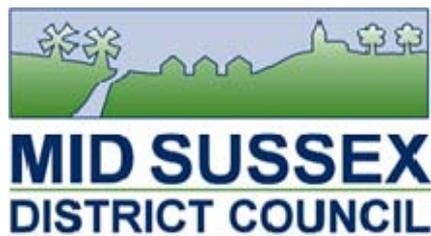




CORPORATE PLAN AND BUDGET 2014 / 2015



THE CORPORATE PLAN AND BUDGET REPORT 2014/15

Contents		Page(s)
Section 1	Overall Summary	3
	Key Factors Taken into Consideration	4 - 6
	Financial Outlook for 2014/15	7 - 11
	Service-specific positions	12 - 15
	S25 Local Government Act 2003	16
	Risk Analysis	16 - 18
Section 2	Revenue Budget	19 - 84
	Contents	19 - 20
2a	Summary of Revenue Budget	21 - 22
2b	Service Budgets & Service Commentaries	23 - 82
2c	Benefits	83 - 84
Section 3	Capital Programme 2013/14 -2017/18	85 - 114
Section 4	Usable Reserves and Other Balances	115 - 118
Section 5	Financial Strategy	119 - 122
	Medium Term Financial Plan	123 - 124
	Inflation	125 - 128
Section 6	Collection Fund	129 - 130
Section 7	Council Tax Levels	131 - 138
Section 8	Glossary of Terms	139 - 144

1.0 Overall Summary

- 1.1 The financial outlook facing the Council in 2014/15 continues to be challenging. The Chancellor's Autumn Statement on 5 December 2013 confirmed the economy is experiencing a "responsible recovery". Economic growth in year has slightly improved and government borrowing is predicted to fall from previous forecasts. However, this is not predicted to have a positive impact on the economy until 2018/19.
- 1.2 The Chancellor protected local government from further cuts in 2014/15 which has enabled the Council to take up the Council Tax freeze offer for a further year. However, he is not able to increase funding for local councils. This means the financial outlook facing this Council in 2014/15 and beyond remains very challenging and the Council needs to continue to be prudent in its financial planning.
- 1.3 This continuing squeeze on local government finance means that the Council has needed to continue its successful approach to service and financial planning which involves:
- Maintaining a tight control over costs by critically examining all its services and expenditure to ensure resources are directed to the Council's priorities;
 - Protecting frontline services, especially those used by vulnerable people in our communities;
 - Ensuring compulsory redundancies are a last resort;
 - Protecting the Council's reserves.
- 1.4 Over the last seven years this approach has yielded £5.5 million in efficiency savings and additional income, including a reduction in headcount of slightly over 16%. This has enabled the Council to continue to be a low spending, low Council Tax authority with services that perform well.
- 1.5 The Administration's Member Working Group on Service and Financial Planning met a number of times through the autumn, chaired by the Leader of the Council. It considered the Council's financial outlook for 2014/15 and medium term financial plan (MTFP) for the next four years.
- 1.6 This Corporate Plan and Budget for 2014/15 contains a set of measures which:
- Allocate resources to the Council's priorities;
 - Protect key frontline services;
 - Identify a number of areas where it is felt savings can be made;
 - Keep the need for compulsory redundancies to a minimum;
 - Do not require any further increase in car parking or green waste charges;
 - Continue to protect the Council's reserves position and fund the proposed capital programme;
 - Freeze Council Tax for a fourth year (so it remains at 2010/11 levels).
- 1.7 The Government's final settlement was announced on 5th February 2014 and was only slightly less than the Council initially anticipated. The Council was able to absorb that reduction by adjusting the Balance Unallocated.

2.0 Key Factors taken into consideration

2.1 Corporate Priorities

2.1.1 This Plan has been developed in line with the Council's corporate priorities as follows:

Better Lives

Healthy Lifestyles
Opportunities and Quality of Life for All
Strong, Safe Communities

Better Environment

Quality and Sustainable Environment
Distinctive and Sustainable Towns and Villages

Better Services

Efficient and Effective Services
Strong Community Leadership

2.1.2 Similarly, the key themes and longer term challenges that the Council agreed with its partners in the District's Sustainable Community Strategy (approved by Council in April 2009) have been taken into account. These are organised under the four broad themes of:

- Protecting and Enhancing the Environment;
- Ensuring Cohesive and Safe Communities;
- Promoting Economic Vitality;
- Supporting Healthy Lifestyles.

2.2 Previous Actions and Initiatives

2.2.1 The plan as set out in this document should also be seen in the light of the wide range of initiatives that have been implemented over the last seven years. The Council has for example:

- Taken advantage of 'big ticket' opportunities such as going to fortnightly collections of household waste and recycling and introduced alternative arrangements for managing our leisure centres and public halls;
- Worked to ensure our shared service arrangements have been productive. For example, as the lead council for Housing Benefits and Revenues services in CenSus, we have and continue to improve service performance whilst reducing costs;
- Borne down on central support costs. For example, in the past we have had a scrutiny team and a marketing team but neither exists now;
- Every year review whether in-year savings can be made permanent;
- Applied improved procurement approaches in order to reduce the cost of the full range of supplies and services we use from print costs to stationery materials;
- Streamlined processes and used new technology. For example, the use of electronic document management has been central to the improvement in the housing benefits service. Similarly, we have enhanced the transactional aspect of our web site and expanded our customer contact centre;
- Examined service levels. For example, this identified cost reductions in the Landscapes service and the proposal agreed with SERCO on extending the expected life of their refuse freighters;

- Removed unaffordable staff benefits, principally the enhanced component of the car allowance scheme;
- Reduced management head count by 16% over the last 7 years (despite already being a small authority). This has primarily been through managing staff vacancies and encouraging voluntary redundancies where the service can be re-shaped to cope with the deletion of the post;
- Improved staff productivity through our talent management and related work;
- Sought opportunities to charge for discretionary services. This has included introducing new services such as the garden waste service and the street name and numbering service, charging for services that were previously free such as pre-application planning advice and rat treatments and increased charges for existing services where appropriate such as car parking and leisure membership;
- Members have contributed to these efforts by originally freezing their allowances and then reducing them by an overall total of 5%.

2.2.2 This programme of budget savings is extensive for such a low spending authority as Mid Sussex. It should also be considered in the context of the work that has been done over the same period to maintain and where possible improve service performance despite budget reductions. It should be noted that good performance remains a characteristic of this Council with performance improving in key areas.

2.2.3 When developing this Plan the Council has assessed the potential impact on services and identified any necessary mitigating actions required to enable as smooth as possible introduction of any change. This has been central to ensuring the Council has been intelligent in its service and financial planning and has not resorted to crude 'salami slicing' of budgets as we have seen in some other organisations. However, it also means that over this seven year period, perhaps the more obvious and higher yielding savings initiatives have already been implemented. The Council therefore ensures that it takes advantage of all opportunities as they arise such as re-procurement of key contracts, to make savings without impacting on key services or the Council's performance.

2.3 Service Plans and Performance

2.3.1 This Plan is underpinned by detailed service produced by each Business Unit in the Council. The Council's services are generally performing well and there is a strong performance culture amongst the Business Unit Leaders to ensure that when performance levels are not as expected, remedial actions are quickly put in place. For this reason, the service plans have been developed on the assumption that existing levels of service performance are regarded as adequate and therefore the service is 'fit for purpose'.

2.4 Government Funding of Local Government

2.4.1 In developing this Plan, the Administration's Member Working Group, Cabinet and the officers have been very mindful of the continuing changes to the way councils are funded. In summary, the Government is:

- significantly reducing the amount of Formula Grant that councils receive;
- enabling each council to retain a proportion of the business rates it collects (the Rate Retention Scheme);
- requiring each Council to monitor its Council Tax support scheme, and adjust it each year if necessary;
- providing councils with New Homes Bonus (NHB), calculated on the number of new homes built in the area each year; and,
- providing an opportunity for councils to freeze their Council Tax levels in 2014/15.

2.4.2 The expected impact of these changes on the Council's finances in 2014/15 and beyond is set out in more detail in this report. However, these changes are significant and have provided an additional level of complexity in developing our service and financial plans. In response, the guiding principle has been that the Council needs to be as financially self-sufficient as possible, to ensure it is best placed to address potential funding challenges in the future, while continuing to deliver a wide range of value for money services to local people.

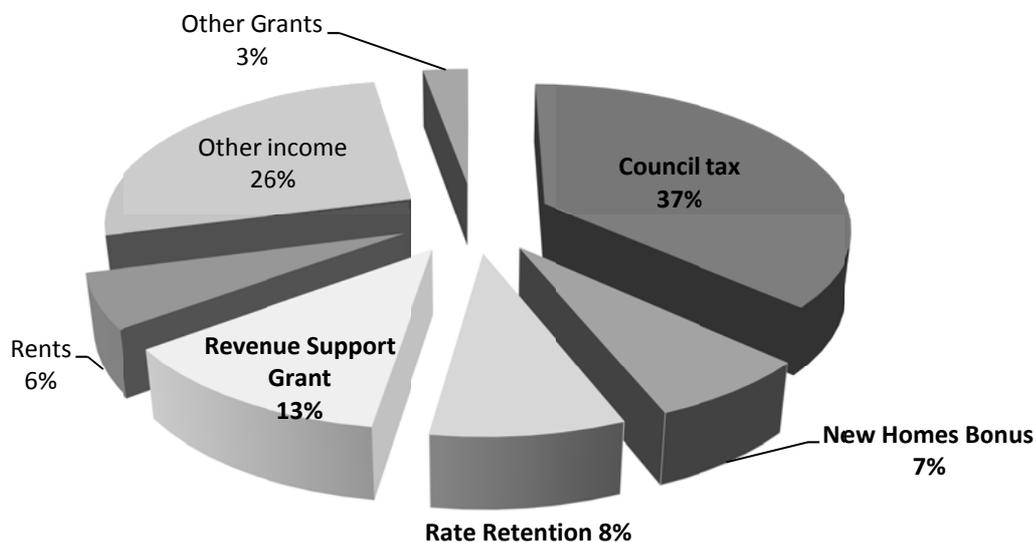
3.0 The Financial Outlook for 2014/15

(a) Income

3.1 Government Funding

3.1.1 Over the previous two years MSDC suffered one of the highest levels of grant reductions in the Country; taking a 15.5% reduction in 2011/12 and a further 15.1% reduction in 2012/13. Even though the funding split has changed as a result of the introduction of the new financing regime, the dramatic reduction in external financing has meant that the Council has needed to find significant savings again this year.

