the Environment Agency)	58408	DM	40,000	-	-	40,000	-	-	-	-	-	-
Strategic Monitoring Project for the South East Phases 3 and 4. Contribution to the Maritime Authorities partnership scheme (Funded by the Environment Agency)	58403	DM	179,580	74,580	17,500	17,500	17,500	17,500	17,500	35,000	-	-
<i>Economic Development</i>												
Colonnade House - Provision of broadband, WIFI and ICT equipment	58608	CH	10,900	-	-	10,900	-	-	-	-	1,090	-
Colonnade House - Refurbishment of building to provide artists studios (Part funded from a Coastal Communities Fund Grant and S106 receipts)	58608	GH	203,910	140,220	-	63,690	-	-	-	-	18,720	-
<i>Foreshore Management</i>												
* Promenade - Resurfacing of areas between George V Avenue and pier	58000	DM	16,500	-	16,500	16,500	-	-	-	-	1,650	-
Purchase and installation of new beach huts Phase 2 (Invest to Save Scheme)	58000	DM	34,220	-	32,220	-	34,220	-	-	-	3,420	(17,585)
Windsor Lawns Beach Shelter - Refurbishment	58407	GH	53,350	-	53,350	13,350	40,000	-	-	-	5,340	-


**CABINET MEMBER FOR REGENERATION
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000 (continued)												
Worthing Sculpture Trail Plinths (Installation of 8 plinths to facilitate a changeable sculpture trail which will enable exhibitions in the public realm. Funded from revenue reserves)	58503	AO	40,230	-	40,230	40,230	-	-	-	-	4,020	-
Worthing Pier, Southern Pavilion and Seafront Amusements * Fire safety compliance works	58510	DM	327,000	-	110,000	10,000	317,000	-	-	-	32,700	-
			905,690	214,800	269,800	212,170	408,720	17,500	17,500	35,000	66,940	- 17,585
COMMITTED SCHEMES - KEY DECISIONS												
Economic Development Purchase of properties	58631	JA	2,040,000	4,320	1,500,000	2,035,680	-	-	-	-	204,000	-
FUTURE PROGRAMME												
Worthing Pier, Southern Pavilion and Seafront Amusements * Fire safety compliance works	58510	DM	434,000	-	-	-	-	217,000	217,000	-	43,400	-
			2,474,000	4,320	1,500,000	2,035,680	-	217,000	217,000	-	247,400	-
Contingency: Inflation and Fluctuations	58499		5,000	-	1,000	1,000	1,000	1,000	1,000	1,000	540	-
			5,000	-	1,000	1,000	1,000	1,000	1,000	1,000	540	-
TOTAL			3,384,690	219,120	1,770,800	2,248,850	409,720	235,500	235,500	36,000	314,880	(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 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000												
Corporate Buildings												
* Condition Surveys (To provide an assessment of the current condition of the Council's corporate buildings to inform a programme of planned maintenance works)	58629	DM	88,000	-	88,000	28,000	60,000	-	-	-	8,800	-
Information and Communications Technology												
Corporate Asset Management System	58627	PT	21,000	-	21,000	14,700	6,300	-	-	-	2,100	-
CenSus Partnership - Provision for ICT schemes (Partnership scheme with CenSus Partners)	58601	ST	116,330	-	66,330	66,330	50,000	-	-	-	11,630	-
Corporate ICT hardware and infrastructure replacement programme 2016/2017 and 2017/2018 (Partnership scheme with Adur District Council. Total cost £208,560)	58055	ST	112,780	-	53,000	59,780	53,000	-	-	-	11,280	-
Digital Strategy General Provision (Partnership scheme with Adur District Council. Total cost £366,980 to facilitate delivery of the digital strategy)	58625	ST	194,500	-	67,310	75,250	119,250	-	-	-	19,450	-
Invest to Save Schemes												
General Provision	58604	SG	74,500	-	-	-	-	74,500	-	-	7,450	-

**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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 - UNDER £250,000 (continued)												
<i>Properties</i>												
* Meadow Road Industrial Units Replacement roof lights	58633	DM	25,000	-	-	-	25,000	-	-	-	2,500	-
			632,110	-	295,640	244,060	313,550	74,500	-	-	63,210	-
COMMITTED SCHEMES - KEY DECISIONS												
<i>Information and Communications Technology</i>												
Financial Management System Replacement (Partnership scheme with Adur District Council. Total cost £565,000)	58060	SG	299,450	-	299,450	212,000	87,450	-	-	-	29,950	-
<i>Loans</i>												
Worthing Homes Limited (To finance social housing within the Borough of Worthing)	58628	SG	10,000,000	-	10,000,000	5,000,000	5,000,000	-	-	-	1,000,000	-
<i>Properties</i>												
* Montague Street Site acquisition - Essential repairs	58631	DM	250,000	-	-	250,000	-	-	-	-	25,000	-
Solar Renewable Energy Projects (Invest to Save Schemes)	58618	DM	368,500	-	368,500	368,500	-	-	-	-	36,850	-
<i>Strategic Property Investment</i>												
Investments in commercial property to generate income	58630	SG	15,000,000	-	2,000,000	1,500,000	13,500,000	-	-	-	1,500,000	Variable Income
			25,917,950	-	12,667,950	7,330,500	18,587,450	-	-	-	2,591,800	-

**CABINET MEMBER FOR RESOURCES
THREE YEAR CAPITAL INVESTMENT PROGRAMME**

 Scheme	Cost Centre	Lead Officer	Total Estimate £	CAPITAL ESTIMATES							ANNUAL REVENUE COSTS	
				Prior to 1.4.2016 £	2016/2017		2017/2018 Estimate £	2018/2019 Estimate £	2019/2020 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												
Information and Communications Technology Corporate hardware and infrastructure replacement programme (Partnership scheme with Adur District Council. Total cost £100,000 p.a.)	58055	ST	159,000	-	-	-	-	53,000	53,000	53,000	15,900	-
Information and Communications Technology (continued) CenSus Partnership - Provision for ICT schemes (Partnership scheme with CenSus Partners)	58601	ST	75,000	-	-	-	-	25,000	25,000	25,000	7,500	-
Strategic Property Investment Investments in commercial property to generate income	58630	SG	30,000,000	-	-	-	-	10,000,000	10,000,000	10,000,000	3,000,000	Variable Income
Contingency: Inflation and Fluctuations	58076		6,000	-	5,000	5,000	1,000	-	-	-	600	-
			30,240,000	-	5,000	5,000	1,000	10,078,000	10,078,000	10,078,000	3,024,000	-
TOTAL			56,790,060	-	12,968,590	7,579,560	18,902,000	10,152,500	10,078,000	10,078,000	5,679,010	-



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	16,000
Flooring - New carpet and flooring to the main dance area, bar area, bar surround, foyer and reception area	85,000
* Foyer and Auditorium - Refurbishment	40,000
Theatre - Renew blackout facilities	N/C
Theatre - Renewal of temporary storage rollalong units	N/C
Theatre - Re-upholstery of auditorium seating (stalls)	20,000
Theatre - Seating replacement	120,000
Theatre - Stage extensions	15,000
* Theatre - Stage lighting	30,000
* Toilets - Refurbishment	32,500
CONNAUGHT THEATRE	
Building - Repairs to asphalt roof	15,000
Building - Repairs to external brickwork and rendering	27,000
Dressing Rooms - Refurbishment	40,000
N/C = Not Costed * = New Scheme	