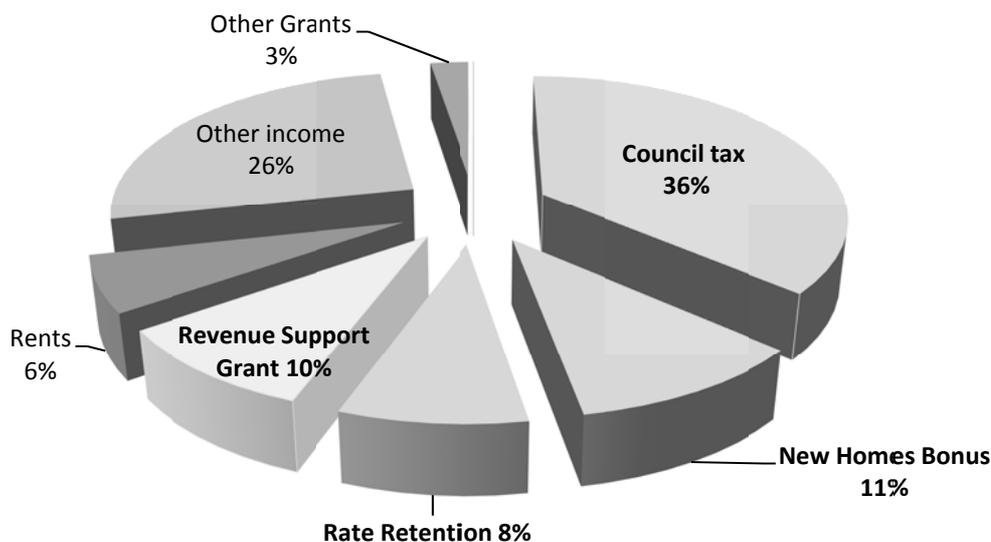
3.1.2 Members will recall that for 2013/14, the Coalition Government replaced Formula Grant with three separate funding streams. These were the Rates Retention Scheme, the Revenue Support Grant, and New Homes Bonus. The chart below shows the proportion of the Council's income in 2013/14 which came from each of the funding sources.



Source: Corporate Plan 2013/14 Actuals

This position has subtly changed, in line with expectations that Revenue Support Grant will diminish in significance, while New Homes Bonus will increase:

2014/15 Income



Source: Various budgeted as at 12 Feb 2014

Rates Retention Scheme (RRS)

- 3.1.3 The introduction of this scheme was a major change to funding for local authorities and it is still too early to tell whether it has been the positive innovation that was forecast. Given that it was significantly watered down upon its introduction and there is still uncertainty on the level of appeals to be decided, it is perhaps not surprising that local government as a whole is still cautious about the benefits it brings. For Mid Sussex, we are anticipating a cash surplus for 2014/15 but have prepared the budget on the basis of achieving our baseline target and no more. The surplus over the baseline we show as transferring to the specific reserve.

Revenue Support Grant (RSG)

- 3.1.4 RSG is the residual part of Formula Grant under the new financial model and it is forecast that it will continue to diminish over the next few years to the end of the decade. The 2014/15 allocation was set out in last year's settlement and confirmed as part of this year's announcement.

New Homes Bonus (NHB)

- 3.1.5 As the importance of RSG diminishes, the NHB funding becomes more important. As Members are aware, the level of NHB received is dependent on the scale of new housing completed each year. NHB is calculated on net housing developed (i.e. the figure is reduced by demolitions and empty homes). The table below shows the actual funds received to date and the estimated return in future years. This projection is based on a prudent assumption that about 357 homes will be completed per year, which would generate an additional £500k per year (for six years). The draft District Plan has a requirement that 530 homes will be built on average each year and this level of development was overachieved in 2013/14 on which the 2014/15 payment is based.

Year	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
1 st actual	360	360	360	360	360	360
2 nd actual		506	506	506	506	506
3 rd actual			735	735	735	735
4 th draft allocation				894	894	894
5 th forecast					500	500
6 th forecast						500
Total	360	866	1,601	2,495	2,995	3,495

- 3.1.6 Last year we agreed to finance Disabled Facilities Grants (DFGs) at £402k per annum, a one-off £50k fund to bring empty homes back into use via our Compulsory Purchase powers and a £150k budget to provide Suitable Alternative Natural Greenspace – all included within the published Corporate Plan. For 2014/15 we will finance DFGs again and transfer the rest to reserves to finance capital spending across the district.

3.2 Income from Fees and Charges

- 3.2.1 The Council continues to generate substantial income from charging for a number of its own services. Added together, fees and charges are expected to represent about 26% of the Council's overall income i.e. a greater proportion than that received in funding from Government. To agree a budget for 2014/15, assumptions have been made about the state of the local economy, such as the building related sectors that affect income from Land Charges, Building Control and Development Management and the income derived from the management of off-street car parking.

3.3 Council Tax

- 3.3.1 The MSDC element of the Council Tax charged across the district is set each year by Members and it is the largest proportion of the Council's income, expected to be equivalent to 36% in 2014/15. Members will recall that the Council froze Council Tax in 2011/12 by taking advantage of a four year subsidy offered by the Coalition Government. The subsidy corresponded to an increase in Council Tax of 2.5%. As a 1% increase or decrease on the Tax at Band D equates to about an £85k in revenue, this represented a subsidy of about £215k for each of the following four years. In 2012/13, the Council accepted a second opportunity to freeze Council Tax levels but this time the Government subsidy, again equivalent to 2.5% increase, was only offered for one year. Last year, the Council accepted a third opportunity to freeze Council Tax levels equating to a 1% increase in Council Tax, offered for two years.
- 3.3.2 The Coalition Government have announced a desire that councils freeze tax levels for a fourth year. The grant available is only equivalent to a 1% increase in Council Tax, offered for two years i.e. about **£89k pa**. The Administration's Member Working Group considered this offer very carefully. They recognise that in strictly financial terms, taking this further offer will increase the projected budget gap when the subsidies are withdrawn as planned in 2015/16. Moreover, freezing the Council Tax for this fourth year means that the differential between the Council's costs and its tax base has increased as inflation over this period has generally been in excess of 2.5%.

- 3.3.3 However, Members were also mindful of the continued financial pressure on local residents and especially those on low or fixed incomes. On this occasion, the Member Working Group is recommending that the Council takes the offer to freeze Council Tax for a fourth year. This means, if Council supports this proposal, Council Tax will be frozen at 2010/11 levels.

(b) Expenditure

3.4 Inflation and Staff Salaries

The Consumer Prices Index measure of inflation grew by 2.2% in the year to October 2013 down from 2.7% in September.

- 3.4.1 The inflation index is important to us, since it is used to calculate price increases on contracts and gives an indication of the general level of price increases that the Council should apply to its expenditure figures. Overall, net inflation relating to contracts and other expenditure is expected to be **£218k** in 2014/15. The details of this calculation are set out in Section 5. The principal increases are in relation to contracts (£52k), other supplies and services (£36k) and maintenance (£32k). The inflation figure also assumes a 1% pay increase for staff in 2014/15, equivalent to £100k.

3.5 Employers' Pension Fund Contribution

- 3.5.1 The triennial revaluation of the pension fund has now been completed and its outcomes are not unexpected. The Mid Sussex District Council part of the fund remains in deficit (being 74% funded) and we must continue to make both the employer's contribution and a deficit contribution. Overall, our contributions are to be increased by some 1% per annum from 2014/15 until the next valuation. This increase had been forecast and projected within our Medium Term Financial Plan and it therefore has no significant effects to our budget plans.

3.6 Collection Fund Surplus/Deficit

- 3.6.1 At this stage, we are forecasting a surplus on the Mid Sussex part of the Collection Fund of £62k in 2013/14. This is as a result of both increased house building leading to more tax being billed and a slightly better than expected overall Council Tax collection rate.

3.7 Council Tax Support Scheme

- 3.7.1 Members will recall that the Council agreed and implemented a new local Council Tax Support Scheme in 2013/14. The implementation of the scheme has gone well and we have not seen any of the negative outcomes that were predicted elsewhere. The Council's scheme is designed to be funded entirely by the grant received and the effect on the Council's financial plans is neutral. It is therefore proposed that the Council retains this scheme for 2014/15 with the accompanying financial factors unchanged.

3.8 Housing Benefit Administration Grant

- 3.8.1 We have been advised that we will lose £42k of grant next year. This reduction is badged as an efficiency saving by the Department of Work and Pensions.

3.9 Tax Base

- 3.9.1 The tax base for the year was set at Council on 22nd January 2014. For this year we are predicting growth of 1.57% which reflects the increased level of house building in the district, along with a reduced level of exemptions and discounts.

3.10 Balance Unallocated

- 3.10.1 This forms a contingency for the year and has been kept low for the last few years. In effect, we accurately balance the budget by appropriately varying this figure by small amounts, and for 2014/15 we need to set it at **£29k**.

3.11 Capital Programme and Reserves Position

- 3.11.1 The proposed Capital Programme is set out in Section 4. As agreed by Council last year, Disabled Facilities Grants are funded through the allocation of New Homes Bonus. For 2014/15, we will only be using £387k due to the receipt of additional grant.
- 3.11.2 Census ICT will deliver a range of projects centred mainly around developing our network security in order that our Public Service Network (PSN) accreditation can be continued. The effect of joining the PSN is that all our hardware and software needs to be supported by the manufacturer and is being upgraded with all appropriate security releases and patches. We therefore need to upgrade our Windows Servers, Disaster Recovery capabilities, firewalls and Mobile Device Management in the next year, in addition to the list of urgent projects that were presented to Cabinet on the 13 January 2014.
- 3.11.3 The most financially significant elements of the programme are centred on developments at Bridge Road, Haywards Heath. Members will be aware that two schemes are being developed, a replacement depot from which Serco will operate the refuse and recycling contract and a small starter unit development partly funded by West Sussex County Council to support business development and the local economy. The depot is expected to open in the summer with the starter units opening approximately 12 months later.
- 3.11.4 Although the Council's Reserves position is significantly better than 6 years ago following the implementation of a prudent package of actions agreed in previous budgets, funding these projects takes careful consideration. Unearmarked funds are currently forecast to stand at £7.839m at the end of the financial year. However, it is recommended that the current prudent approach to reserves is maintained and that only projects backed up by robust business cases are considered next year. To aid this process, officers are updating the Council's asset management plan, which will be considered by Members later this year.

3.12 Four Year Position

- 3.12.1 The financial outlook for the Council over the next four years is summarised in the Medium Term Financial Plan (MTFP) in Section 5. It is always prudent to treat such projections with caution as circumstances can change quickly and the assumptions underpinning the figures may change. This is still relevant given the uncertainty created by the Coalition Government's deficit reduction programme and the state of the national economy.

The gap in the Council's budget over the next 4 years is predicted to be:

Year 1 2014/15	£758k*
Year 2 2015/16	£824k
Year 3 2016/17	£1,422k
Year 4 2017/18	£1,641k

*The proposals set out in the Corporate Plan and Budget 2014/15 close this gap to zero.

The figures for years 2 to 4 are cumulative and are our best estimates at this stage.

4.0 Service Specific Positions

4.0.1 The plans described below have been carefully developed to minimise as far as possible the impact on residents and service users. The aim has been to protect frontline services and ensure performance levels are maintained. There are some staffing implications arising from the proposals but, in keeping with directions from Council, officers have sought to minimise their impact.

4.0.2 The service changes described below are a mixture of:

- making in-year savings permanent;
- further reducing management costs;
- savings from changes in service provision that do not impact on frontline services; and
- generating additional income where appropriate.

4.0.3 It is important to note that despite the need to find savings this Council continues to focus on finding ways of doing more for less to ensure we can deliver new and innovative projects aimed at improving services for the residents of Mid Sussex. In 2013/14 the Council started work on building a new waste and recycling depot at Bridge Road; progressed work to regenerate our town centres and stations; and made improvements to the Council's reception area, bringing all the Council's receptions together to provide a better service for visitors. The Council also set up a scheme to help people back into work, and in partnership with West Sussex County Council, extended the Think Family programme to neighbourhoods. We continue to make effective use of technology to make sure we are efficient in the way we work to benefit our customers.

4.1 Savings from Service Redesign

4.1.1 It has been possible to identify **£94k** of efficiency savings as we continue to implement the 5 year cost reduction programme developed in 2010/11. These comprise:

CenSus Revenues and Benefits

4.1.2 As part of our on-going re-design and efficiency work a further **£27k** saving has been achieved for 2014/15. This relates to the introduction of new working methods such as the outsourcing of scanning and indexing to an external provider, reductions in printing and postage costs and changes in staffing structures resulting in the deletion of one Business Unit Leader post.

Stray Dogs Service

4.1.3 The Council has outsourced this statutory service to a local kennels and achieved a saving of **£10k** pa. The new contract provides a good service, including an enhanced out of hours service for customers.

Shared Service Internal Audit

4.1.4 The end of the Internal Audit contract with the Council's current provider has enabled a review of the service as a result the Council has negotiated a shared service arrangement with Crawley Borough Council. This new arrangement provides the Council with a saving of **£20k** pa.

Land Charges

- 4.1.5 A vacant part-time post will not be back-filled in 2014/15 as fluctuating business requirements in this area of work means the post is no longer needed. This provides a saving of **£7k**, however this is only a one-off saving which will be built back in for 2015/16.

Remove Council Tax Exemptions (Classes A and C)

- 4.1.6 For 2013/14 the Council agreed changes to discounts to Council Tax allowable in certain circumstances. This followed national reforms enabling Councils to have flexibilities in this area. Amongst other provisions, the scheme allowed for discounts to householders under Class A and Class C. Class A applies to properties undergoing refurbishment which are uninhabitable. The Council currently allows owners to claim up to three months exemption from paying Council Tax on such properties. Class C relates to empty and unfurnished properties and the Council allows a full discount for one month. This is most frequently used for properties that are empty between lets. When the Council introduced these changes, there were a very small number of complaints, mainly from landlords; and there is no evidence of these provisions impacting on collection of Council Tax in respect of any properties affected.
- 4.1.7 These reforms have been extended for 2014/15. The discounts allowable for householders under Classes A and C have been removed. This has provided dual benefits of encouraging home owners to be more efficient in refurbishing and re-letting properties and increasing Council revenue. A number of Councils have already removed these exemptions entirely and report no adverse effect on collection rates and a very low level of complaints.
- 4.1.8 Removal of these exemptions achieves a saving of **£30k** for 2014/15 and beyond and also benefits the County Council and Parishes through the increase in the calculated taxbase.

Management of Grounds Maintenance

- 4.1.9 The Council's previous Grounds Maintenance contract expired on 1 January 2014. During 2013 the Council worked hard to carefully renegotiate this contract. The Council's procurement work has always been effective so we have a track record of managing major procurements well and securing good outcomes for Council Tax payers. The new contract, which started on 1 January 2014, has achieved annual savings for the Council of £128k or £1.8m over the life of the contract. These savings were achieved without any reduction in service standards.

Other Savings

- 4.1.10 The remainder of the savings achieved in year comprised a large number of very small scale savings across many budgets and are as a result of continued discipline by officers of containing pressures and tightly managing budgets. The savings mainly relate to printing, small elements of additional income, savings on subscriptions and a slight reduction in anticipated pension costs.

4.2 Pressures for 2014/15

- 4.2.1 Despite achieving savings a number of pressures also arose during 2013/14 which have impacted on the 2014/15 budget.

- 4.2.2 A project to improve the quality of recycling at a cost of **£105k** (£47k on going revenue costs and a one off cost of £58k) will start in 2014/15, following a pilot in the previous year. After considering a number of different options the Council found a way to fully mitigate the full cost of this project by redesigning the current roles and responsibilities of 2 posts in waste and outdoor services team. As a result, the **£47k** ongoing revenue cost has been fully mitigated. A one off pressure of **£58k** has been met through the use of recycling credits held as part of the general reserve as this is considered to be an appropriate use of such credits.
- 4.2.3 The Department of Work and Pensions (DWP) has reduced its Housing Benefit Administration grant to the Council by **£42k**.
- 4.2.4 The County Council is now responsible for administering concessionary fares and as a result, this creates a pressure for the Council in 2014/15 of **£62k** and responsibility for the administration of the discretionary elements of the service. The Council has been able to mitigate this pressure through careful service redesign and partnership work with some local councils who already provide part of this service. This work has reduced the financial pressure by £51k without impacting on the level of service for customers.
- 4.2.5 The Government's Public Sector Network (PSN) has placed new security requirements on Councils to enable them to access the Government's network. All Councils' ICT systems are required to be compliant with the Government's security levels. CenSus ICT has produced a work programme to ensure we are compliant. The annual cost of this work in 2014/15 is £44k being mainly increased maintenance costs;
- 4.2.6 As part of a pan-county commitment to deal with unauthorised encampments by gypsies and travellers in a more robust and efficient way, the Council has committed to support a multi-agency approach costing £15k pa. Each of the Boroughs and Districts in West Sussex and the County Council have made a similar contribution.
- 4.2.7 Taking into account the savings from the Grounds Maintenance contract and a whole range of other small savings and the pressures outlined above, the overall position is a net saving of **£122k** pa.

4.3 On-going Savings / Pressures from 2012/13

- 4.3.1 Further savings of **£37k**, made up of a number of small pressures and savings across a range of service areas, have also been made. Two key elements within these pressures and savings are a reduction in the provision we need to make for temporary accommodation within our housing service and, on the pressures side, an increase in the cost of our waste contract as more properties are built.

4.4 Management of Indoor Leisure Facilities

- 4.4.1 As indicated above, the Council is currently in the process of re-procuring the above Contract. The procurement process is governed by the EU procurement regulations and therefore the detail of the procurement is confidential and commercially sensitive. Members of the Scrutiny Committee for Leisure and Sustainability are overseeing the process.
- 4.4.2 At its meeting on 21 January 2014 the committee agreed to recommend to Council at its meeting on 26 February 2014 to let the contract. However, due to legal requirements the name of successful bidder and final contract figures will not be published until after 13 March 2014. The new Contract will start in July 2014.

- 4.4.3 As the Council's draft budget for 2014/15 was also being presented to the same Council meeting officers have been unable to provide exact figures for the development of the Council's budget for 2014/15. However, during the development of the budget officers have made assumptions based on the negotiations to date and the market generally. Officers are confident that it is appropriate to make a working assumption about annual savings to be achieved as a result of this procurement of £130k. For 2014/15 this will be a part-year effect of **£97k**. Of course this figure may change once the final figure is agreed and the contract is let. However, due to legal constraints, officers are not in a position to confirm this amount until the Contract is awarded.
- 4.4.4 Members will of course be aware of the sums involved as the figures will be included in the exempt papers for the final contract award report elsewhere on this Council agenda. However, we will not be in a position to build any savings into the budget before the legal standstill period is over on 13 March 2014. For the purposes of this budget the Council will need to rely on assumed savings but a report on budget variations arising from the contract award will be presented to Cabinet in June.
- 4.4.5 Despite this programme of savings in 2014/15, the Council will continue to find effective ways to deliver services to enable the Council to deliver more with less. This means we will be able to continue to deliver new and innovative projects for the residents of Mid Sussex. In 2014/15, we are planning to work with partners and landowners to develop cycle routes to link the South Downs National Park with Burgess Hill and Haywards Heath; set up 'playday' events in our Think Family Neighbourhoods; start work on business starter units on the site of the old depot in Bridge Road, aimed at helping new and small businesses in the area; improve recycling in the District by rolling out the successful recycling pilot project; and progress regeneration projects in our town centres.
- 4.4.6 In addition, in the back office we will continue to improve productivity and efficiency. In 2014/15 we will continue to improve our website, improve access to services for those who want to book or pay for services online and provide enhanced customer service through our new reception facilities.
- 4.4.7 Overall the focus is to provide good services with the reduced resources available; to maintain service performance and, in several areas, improve services for our customers. It is a demanding landscape but one that can be achieved through the continuing strong partnership working between officers and Members.