	Estimates £
(a) YEARS 4-7 (continued)	
CONNAUGHT THEATRE (continued)	
Theatre - Improvements to auditorium ventilation	N/C
DENTON LOUNGE	
Bar /Servery - Refurbishment	13,000
Ceilings - Repairs and redecoration to ornate ceiling	40,000
* Central Space - Refurbishment	30,500
Entrance - Provision of a canopy	N/C
Toilets - Refurbishment	22,000
DISABLED FACILITIES GRANTS	
Mandatory grants for adaptations to private housing (Annual provision)	750,000
HOUSING	
Empty Properties - Provision of grants and loans to bring empty properties back into use (Annual provision)	50,000
HOUSING RENOVATION ASSISTANCE	
Discretionary grants and loans to finance home repairs and home insulation works (Annual provision)	90,000
MUSEUM AND ART GALLERY	
Building - Refurbishment and redevelopment	1,800,000
Building - Renewal of existing electrics	N/C
Replacement of display cases	16,200
* Toilets - Refurbishment and resiting	42,500
PIER AND PAVILION	
Dressing rooms - Refurbishment	30,000
N/C = Not Costed * = New Scheme	

	Estimates £
(a) YEARS 4-7 (continued)	
PIER AND PAVILION (continued)	
Theatre - Improvements to auditorium ventilation	80,000
* Theatre - Improvement to load-bearing floor	36,250
* Theatre - Replacement seating	403,750
* Theatre - Technical refurbishment	89,500
Windows - Replacement of office windows	32,000
RICHMOND ROOM	
Internal screen door - Replacement	27,500
Main hall ceiling - Replacement	22,000
Roof - Renewal of felt covering	51,700
RITZ CINEMA	
Auditorium - Provision of air conditioning	33,000
Building - Renewal of existing electrics	N/C
Fire escape - Replacement	15,000
Slate Roof - Renewal	71,500
Toilets - Refurbishment	15,500
THEATRES	
Replacement of operational vehicle	20,000
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
BEACH HOUSE PARK	
Reconstruction of western access road	66,000
BROOKLANDS	
Provision of services (waste disposal, water and electricity)	25,000
CAR PARKS	
Teville Gate Multi-Storey Car Park - Major repairs and refurbishment	N/C
Teville Gate Multi-Storey Car Park - Renew profile glazing panels	11,000
Teville Gate Multi-Storey Car Park - Resurface the top deck	88,000
CEMETERIES	
Durrington Cemetery - Phase 2 of the extension to provide burial space for the next 30 - 35 years	200,000
CREMATORIUM	
Main building fascias replacement	11,000
Toilet refurbishment	16,500
Window replacement	44,000
N/C = Not Costed * = New Scheme	

(a) <u>YEARS 4-7</u> (continued)	Estimates £
CYCLE STRATEGY	
Seafront Cycle Route Phase 3	256,000
Seafront Cycle Route Phase 4	35,000
FIELD PLACE	
* Replace the surface of the existing tennis courts and correct the drainage problems	200,000
GROUNDS MAINTENANCE	
* Provision for the replacement of vehicles for the joint service (Partnership scheme with Adur District Council. Total cost £148,000)	250,800
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	
* Mayor's Car - Replacement	23,000
Provision for the replacement of operational vehicles for Adur District Council and Worthing Borough Council joint services	27,000
Provision for the replacement of vehicles for Worthing services	42,000
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u> (continued)	
<i>PARKS AND OPEN SPACES</i>	
Boundary Fencing Replacements (Annual provision)	30,000
Hard surfaces refurbishment programme (Annual provision)	16,500
Homefield Park - Installation of a new public convenience	99,000
Play Areas - Rolling programme of replacements, upgrades and improvements to include outdoor fitness equipment (Annual provision)	106,400
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 pavilion 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
* Homefield Park - Installation of a new public convenience	218,400
Selected refurbishment programme (Annual provision)	55,000
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u> (continued)	
<i>REFUSE / RECYCLING / STREET CLEANSING</i>	
Provision for the replacement of vehicles for the joint service (Partnership scheme with Adur District Council. Total cost £647,000)	399,660
Wheeled bins replacement programme - Annual provision (Partnership scheme with Adur District Council. Total annual provision £50,000)	31,800
<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
<i>WORTHING LEISURE CENTRE</i>	
Athletics Track - Replacement	220,000
Building - Renew external cladding	15,000
Building - Rewire whole complex	264,000
Entrance - Provision of a canopy	N/C
Garages - Conversion to social use	N/C
* Respray athletics track	150,000
Roof Areas - Renewal of flat roof areas	225,500
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u>	
<i>COMMUNITY DEVELOPMENT</i>	
West Durrington community leisure facility	N/C
West Durrington sports changing rooms/pavilion	300,000
<i>EQUALITIES</i>	
Disability Discrimination Act Improvements - Provision of minor alterations and improvements to Council properties (Annual provision)	22,000
<i>HEALTH PROTECTION</i>	
Asbestos removal from Council offices (Annual provision)	16,800
N/C = Not Costed * = New Scheme	

	Estimates £
(a) <u>YEARS 4-7</u>	
COAST PROTECTION WORKS	
Worthing Beach Management Plan Delivery	4,030,000
FORESHORE MANAGEMENT	
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>	
FORESHORE MANAGEMENT	
Sea Wall - Extension westwards of Splash Point	N/C
N/C = Not Costed * = New Scheme	

	Estimates £
(a) YEARS 4-7	
ADMIN BUILDINGS	
Commerce Way	
Improvements to south car park area (Contribution to Adur District Council scheme)	N/C
Vehicle Workshop - Replacement of roof (Contribution to Adur District Council scheme. Total cost £253,000)	126,500
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
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 annual provision £100,000)	53,000
N/C = Not Costed * = New Scheme	

	Estimates £
(a) YEARS 4-7 (continued)	
INFORMATION AND COMMUNICATIONS TECHNOLOGY (continued)	
CenSus ICT Partnership Schemes (Partnership scheme with Adur District Council. Total annual provision £150,000)	25,000
OFFICE EQUIPMENT	
Replacement of committee rooms conference microphones	25,000
PROPERTY MANAGEMENT	
Colonnade House	
Renewal of metal windows	39,000
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>Baseline funding level</i>	The amount of an individual council's Start-up Funding Assessment for 2013-14 provided through the local share of the Estimated Business Rates Aggregate, uprated in line with the small business rates multiplier (set at the September forecast of the Retail Price Index, unless otherwise decided).
<i>Billing authorities</i>	A unitary council, or a lower tier council in a two-tier area, which collects the council tax for its own activities, and for those of the precepting authorities in its area. The billing authority passes on the precept receipts to each precepting authority in its area. These are the 326 billing authorities that collect council tax and business rates: district councils, London boroughs, and unitary councils.
<i>Business Rates - National Non Domestic 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. The scheme allows the Council to retain a proportion of the total NNDR received. The Local Authority share is 40% with the remainder paid to the precepting body – West Sussex County Council (10%) and Department of Communities and Local Government (50%)
<i>Business Rates baseline</i>	Determined for individual councils at the outset of the business rates retention scheme by dividing the local share of the Estimated Business Rates Aggregate (England) between billing authorities on the basis of their proportionate shares, before the payment of any major precepting authority share.
<i>Business Rates Retention Scheme</i>	The name given to the current system of funding local authorities through the local government finance settlement, set out in the Local Government Finance Act 2013. The local government sector retains 50% of the business rates they collect. In addition they also receive Revenue Support Grant to help support their services.
<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, or a rolling programme of improvements. A fixed asset is one which yields benefits to the local authority for a period exceeding one year.

GLOSSARY OF TERMS

Capital Financing Requirement	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.
Capital Receipts	Income exceeding £10,000 from the sale of land and buildings or other assets, which can be used to finance capital expenditure
Capital Strategy	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
Collection Fund	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).
Control totals	These are the national totals for each of the individual elements within the local spending control total. They are determined as part of the Spending Review. It is also the name given to the size of each of the different elements within the Settlement Funding Assessment
Corporate Management	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.
Council Tax	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.
Council Tax Bands	There are eight council tax bands. How much council tax each household pays depends on the value of the homes. The bands are set out below.