5.0 S25 Local Government Act 2003

5.1 Section 25 of the Local Government Act 2003 requires that:

"the chief finance officer of the authority must report to it on the following matters:

- (a) the robustness of the estimates made for the purposes of the calculations, and*
- (b) the adequacy of the proposed financial reserves."*

5.2 The annual budget is compiled in the context of the Corporate Plan, the Financial Strategy and the Medium Term Financial Plan. It provides the means whereby each service plan can be adequately financed to achieve the relevant part of the Corporate Plan. The recommendations for the budget for 2014/15 ensure that the net budget can be financed from Council Tax income, RSG, RRS Baseline Funding, Housing Benefit Administration Grant, a collection fund surplus and Council Tax freeze grant. This budget has been compiled in close consultation and agreement with the Chief Executive and the Heads of Service. The estimates have been evidenced in detailed working papers, which were compiled jointly between the staff of the Accountancy Section and each Head of Service. The Head of Finance or his representative has also met with each Head of Service to ensure their detailed budget is well understood. This process has ensured that the implications of the estimates included in the budget are owned and are considered realistic and achievable by each Head of Service.

5.3 There are risks associated with any estimate and the main risks are explained below. It should be noted though, that the budget monitoring process updates both Officers and Members on the current and forecast position at frequent intervals. If this process exposes areas of concern, action will be taken to minimise the possibility of a significant variation. This process has been evidenced during previous years where Budget Management reports have continually adjusted the budget to ensure spending remains broadly on target.

6.0 Risk Analysis

6.1 The annual budget is the plan of how the Council will manage its finances in the next year. Approving the budget is the first step in managing the financial risks in the following year. However, in approving the budget, there are a number of key risks that need to be acknowledged. For 2014/15, the risks of adverse variances can be considered minimal because there are only a small number of minor changes proposed to service budgets. We have once again spread the risk around the budget and also achieved all of our savings in advance of the start of the financial year.

6.2 Assumptions have been made at the point the budget was prepared based on information currently to hand and there is always a risk that these assumptions do not hold true. However, again, senior management accept that these projections need to be managed in-year. Every effort will be made to identify opportunities to make further net savings in the year to accommodate any shortfall and to be used to offset further budget pressures that may arise. In addition, we have a record of prudently forecasting income which usually manifests as overachievement of income by the end of the year.

Inflation

- 6.3 It is necessary to budget for the realistic probability that prices will increase. Clearly, this cannot be calculated accurately in advance and there is therefore a risk that prices will vary from the estimate. However, whilst inflation in recent years has been relatively stable, we are now in an economy which is showing some growth and inflation is increasing by both RPI and CPI measures. There is therefore a risk that we have under-budgeted for expenditure that is actually increasing. The main component of inflation is now the annual pay settlement for staff. Within this budget a pay increase of 1% has been assumed. This represents a risk to the budget in the event that a greater increase is awarded, although this is not considered likely.
- 6.4 Any other adverse increase in prices, particularly on our contracts, could be contained by better procurement and energetic negotiation and we therefore consider this risk to be insignificant compared to the overall budget.

Cost Control – 2012/13 net savings made permanent

- 6.5 These are net savings arising from the budget preparation process. Some are budget reductions, whilst some relate to small increases in income. These latter increases carry similar risks to those outlined below in relation to income. Assumptions have been made at the point the budget was prepared based on information currently to hand and there is always a risk that these assumptions do not hold true. However, senior management accept that these projections need to be managed in-year. Every effort will be made to identify opportunities to make further net savings in the year to accommodate any shortfall and to be used to offset further budget pressures that may arise.

Service Redesign

- 6.6 There are a number of savings included within this heading, set out in Section 4 above, that present little by way of risk to the robustness of the budget.

Income Budgets

- 6.7 The budget requirement includes income from fees and charges which are inherently demand led. There is a risk, therefore, that budgeted income levels will not be achieved; conversely, they could be exceeded. For 2014/15 prudent assumptions are made, particularly around areas such as land charges and building control income, where we have used the 2013/14 budgets as the base figure. Our in-year monitoring shows that these are realistic figures to use.
- 6.8 There are two areas of income where some fluctuation can be expected; car parking and development management income.
- 6.9 The car park income budget has also been kept at 2013/14 levels. Whilst it is likely that we will not achieve that level of income in that year, the variance is only some 2% and given the improvement in the economy it is not considered unrealistic to aim at previous target levels.
- 6.10 Development Management income continues to enjoy strong growth. We look set to overachieve income in 2013/14 and the delay in the adoption of the District Plan will probably mean that further unbudgeted planning applications will come forward in the year. This translates into increased income and it is therefore likely that we will overachieve our projections in the year. When this occurs we will need to reassess the need to retain that income in the service in order to fund the additional workload that these applications may bring.

- 6.11 One of the main risks to our income budget arises from the introduction of the Rate Retention Scheme. This firmly puts the risk of income shortfall with the local authority, whether that derives from a downturn in business rate collection from economic reasons, the outflow of cash for backdated Rateable Value appeals or a loss of a key business to another district. We are liable to the extent of the safety net i.e. after a drop of 7.5% or some £140,000. To mitigate this risk we established an equalisation reserve which can be drawn on to enable spending on services to continue were we to drop to the safety net. This also enables us to budget at an expenditure level and be certain that we can finance the budget overall. The risk is therefore mitigated given that we will have £290,000 in the reserve and are budgeting to transfer another £249,000 in the year arising from a forecast surplus.
- 6.12 However, this projected surplus needs treating with caution, since it is based on an element of new commercial properties coming into rating and a level of appeals being paid against the outstanding cases. Neither of these factors may happen, or they have less or more of an effect than forecast. Given that we will not know the outcome of the 2013/14 Rate Retention year until June 2014 and the completion of the NNDR3 form (which sets out the rates position) this must remain a risk, albeit mitigated by the reserve.

Expenditure budgets

- 6.13 Most expenditure budgets can be effectively controlled by management. The experience of controlling previous years' budgets is that it is most effective when the budget is considered as a whole by the Management Team and the Chief Executive and the Heads of Service as a group own the need to aim for a nil overspend. This approach will be used again in 2014/15 and can be expected to rigorously control costs.
- 6.14 A difficult area for 2014/15 is the Council Tax Reduction Scheme (CTRS) and the inherent risk in funding a scheme with a cash limit. Whilst there can be no certainty as to the level of take up in the year, we are liable for 14% of any CTSS granted in excess of our cash grant.
- 6.15 To mitigate this risk, and in line with our approach to Housing Benefits, we increased our Equalisation Reserve and redefined it in order to smooth unexpected expenditure in both these areas. The total reserve is now projected to hold some £889,000 as at 31st March 2014 and this can be expected to reduce the risk to an insignificant level for the foreseeable future.

Reserves

- 6.16 The total of the Council's non-earmarked General Reserves as at 1st April 2014 are estimated to be £7,839k and at 1st April 2015 £8,867k. The financial strategy includes that the target for the minimum level of total unearmarked reserves is £1,500k. The estimated positions at the start and end of the year demonstrate that this minimum level will be exceeded. The projections for reserves also include capital expenditure commitments and other commitments (included in the specific reserve). This level of reserves is considered adequate for managing the council's existing commitments whilst allowing the Council the scope to invest modestly in new capital projects over the forecast period.

Capital Programme

- 6.17 All the projects in the Programme are supported by existing or projected funding and reserves. There is no reliance on capital receipts being received in the year in which they are used for financing the programme.

REVENUE BUDGET CONTENTS

	Page
Section 2a	
Summary of Revenue Budget	21 -22
Section 2b	
Service Budgets - Definitions	23 - 24
Service Budgets - Summary	25
Gross Expenditure & Income Summary	26
Specific Items Summary	27
Capital Charges Summary	27
Customer Services and Communications, Performance and Partnerships:	29 - 34
- Customer Services & Communications Business Unit	31 - 32
- Performance & Partnerships Business Unit	33 - 34
Economic Promotion and Planning:	35 - 40
- Planning Policy & Economic Development Business Unit	36 - 37
- Development Management Business Unit	38 - 39
- Planning Service Support Business Unit	40
Finance, CenSus (ICT, Revenues and Benefits) and Human Resources & Payroll:	41 - 52
- Finance Accountancy Business Unit	42 - 43
- Finance Corporate Business Unit	44 - 45
- Human Resources & Payroll Business Unit	46 - 47
- CenSus ICT Business Unit	48 - 49
- CenSus Revenues & Benefits Business Unit	50 - 51

REVENUE BUDGET CONTENTS (CONTINUED)

Section 2b Cont'd	Page
Housing, Environmental Health and Building Control:	53 - 60
- Housing Business Unit	54 - 55
- Environmental Health Business Unit	56 - 57
- Building Control Business Unit	58 - 59
Leisure and Sustainability:	61 - 70
- Leisure, Community Services & Culture Business Unit	63 - 64
- Parking Services Business Unit	65 - 66
- Cleansing Services Business Unit	67 - 68
- Facility Management & Street-Scene Business Unit	69 - 70
Legal Services, Property and Asset Management, Member Support Services and Land Charges:	71 - 80
- Legal Services Business Unit	72 - 73
- Property & Asset Management Business Unit	74 - 75
- Member Support Services & Elections	76 - 77
- Land Charges Business Unit	78 - 79
Strategic Core:	
- Strategic Core Business Unit	81 - 82
Section 2c	
Benefits Statement	83 - 84

SUMMARY OF REVENUE BUDGET 2014/15

A summary of the Budget is shown in Table 1, which is the total of all net revenue expenditure for the services the Council provides.

Figures contained within this section are displayed to the nearest thousand pounds. Consequently, the sum of individual figures may not necessarily agree with the totals displayed.

Table 1 **Budget 2014 / 15 Summary**

Notes	Budget 2014/15 £'000	Original Budget 2013/14 £'000
1 Council Service Net Expenditure	13,156	13,084
Capital schemes financed from revenue	50	50
Contribution to Rate Retention Scheme Equalisation Reserve	249	290
2 Council Tax Support Scheme - welfare to work incentives	n/a	20
Contribution to Benefits & Council Tax Support Scheme (CTSS) Equalisation Reserve	0	100
Contribution to Parish Councils	0	137
 Total Revenue Spending	 13,455	 13,681
 3 Capital Charges	 1,881	 1,965
4 Specific Items	730	528

Notes:

1. The total of net expenditure is the responsibility of the individual Business Unit Leaders and Heads of Service.
2. For 2014/15 we have budgeted for welfare work incentives which is now shown within Council Service Net Expenditure.
3. Capital charges represent the use of capital assets and, by including in the cost of running services, aim to show their true cost. However, because they are a notional cost and are not cash expenditure, they are not included within total revenue spending.
4. Specific Items are one-off items of revenue expenditure financed from reserves and hence not included within total revenue spending.

SERVICE BUDGETS

1. Budgets for 2014/15 for each Business Unit are shown on the next pages. There is a section for each containing :
 - a) an introduction by the Head of Service for 2014/15;
 - b) tables showing the variation for each Business Unit between 2013/14 and 2014/15 budgets, and
 - c) a budget summary including an analysis by type of spending which shows data for 2012/13 outturn (objective analysis only), original budget 2013/14 and budget 2014/15. Also included are figures to show the amount and percentage change between 2013/14 and 2014/15.

(Note that the signs for % increases and decreases are the same for both expenditure and income i.e. increases in expenditure and income are both shown as "+".)

2. *Definitions:*

Employee costs:

- Gross pay
- Employer's NI and superannuation contributions
- Training expenses
- Employee related insurances
- Recruitment costs
- Medical/ general costs

Premises related expenditure:

- Repairs and maintenance
- Energy costs
- Rental of premises
- Non-domestic rates
- Water / sewerage
- Fixture and fittings
- Cleaning and domestic supplies
- Premises insurance

Transport related expenditure:

- Vehicle maintenance / running expenses
- Vehicle leasing expenses
- Car allowances
- Vehicle insurance
- Other travel costs

Supplies and services:

- Furniture and equipment
- Materials
- Catering costs
- Uniform and laundry expenses
- Printing and stationery
- Marketing / publicity
- Legal and financial expenses
- Consultant fees
- Licenses
- Postage, telephones and communications
- Computer costs
- Expenses
- Grants and subscriptions
- Miscellaneous expenses

Third party payments

- Private contractor payments

Transfer Payments

- Homelessness
- Funeral costs
- Housing benefits

Support Services

- Central support recharges
 - Finance
 - Legal
 - Human Resources and Payroll
 - Customer Services and Communications
 - Corporate Health and Safety
 - Democratic Services
 - Contract Support
 - Strategic Management
 - Strategic Core

- Office accommodation recharges

- Computer recharges

Income

- Customer and client receipts
- Rents
- Specific Government grants
- Other grants / reimbursements and contributions
- Recharges to other divisions and services

**REVENUE BUDGET 2014/15
SUMMARY**

Actual 2012/13 £'000		Budget 2014/15 £'000	Budget 2013/14 £'000	Change From 2013/14 £'000	%
4	Customer Services & Communications	0	0	0	(0%)
686	Performance and Partnerships	707	690	17	2%
566	Planning Policy and Economic Development	543	573	(30)	(5%)
438	Development Management	495	480	15	3%
(22)	Planning Service Support	0	0	0	(0%)
(39)	Finance Accountancy	(8)	(15)	7	(47%)
1,160	Finance Corporate	1,407	1,290	117	9%
4	Human Resources and Payroll	0	0	0	(0%)
(125)	CenSus ICT	(108)	(116)	8	(7%)
1,145	CenSus Revenues & Benefits	1,738	1,658	80	5%
788	Housing	923	934	(11)	(1%)
946	Environmental Health	919	940	(21)	(2%)
245	Building Control	259	234	25	11%
1,733	Leisure, Community Services & Culture	1,507	1,734	(227)	(13%)
(1,034)	Parking Services	(1,122)	(1,169)	47	(4%)
2,594	Cleansing Services	2,819	2,724	95	3%
2,087	Facility Management & Streetscene	2,003	2,082	(79)	(4%)
17	Legal Services	0	0	0	(0%)
(925)	Property and Asset Management	(889)	(827)	(62)	7%
768	Member Support	814	754	60	8%
56	Land Charges	145	108	37	34%
1,151	Strategic Core	956	944	12	1%
(93)	Benefits	7	7	0	(0%)
13	Drainage Levies	12	13	(1)	(8%)
0	Balance Unallocated	29	46	(17)	(37%)
12,163	Council Net Expenditure	13,156	13,084	72	
	Capital schemes financed from revenue	50	50	0	(0%)
	Contribution to Rate Retention Scheme	249	290	(41)	(14%)
	Equalisation Reserve				
	Council Tax Support Scheme - welfare to work incentives	0	20	(20)	(100%)
	Contribution to Benefits and Council Tax Support Scheme (CTSS) Equalisation Reserve	0	100	(100)	(100%)
	Contribution to Parish Councils	0	137	(137)	(100%)
12,163	Total Revenue Spending	13,455	13,681	(226)	

GROSS EXPENDITURE & INCOME SUMMARY BUDGET 2014/15

	Budget 2014/15 £'000	Budget 2013/14 £'000	Change From 2013/14	
			£'000	%
Gross Expenditure				
Employees	11,603	11,479	124	1%
Premises Related Expenditure	2,464	2,536	(72)	(3%)
Transport Related Expenditure	368	411	(43)	(10%)
Supplies and Services	4,340	4,660	(320)	(7%)
Third Party Payments	4,822	4,700	122	3%
Transfer Payments	32,551	31,050	1,501	5%
Support Services	5,426	5,127	299	6%
	<u>61,574</u>	<u>59,963</u>	<u>1,611</u>	<u>3%</u>
Gross Income				
Customer and Client Receipts	(5,996)	(5,937)	(59)	1%
Interest	0	0	0	
Rents	(1,436)	(1,353)	(83)	6%
Government Grants	0	0	0	
Other Grants Reimburse Cont	(35,261)	(33,865)	(1,396)	4%
Recharges	(5,426)	(5,127)	(299)	6%
	<u>(48,119)</u>	<u>(46,282)</u>	<u>(1,837)</u>	<u>4%</u>
Total Revenue Spending	<u><u>13,455</u></u>	<u><u>13,681</u></u>	<u><u>(226)</u></u>	

**REVENUE BUDGET 2014/15
SUMMARY**

Details of Specific Items per Service Area	Budget 2014/15 £'000	Original Budget 2013/14 £'000
Performance and Partnerships	8	0
Planning Policy and Economic Development	477	70
Finance Corporate	0	40
Human Resources & Payroll	6	1
Census ICT	31	15
Housing	10	1
Leisure, Community Services & Culture	98	150
Facilities Management & Streetscene	100	150
Property and Asset Management	0	20
Member Support	0	1
Strategic Core	0	80
	730	528

Details of Capital Charges per Service Area	Budget 2014/15 £'000	Original Estimate 2013/14 £'000
Performance & Partnerships	9	9
Planning Policy and Economic Development	4	21
Development Management	5	11
Finance Accountancy	8	15
CenSus ICT	108	116
CenSus Revenues and Benefits	21	36
Leisure, Community Services & Culture	962	954
Parking Services	27	59
Cleansing Services	154	154
Facility Management & Street-scene	231	222
Property & Asset Management	321	326
Member Support	3	3
Land Charges	28	39
	1,881	1,965

Customer Services & Communications, Performance & Partnerships
Head of Service: Judy Holmes (Assistant Chief Executive)

Customer Service and Communications

This business unit, led by Diane Talbot, will continue to provide the Council's 'front of house' services – principally the main reception at Oaklands and the Customer Service Centre (CSC). This year we will be focusing on enhancing the Council's customer service for all customers in the Council's new single reception following amalgamation with the planning reception. We will also be increasing opportunities for customers to deal with the Council online.

The CSC has been in operation for 6 years. Over this time the service has evolved from a contact centre into a Customer Service Centre. The CSC provides more detailed and complex enquiries for 10 council services. Service performance is good. In 2014/15 the emphasis will be on identifying further opportunities to bring services in to the customer service centre, where the efficiency and customer service benefits warrant it.

The Council's communications function is also co-ordinated through this team. We will consider ways to improve how the Council communicates with others. Work will continue to promote the Council's services and successes through press and media activity, Mid Sussex Matters (MSM) magazine, which is delivered to every household in the district three times a year; and through the Council's web site (over 5 million pages were viewed last year). In 2014, we expect to make more use of social media while continuing to produce tried and tested communication tools, such as the Town and Parish Council newsletter. We are also investigating the introduction of an online newsletter for residents, to support and complement this activity.

The team also leads on ensuring the Council's publications are of appropriate quality and monitors the spend and need for these. It also continues to offer marketing and communications advice to other business units as required.

Performance and Partnerships

This business unit, led by Jo Harper, is responsible for a wide range of functions, some of which deliver services directly to members of the public, whilst others support Council services.

Working in partnership with West Sussex County Council (WSSCC), we will build on our Wellbeing service, Early Intervention Project, Work Enablement programme, Think Family case work and Antisocial Behaviour support work, to continue to deliver and develop an integrated and responsive service for individuals and families in need. We will continue to work closely with WSSCC to ensure the continuation of a jointly funded approach to work enablement and to ensure continued funding for both our Think Family and Wellbeing services.