	Value of home estimated at 01 April 1991	Proportion of the tax due April 1991 for a Band D property
Band A	Under - £40,000	66.7%
Band B	£40,001 - £52,000	77.8%
Band C	£52,001 - £68,000	88.9%
Band D	£68,001 - £88,000	100%
Band E	£88,001 - £120,000	122.2%
Band F	£120,001 - £160,000	144.4%
Band G	£160,001 - £320,000	166.7%
Band H	Over - £320,001	200%

GLOSSARY OF TERMS

<i>Council Tax Base</i>	This is the number of Band D equivalent dwellings in a council area. To calculate the tax base for an area, the number of dwellings in each council tax band is reduced to take account of discounts and exemptions. The resulting figure for each band is then multiplied by its proportion relative to Band D (from 6/9 for Band A to 18/9 for Band H) and the total across all eight bands is calculated. An adjustment is then made for the collection rate.
<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>Estimated Business Rates Aggregate</i>	The total business rates forecast at the outset of the business rate retention scheme to be collected by all billing authorities in England in 2013-14. The Estimated Business Rates Aggregate is updated year on year in line with the change in the small business multiplier (usually the September Retail Price Index).
<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 for more than one year.
<i>Floor damping</i>	A method by which stability in funding is protected through limiting the effect of wide variations in grant. A floor guarantees a lower limit to a year-on-year change in grant. The grant amounts of councils who receive changes above the floor are scaled back by a fixed proportion to help pay for the floor.
<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.

GLOSSARY OF TERMS

<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>Levy</i>	Mechanism to limit disproportionate benefit from business rates. The levy is applied proportionally on a 1:1 basis (i.e. a 1% increase in business rates income results in an council getting a 1% increase in revenue from the rates retention scheme) but with a limit on the maximum levy rate that is imposed, at 50p in the pound. Levy payments are used to fund the safety net.
<i>Local government finance settlement</i>	The local government finance settlement is the annual determination of funding distribution as made by the Government and debated by Parliament.
<i>Local government spending control total</i>	The total amount of expenditure for Revenue Support Grant in the Department for Communities and Local Government's Local Government Departmental Expenditure Limit plus the local share of the Estimated Business Rates Aggregate that is allocated to the local government sector by Government for each year of a Spending Review.
<i>Local share</i>	The percentage share of locally collected business rates that is retained by local government. This is set at 50%.
<i>Lower tier councils</i>	Councils that carry out the functions which in shire areas with two tiers of local government are carried out by shire districts. They are the same councils as billing authorities.
<i>Multiplier</i>	The business rates multiplier which, when multiplied by the rateable value of a property, determines a ratepayer's business rate bill. There are two multipliers – one for small businesses and one for larger businesses. These are set nationally. The small business multiplier is uprated annually by the Retail Price Index, unless the Government decides otherwise and the other multiplier adjusted accordingly, to fund rate relief for small businesses.
<i>Non-distributed Costs</i>	Non-distributed costs include back funded retirement benefit costs, redundancy payments and pension added years.
<i>Outturn</i>	The actual expenditure for a particular period.
<i>P.C.C</i>	Police and Crime Commission
<i>Precepting authority</i>	An authority or body that does not collect council tax or business rates but is part of the business rates retention scheme. This is an authority which sets a precept to be collected by billing authorities. County councils, police authorities, the Greater London Authority, single purpose fire and rescue authorities and parish councils are all precepting authorities.