To complement the Think Family case work with individual families, we will work in partnership with other local agencies to develop a Think Family Neighbourhood programme focusing on areas of most need in the district. This programme aims to reduce antisocial behaviour, support people back into work and reduce truancy levels.

We will also coordinate, across the Council, and with partners, the use of the Government's new tools and powers to tackle antisocial behaviour, to ensure adequate systems are in place to enable their effective and proportionate use across the district.

The team will continue to support the Leader of the Council, the Cabinet Portfolio Holder and the Chief Executive in their work with partners through the Mid Sussex Partnership (MSP) and its operational groups.

We will complete the redesign of the Council's Website, which started last year and promote the redesigned site with the public, encouraging its use for self service. As part of this, we will also continue our programme of developing e-forms, e-bookings and e-payments, in order to maximise the opportunities for customers to 'self-serve', reducing the need to contact the Council in person or by phone aimed at improving the Council's efficiency and effectiveness.

The team has a key role in helping to support and enable the Council to continue to deliver its service redesign agenda. The aim of this is to increase efficiency whilst maintaining or improving customer service standards and delivering savings. In the coming year, the focus of this work will be on supporting the implementation of a new ICT system for property, land charges computerisation and various business process redesign projects across the Council.

Information governance has become increasingly important in recent years, as more information is stored and communicated electronically. It is essential that information, particularly sensitive information, is handled correctly. The team will be ensuring that staff are complying with the relevant policies. As part of this, the roll out of the electronic document management programme will continue and will be implemented in the Communications Office and in the administration of Freedom of Information in the coming year, with the aim of reducing the use of paper, aiding data retrieval and increasing automation of processes.

The team will also continue to monitor service performance across the Council, by providing the information used in the monthly review meetings with Business Unit Leaders (chaired by the Chief Executive and Assistant Chief Executive) and produce the quarterly reports for Members. In 2013, the Council reviewed performance indicators and targets. While performance remains good and is consistent across our services (despite the efficiency savings secured in the last few years), the team will work with business units to take appropriate remedial action should performance fall below targets.

CUSTOMER SERVICE AND COMMUNICATIONS VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	4
Salary adjustments*	3
LAGAN service moved from Performance and Partnerships	39
Pressure - LAGAN 14/15 annual contribution	16
	<hr/>
Total	62
	<hr/>
Budget Changes - Decreasing	
Recharges	(32)
Saving - Base budget correction LAGAN 13/14 annual contribution	(29)
Saving - Minor saving	(1)
	<hr/>
Total	(62)
	<hr/>
Total Variation for Customer Service and Communications	0
	<hr/> <hr/>

* Includes salary increments, 1% Pension increase, year 5 reduction in car allowances and any approved establishment changes

CUSTOMER SERVICES AND COMMUNICATIONS BUDGET 2014/15	Budget 2014/15 £'000	Customer Service and Comms £'000
Gross Expenditure		
Employees	327	327
Premises Related Expenditure	0	0
Transport Related Expenditure	1	1
Supplies and Services	111	111
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	173	173
	612	612
Gross Income		
Customer and Client Receipts	0	0
Rents	(5)	(5)
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(607)	(607)
	(612)	(612)
Net Expenditure	0	0
Budget 2013/14	0	0
Change from 2013/14		
£'000 Change	0	0
% Change		
Other Items 2014/15		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

PERFORMANCE & PARTNERSHIPS VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments *	9
Welfare to work incentives	20
Inflation	6
Think Family project - MSDC contribution	25
	<hr/>
Total	60
	<hr/>
Budget Changes - Decreasing	
LAGAN service moved to Customer Services and Communications	(39)
Recharges	(4)
	<hr/>
Total	(43)
	<hr/>
Total Variation for Performance and Partnerships	17
	<hr/> <hr/>

* Includes salary increments, 1% Pension increase, year 5 reduction in car allowances and any approved establishment changes

PERFORMANCE & PARTNERSHIPS BUDGET 2014/15	Budget 2014/15 £'000	Community Services £'000	Partnership Funding £'000	Corporate Improvement £'000
Gross Expenditure				
Employees	477	124	152	201
Premises Related Expenditure	1	0	0	1
Transport Related Expenditure	10	2	3	5
Supplies and Services	124	42	35	47
Third Party Payments	0	0	0	0
Transfer Payments	0	0	0	0
Support Services	223	59	67	97
	836	227	258	351
Gross Income				
Customer and Client Receipts	(123)	0	(123)	0
Rents	0	0	0	0
Government Grants	0	0	0	0
Other Grants Reimburse/Contributions	(6)	(6)	0	0
Recharges	0	0	0	0
	(129)	(6)	(123)	0
Net Expenditure	707	221	135	351
Budget 2013/14	690	184	74	432
Change from 2013/14				
£'000 Change	17	37	60	(81)
% Change	2%			
Other Items 2014/15				
Capital Financing Costs	9	0	0	9
Capital Financing Income	0	0	0	0
Specific Items	8	8	0	0

Economic Promotion and Planning
Head of Service: Claire Tester

Planning Policy and Economic Development

The team will continue to focus on progressing the District Plan so that the Plan and the Community Infrastructure Levy can be adopted as soon as possible. In addition it will continue to support neighbourhood planning so that the majority of these plans are well-advanced by the time the District Plan is at examination stage again. The Gypsy and Traveller Sites document will also be progressed to examination this year.

Work will continue to implement the Economic Development Strategy, through partnership working with the Coast to Capital Local Economic Partnership, the Gatwick Diamond Initiative and the Greater Brighton City Deal. Projects such as the Burgess Hill Business Park and the starter units at Bridge Road, Haywards Heath will be progressed to provide local businesses with good quality space and encourage inward investment. Local business associations and town teams will be supported so that they can engage well with local businesses and promote the local economy effectively.

Development Management

Development Management will continue to achieve sustainable development and to ensure that schemes deliver high quality design and benefit local communities. This will be particularly important whilst the Council cannot demonstrate a five year supply of housing land and residential schemes continue to come forward on unallocated sites. It is likely that the amount of major planning applications for residential development and the amount of appeals against refusal of planning permission for such schemes will remain high until the District Plan is adopted. The anticipated income from planning applications and revenue budget for appeal costs have been revised upwards to reflect this.

Building on the work undertaken in previous years, we will continue to improve the efficiency of the service through the best use of our IT systems and working practices, including closer working relationships between Development Management and Planning Policy officers. We will also continue our positive work with Members and with external partners, such as the Highway Authority and Town and Parish Councils. We will seek a smooth implementation of further changes to permitted development rights, as part of the 'Greater Flexibility' agenda proposed by Government.

Planning and Building Control Support Services

We will embed the new way of working for Planning and Building Control Support Services staff following the restructure of this service. Additional resilience is expected to increase now that all the related teams are sharing the same office in the East Wing. We will continue to progress the Information Modernisation Project, which seeks to computerise all property records currently held on paper. This will reduce the time presently spent accessing and filing historic paper/microfiche records, assisting front line services.

PLANNING POLICY & ECONOMIC DEVELOPMENT VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	3
	<hr/>
Total	3
	<hr/>
Budget Changes - Decreasing	
Salary adjustments *	(18)
Recharges	(9)
Ongoing saving -Tourist subscription	(3)
Savings - Minor Variations	(3)
	<hr/>
Total	(33)
	<hr/>
Total Variation for Planning Policy & Economic Development	(30)
	<hr/> <hr/>

* Includes salary increments, 1% Pension increase, year 5 reduction in car allowances and any approved establishment changes

PLANNING POLICY & ECONOMIC DEVELOPMENT BUDGET 2014/15	Budget 2014/15 £'000	Planning Policy £'000	Economic Development Promotion £'000
Gross Expenditure			
Employees	270	244	26
Premises Related Expenditure	1	1	0
Transport Related Expenditure	12	11	1
Supplies and Services	67	38	29
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	206	146	60
	556	440	116
Gross Income			
Customer and Client Receipts	(13)	(13)	0
Rents	0	0	0
Government Grants	0	0	0
Other Grants Reimburse/Contributions	0	0	0
Recharges	0	0	0
	(13)	(13)	0
Net Expenditure	543	427	116
Budget 2013/14	573	486	87
Change from 2013/14			
£'000 Change	(30)	(59)	29
% Change	(5%)		
Other Items 2014/15			
Capital Financing Costs	4	4	0
Capital Financing Income	0	0	0
Specific Items	477	423	54

DEVELOPMENT MANAGEMENT VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	9
Salary adjustments *	30
Pressure - WSCC specialists consultants	3
Pressure - consultants	60
Total	<u>102</u>
Budget Changes - Decreasing	
Recharges	(23)
Ongoing saving - Software maintenance	(2)
Ongoing saving - Adverts	(2)
Income generation - planning fees (volume increase)	(60)
Total	<u>(87)</u>
Total Variation for Development Management	<u><u>15</u></u>

* Includes salary increments, 1% Pension increase, year 5 reduction in car allowances and any approved establishment changes

DEVELOPMENT MANAGEMENT BUDGET 2014/15	Budget 2014/15 £'000	Development Management £'000
Gross Expenditure		
Employees	813	813
Premises Related Expenditure	0	0
Transport Related Expenditure	35	35
Supplies and Services	271	271
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	349	349
	<u>1,468</u>	<u>1,468</u>
Gross Income		
Customer and Client Receipts	(973)	(973)
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	0	0
	<u>(973)</u>	<u>(973)</u>
Net Expenditure	<u>495</u>	<u>495</u>
Budget 2013/14	480	480
Change from 2013/14		
£'000 Change	15	15
% Change	3%	
Other Items 2014/15		
Capital Financing Costs	5	5
Capital Financing Income	0	0
Specific Items	0	0

PLANNING SERVICE SUPPORT VARIATION TABLE	
Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget	
Description	Variation £'000
Budget Changes - Increasing	
Recharges	1
Inflation	3
Total	<u>4</u>
Budget Changes - Decreasing	
Salary adjustments *	(4)
Total	<u>(4)</u>
Total Variation for Planning Service Support	<u><u>0</u></u>
* Includes salary increments, 1% Pension increase, year 5 reduction in car allowances and any approved establishment changes	

Note:

A budget summary has not been provided as all figures are nil. This is because all variations relate to employee expenses

Finance, CenSus (ICT, Revenues and Benefits) and Human Resources & Payroll
Head of Service: Peter Stuart (Section 151 Officer)

Finance

The team will enhance budget monitoring in response to changes such as the introduction of the Rate Retention Scheme through the quarterly reporting of Rateable Values (RVs), and the financial impact of the local Council Tax Support Scheme. We will also be seeking to extend further our web-based Finance Management System in order that users can self-serve more effectively.

A new shared Internal Audit service will start, shared with and led by Crawley Borough Council with a slightly reduced audit coverage without compromising on the overall risk profile and thereby saving £20k pa.

The retendering of the Leisure contract will lead to accounting changes mainly as a result of the full repairing lease now being assumed by the contractor; this will have ramifications for our Asset Register as well as requiring close working with our Property Team.

A late development is that we will need to retender our Corporate Banking contract now that the Coop Bank plc has decided not to stay in the local government market. We expect to move bank on 1st April 2015.

Human Resources & Payroll

The complex Job Evaluation project has been ongoing since 2009 and should be concluded in 2014. The project aims to evaluate all posts and establish an amended grading structure. Completion will be a significant milestone in the longer-term HR work plan although the degree to which post-implementation issues will need addressing should not be understated.

The main day to day work of the year ahead revolve around supporting the Management Team and the Business Units optimise their staffing arrangements. While much of this work is 'business as usual' there remains specific projects which require recruitment and selection and/or restructuring expertise which can absorb significant resource.

The team will also be recommending and advising on the full range of training opportunities as well as supporting individuals and teams with specific training needs.

CenSus ICT

The service will major on providing a resilient and secure network and desktop to all users in accordance with the architecture proposed to ensure Public Service Network accreditation, and to accommodate the prioritised project needs of the Mid Sussex user group. Particular projects (in the Capital Programme in Section 4) include:

- Finalising the Windows 7 upgrade to the desktop to enable compliance with the PSN Code of Connection.
- A range of server replacement and software upgrades to ensure similar compliance , together with the migration of appropriate services into the CenSus Data Centre at Horsham;
- The investigation and project costing of the cabling and network switches replacements;.
- The replacement of the Mid Sussex Storage Area Network (SAN)
- Implementing a Disaster Recovery strategy and rolling this out across the partnership sites;
- And finally, implementing a Mobile Device Management solution across the partnership sites to enable secure working for both Officers and Members.

It should be stressed that this project work is on top of 'business as usual' maintenance work and will require some out of hours working. There are also some Business Unit projects that require ICT support that will need resourcing; these will be accommodated in liaison with the specific Project leaders as necessary.

CenSus Revenues and Benefits

After a year of very significant change, the service will concentrate on bedding in the services, monitoring the impact of the changes made and building on the staffing complement. It remains very important that Council tax billing proceeds smoothly and a good start to the year is made in terms of performance metrics – experience shows that it is hard to recover later in the year from a difficult start.

The service is also keen to start empowering customers to self-service their accounts. Implemented in a controlled and sustainable manner, this should enable quicker turnaround times for the customer, less input from the Business Unit and a more efficient business process, which will lead to fewer resources being applied to the service. It is appreciated however, that this is a medium-term goal.

The Census partners remain committed to continuous improvement of customer service and will be investing in a modest telephone call handling capability to ensure seamless handling of incoming calls and management statistics.

FINANCE ACCOUNTANCY VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments*	4
Inflation	7
Total	<u>11</u>
Budget Changes - Decreasing	
Recharges	(2)
Software licence reduction	(2)
Total	<u>(4)</u>
Total Variation for Finance Accountancy	<u><u>7</u></u>

* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes

FINANCE ACCOUNTANCY BUDGET 2014/15	Budget 2014/15 £'000	Accountancy Support £'000
Gross Expenditure		
Employees	479	479
Premises Related Expenditure	0	0
Transport Related Expenditure	1	1
Supplies and Services	98	98
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	128	128
	<u>706</u>	<u>706</u>
Gross Income		
Customer and Client Receipts	0	0
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(714)	(714)
	<u>(714)</u>	<u>(714)</u>
Net Expenditure	<u><u>(8)</u></u>	<u><u>(8)</u></u>
Budget 2013/14	(15)	(15)
Change from 2013/14		
£'000 Change	7	7
% Change	(48%)	
Other Items 2014/15		
Capital Financing Costs	8	8
Capital Financing Income	0	0
Specific Items	0	0

FINANCE CORPORATE VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	1
Triennial revaluation of the pension fund	140
Pressure - Insurance premium	9
Pressure - Insurance tender exercise - increased premium	24
Total	<u>174</u>
Budget Changes - Decreasing	
Recharges	(23)
Saving - Pension costs	(14)
Service redesign saving - Internal Audit fees	(20)
Total	<u>(57)</u>
Total Variation for Finance Corporate	<u><u>117</u></u>

FINANCE CORPORATE BUDGET 2014/15		Other Corp and Democratic Core	Non Distributed Costs	Insurance	Finance Control Support
	Budget 2014/15	£'000	£'000	£'000	£'000
	£'000	£'000	£'000	£'000	£'000
Gross Expenditure					
Employees	1,232	0	1,242	(10)	0
Premises Related Expenditure	2	0	0	2	0
Transport Related Expenditure	0	0	0	0	0
Supplies and Services	203	142	0	6	55
Third Party Payments	0	0	0	0	0
Transfer Payments	0	0	0	0	0
Support Services	34	23	0	5	6
	1,471	165	1,242	3	61
Gross Income					
Customer and Client Receipts	0	0	0	0	0
Rents	0	0	0	0	0
Government Grants	0	0	0	0	0
Other Grants Reimburse/Contribution	(3)	0	0	(3)	0
Recharges	(61)	0	0	0	(61)
	(64)	0	0	(3)	(61)
Net Expenditure	1,407	165	1,242	0	0
Budget 2013/14	1,290	174	1,116	0	0
Change from 2013/14					
£'000 Change	117	(9)	126	0	0
% Change	9%				
Other Items 2014/15					
Capital Financing Costs	0	0	0	0	0
Capital Financing Income	0	0	0	0	0
Specific Items	0	0	0	0	0

HUMAN RESOURCES AND PAYROLL VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	5
Salary adjustments*	2
Pressure - Employee Benefit specific reserve contribution	6
Total	13
Budget Changes - Decreasing	
Recharges	(9)
Savings - Travel costs	(4)
Total	(13)
Total Variation for Human Resources and Payroll	0

* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes

**HUMAN RESOURCES & PAYROLL
BUDGET 2014/15**

	Budget 2014/15 £'000	Human Resources and Payroll £'000
Gross Expenditure		
Employees	342	342
Premises Related Expenditure	0	0
Transport Related Expenditure	1	1
Supplies and Services	60	60
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	98	98
	501	501
Gross Income		
Customer and Client Receipts	0	0
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	(3)	(3)
Recharges	(498)	(498)
	(501)	(501)
Net Expenditure	0	0
Budget 2013/14	0	0
Change from 2013/14		
£'000 Change	0	0
% Change		
Other Items 2014/15		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	6	6

CENSUS ICT VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	6
Pressure - CenSus contribution increase	44
Total	<u>50</u>
Budget Changes - Decreasing	
Recharges	(26)
Saving - New corporate printer contract	(16)
Total	<u>(42)</u>
Total Variation for CenSus ICT	<u><u>8</u></u>

ICT BUDGET 2014/15	Budget 2014/15 £'000	Central Computer Costs £'000	Census ICT £'000	Corporate System Accounts £'000
Gross Expenditure				
Employees *	6	6	0	0
Premises Related Expenditure	0	0	0	0
Transport Related Expenditure	0	0	0	0
Supplies and Services	18	22	0	(4)
Third Party Payments	781	0	781	0
Transfer Payments	0	0	0	0
Support Services	188	184	0	4
	993	212	781	0
Gross Income				
Customer and Client Receipts	0	0	0	0
Rents	0	0	0	0
Government Grants	0	0	0	0
Other Grants Reimburse/Contributions	0	0	0	0
Recharges	(1,101)	(320)	(781)	0
	(1,101)	(320)	(781)	0
Net Expenditure	(108)	(108)	0	0
Budget 2013/14	(116)	(116)	0	0
Change from 2013/14				
£'000 Change	8	8	0	0
% Change	(7%)			
Other Items 2014/15				
Capital Financing Costs	108	108	0	0
Capital Financing Income	0	0	0	0
Specific Items	31	0	31	0

* Employees cost relates to an indirect employee related insurance premium.

CENSUS REVENUES & BENEFITS VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments*	7
Inflation	13
Recharges	87
Total	107
Budget Changes - Decreasing	
Service redesign saving - Reorganisation	(18)
Service redesign saving - Scanning and Indexing	(4)
Service redesign saving - Outsourcing Printing and Postage	(5)
Total	(27)
Total Variation for CenSus Revenues and Benefits	80

* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes

REVENUES & BENEFITS BUDGET 2014/15		Census Benefits Administration	Census Revenue Collection	Benefits Administration	Revenue Collection
	Budget 2014/15	£'000	£'000	£'000	£'000
	£'000				
Gross Expenditure					
Employees	2,593	1,446	1,112	19	16
Premises Related Expenditure	0	0	0	0	0
Transport Related Expenditure	91	48	43	0	0
Supplies and Services	810	246	516	13	35
Third Party Payments	0	0	0	0	0
Transfer Payments	0	0	0	0	0
Support Services	790	0	0	422	368
	4,284	1,740	1,671	454	419
Gross Income					
Customer and Client Receipts	(576)	(3)	(573)	0	0
Rents	0	0	0	0	0
Other Grants Reimburse/Contributions	(1,970)	(1,102)	(697)	0	(171)
Government Grants	0	0	0	0	0
Recharges	0	0	0	0	0
	(2,546)	(1,105)	(1,270)	0	(171)
Net Expenditure	1,738	635	401	454	248
Budget 2013/14	1,658	656	387	373	242
Change from 2013/14					
£'000 Change	80	(21)	14	81	6
% Change	5%				
Other Items 2014/15					
Capital Financing Costs	21	0	0	0	21
Capital Financing Income	0	0	0	0	0
Specific Items	0	0	0	0	0

Housing, Environmental Health and Building Control
Head of Service: Lynne Standing

Housing

The successful work undertaken in 2013-14, to help those affected by welfare reform, will continue in 2014-15. As a result of previously projected increases in demand from homeless households not being realised, a reduction in the temporary accommodation budget has been made in 2014/15.