GLOSSARY OF TERMS

<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.
<i>Proportionate share</i>	This is the percentage of the national business rates yield which a council has collected on the basis of the average rates collected by councils over the two years to 2011-12. This percentage was applied to the local share of the 2013-14 Estimated Business Rates Aggregate to determine the billing authority business rates baseline.
<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>Receiving authorities</i>	Authorities that are eligible to receive Revenue Support Grant (billing authorities plus county councils and fire and rescue authorities).
<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>Ring-fenced grant</i>	A grant paid to councils which has conditions attached to it, which restrict the purposes for which it may be spent.
<i>Safety net</i>	Mechanism to protect any council which sees its business rates income drop, in any year, by more than 7.5% below its baseline funding level (with baseline funding levels being uprated by the small business rates multiplier for the purposes of assessing eligibility for support).
<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.

GLOSSARY OF TERMS

<i>Sets of services</i>	<p>There are four sets of services, corresponding to the services supplied by the four types of local authorities (although some councils may provide more than one tier of service). These are:</p> <ul style="list-style-type: none">• upper-tier services – those services, other than fire, supplied by county councils in two-tier areas, and described in this consultation as relating to ‘social care councils’• police services• fire and rescue services• lower-tier services – those services supplied by district councils (‘non-social care councils’ in the consultation) in two-tier areas.
<i>Settlement core funding</i>	<p>The definition of settlement core funding for this purpose takes into account the main resources available to councils, which for this purpose comprise:</p> <ul style="list-style-type: none">• Council Tax income from 2015-16 (including any Council Tax Freeze Grant)• the Settlement Funding Assessment, comprising:<ul style="list-style-type: none">- estimated business rates income (baseline funding level under the rates retention scheme)- Revenue Support Grant.
<i>Settlement Funding Assessment</i>	<p>Previously referred to as Start-Up Funding Assessment. It comprises at a national level the total Revenue Support Grant and the local share of Estimated Business Rates Aggregate for the year in question. On an individual council level it comprises each council’s Revenue Support Grant for the year in question and its baseline funding level, uprated year-on-year in line with the September forecast of the Retail Price Index, unless otherwise decided.</p>
<i>Specific grants</i>	<p>Grants paid under various specific powers, but excluding Revenue Support Grant or area-based grant. Some specific grants are ring-fenced.</p>
<i>Specified body</i>	<p>This is the term used for a body or bodies which are directly funded from Revenue Support Grant, and which provide services centrally for local government as a whole.</p>
<i>Subjective Analysis</i>	<p>This is the analysis of income and expenditure by reference to its different sources e.g. employers pay.</p>
<i>Tariffs and top ups</i>	<p>Calculated by comparing at the outset of the business rate retention scheme an individual council’s business rates baseline against its baseline funding level. Tariffs and top ups are self-funding, fixed at the start of the scheme and uprated year-on-year in line with the September forecast of the Retail Price Index, unless otherwise decided.</p>

GLOSSARY OF TERMS

- Vacancy Savings** This is a target vacancy saving allocated to each service block but held centrally in Corporate Management. The achievement of these savings is dependent on staff turnover and the time lag that arises when vacancies are not filled immediately.
- Virement** 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).
- A.26 (a) *A Budget Manager may, after consultation with the Chief Financial Officer, vire up to £10,000 within the approved revenue or capital budget*
- (b) *A Director may, after consultation with the Chief Financial Officer, vire up to £25,000 within the approved revenue or capital budget.*
- (c) *A Cabinet Member may, after consultation with the Chief Financial Officer, vire up to £50,000 between any heads of income or expenditure within their approved revenue budget, or capital budget.*
- (d) *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 external funding, contingency or reserve set up for the purpose; or*
- (ii) *It is to be met from proven savings elsewhere in the revenue budget and does not exceed £150,000; or*
- (iii) *It is to be met from proven savings in that financial year in the Capital programme and does not exceed £150,000 per project; and*
- (iv) *The new project (revenue or capital) is fully funded by a grant or external contribution and resources already contained within the Councils' budgets provided that the cost of the project does not exceed £150,000.*
- (v) *The expenditure does not have the effect of changing Council policy.*
- (e) *Any proposal to vire, which is not covered in A26(d), 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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