The housing allocation scheme will be reviewed to ensure it is fit for purpose and prioritises local residents and those in the greatest need in a sensible and cost-effective manner.

Work to support the District Plan up to and through its Examination in Public will continue and we will support parish councils as they develop their Neighbourhood Plans. We will also work with partners to maintain a good supply of new affordable homes.

We will work with other local authorities in West Sussex to support the provision of a transit site for travellers and to ensure effective management of unauthorised encampments. Provision for this work has been made in the budget.

Environmental Health

From 2015, the Government grant for Disabled Facilities is to be paid to West Sussex County Council and included in a new fund to bring together health and social care. During 2014, we will work with County and other partners on plans that ensure that funding continues to be made available for adaptations which help disabled people to continue to live in their homes.

We will continue to develop Electronic Document and Records Management System (EDRMS) for all new functions within Environmental Health e.g. Licensing Scrap Metal Dealers and Park Homes. This will enable applications to be submitted, paid on-line and processed efficiently. It will also allow us to provide information to the public more effectively.

We will introduce an online booking service for Pest Control bookings, to enable customers to access the service at all times and will continue with our recently commissioned stray dog service. This is provided by one contractor and has reduced the cost of providing the service, whilst improving customer service.

Building Control

We will continue to develop the service for thermal calculations of buildings. This is a new service that has proved popular with our customers and has helped sustain our market share.

We will implement EDRMS for all applications that are currently submitted electronically via Submit a Plan or by email. This will reduce the requirement to store paper records and will increase the efficiency of the application processes.

HOUSING VARIATION TABLE	
Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget	
Description	Variation £'000
Budget Changes - Increasing	
Salary adjustment*	3
Recharges	16
Inflation	9
Pressure - Legal costs for unauthorised encampments	15
Total	<u>43</u>
Budget Changes - Decreasing	
Ongoing savings - Temporary accomodation	(50)
Saving - minor savings	(4)
Total	<u>(54)</u>
Total Variation for Housing	<u><u>(11)</u></u>
* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes	

HOUSING BUDGET 2014/15		Budget 2014/15	Housing Needs	Choice Based Lettings	Housing Enabling
		£'000	£'000	£'000	£'000
Gross Expenditure					
Employees	363	255	0	108	
Premises Related Expenditure	0	0	0	0	
Transport Related Expenditure	17	12	0	5	
Supplies and Services	233	229	0	4	
Third Party Payments	0	0	0	0	
Transfer Payments	273	273	0	0	
Support Services	196	122	0	74	
	1,082	891	0	191	
Gross Income					
Customer and Client Receipts	(9)	(9)	0	0	
Rents	0	0	0	0	
Government Grants	0	0	0	0	
Other Grants Reimburse/Contributions	(150)	(150)	0	0	
Recharges	0	0	0	0	
	(159)	(159)	0	0	
Net Expenditure	923	732	0	191	
Budget 2013/14	934	746	0	188	
Change from 2013/14					
£'000 Change	(11)	(14)	0	3	
% Change	(1%)				
Other Items 2014/15					
Capital Financing Costs	0	0	0	0	
Capital Financing Income	0	0	0	0	
Specific Items	10	10	0	0	

ENVIRONMENTAL HEALTH VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	8
Salary adjustment*	2
Total	<u>10</u>
Budget Changes - Decreasing	
Recharges	(16)
Saving - Food safety consultants	(5)
Service redesign saving - Outsourced stray dog contract	(10)
Total	<u>(31)</u>
Total Variation for Environmental Health	<u><u>(21)</u></u>

* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes

ENVIRONMENTAL HEALTH BUDGET 2014/15		Contaminated Land	Housing Standards	Safety and Licensing	Environmental Protection
	Budget 2014/15	£'000	£'000	£'000	£'000
	£'000				
Gross Expenditure					
Employees	783	25	134	434	190
Premises Related Expenditure	0	0	0	0	0
Transport Related Expenditure	48	1	6	21	20
Supplies and Services	81	1	3	24	53
Third Party Payments	3	0	0	0	3
Transfer Payments	2	0	0	0	2
Support Services	317	9	31	171	106
	1,234	36	174	650	374
Gross Income					
Customer and Client Receipts	(315)	0	(1)	(260)	(54)
Rents	0	0	0	0	0
Government Grants	0	0	0	0	0
Other Grants Reimburse/Contributions	0	0	0	0	0
Recharges	0	0	0	0	0
	(315)	0	(1)	(260)	(54)
Net Expenditure	919	36	173	390	320
Budget 2013/14	940	40	184	372	344
Change from 2013/14					
£'000 Change	(21)	(4)	(11)	18	(24)
% Change	(2%)				
Other Items 2014/15					
Capital Financing Costs	0	0	0	0	0
Capital Financing Income	0	0	0	0	0
Specific Items	0	0	0	0	0

BUILDING CONTROL VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Recharges	19
Inflation	5
Salary adjustments *	1
	<hr/>
Total	25 <hr/>
Budget Changes - Decreasing	
	<hr/>
Total	0 <hr/>
	<hr/>
Total Variation for Building Control	25 <hr/> <hr/>

* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes

BUILDING CONTROL BUDGET 2014/15	Budget 2014/15 £'000	Building Control £'000
Gross Expenditure		
Employees	545	545
Premises Related Expenditure	0	0
Transport Related Expenditure	30	30
Supplies and Services	28	28
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	142	142
	<u>745</u>	<u>745</u>
Gross Income		
Customer and Client Receipts	(486)	(486)
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	0	0
	<u>(486)</u>	<u>(486)</u>
Net Expenditure	<u>259</u>	<u>259</u>
Budget 2013/14	234	234
Change from 2013/14		
£'000 Change	25	25
% Change	10%	
Other Items 2014/15		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

Leisure & Sustainability
Head of Service: Mark Fisher

Leisure, Community Services and Culture

The team will ensure that there is a smooth transition of the new Leisure Management contract which is due to commence in July 2014. In summer 2014 we will complete the new Bolnore sports & community building at the recreation ground and transfer the operational responsibility to the Bolnore Village Community Partnership. We will continue to support community organisations providing older peoples day services, advice and support to local people, village halls and volunteer development.

Key projects for the team will include:

- working with the County Council to provide cost-effective energy efficient solutions to residents to help address fuel poverty and reduce carbon emissions;
- working with local partners and landowners to develop cycle routes from the South Downs National Park to Burgess Hill and Haywards Heath to promote sustainability and healthy lifestyles;
- working with local town councils to deliver a 'Playday' event in August 2014 in each of the three towns targeting our Think Family Neighbourhoods;
- leading the authority on Safeguarding to ensure that our practices and training of staff meet national and legislative requirements;
- developing opportunities for young people and volunteers to participate through events, training and support;
- providing input into the planning processes in order to respond to leisure and community needs brought about by residential developments within the district;
- working with local Towns and Parish Councils to transfer administration of discretionary concessionary travel.

Parking Services

The team will continue to work on options developed in the 10 year Parking Strategy to ensure that the service meets the needs of the community, remains financially viable and supports town centre development plans. We will continue to review payment options and parking requirements in our town and parishes. A review of parking enforcement provision and operation will be carried out to ensure that the service continues to operate effectively and efficiently, whilst adapting to any changes e.g. general parking habits, new parking restrictions and controlled parking zone (CPZ) extensions. The team will ensure that parking enquiries relating to enforcement within Parking Services will be responded to within 10 days.

Cleansing Services

The re-provision of the Council's Waste and Recycling Depot at Bridge Road, Haywards Heath, for occupation and management by Serco will be completed in the summer 2014. This will improve the Council's depot facilities.

Following the successful pilot recycling quality project in 2013/14, the team will be working with the West Sussex waste collection and disposal authorities to tackle a shared problem of poor quality recycling in parts of our community and the scheme will be rolled out across the district. The team will conclude the review of clinical waste collections following our 2013-2014 audit and work with West Sussex Waste Partnership to introduce a new clinical disposal contract.

Facility Management and Street Scene

The team will work with local stakeholder groups to assist in the delivery of a number of facility improvement projects. The timing in delivery of these projects is dependent on the clubs concerned but progress on new buildings or facility improvement projects at Finches Field, Ansty Recreation Ground, Lindfield Common, Hurstpierpoint Football and Cricket Clubs and Bolney Recreation Ground are anticipated in 2014/15.

Following the conclusion of the review of Community Toilets Scheme pilot trials, officers will assess the potential for further service redesign of the toilet service and the future expansion of the Community Toilet Scheme.

Landscapes

The team will ensure that the new grounds maintenance contract arrangements are fully embedded following commencement on 1st January 2014. The team will seek to retain the Green Flag Award for Beech Hurst as well as delivering a range of play and hard landscape improvement projects across the district making use of current best practice in design and construction with the aim of improving the quality of the local environment. These will be primarily funded from Section 106 monies and will be delivered in accordance with the recently updated customer consultation strategy in order to provide facilities that meet the needs and expectations of the users.

Emergency Planning

The Council's Emergency and Business Continuity Plans are maintained by the Emergency Planning & Outdoor Services Manager. This work includes overseeing the Council's preparation for (and response to) severe weather and other local incidents as they arise. This year, the programme will include a review of the Council's arrangements for providing emergency rest centres in the event of an evacuation. To assist with the sharing of information among local partners, the Council will continue to host the Emergency Planning Liaison Group, which is made up of the emergency services, health authorities and Town and Parish Councils.

LEISURE, COMMUNITY SERVICES & CULTURE VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	5
Pressure - Residual Concessionary Fares pressure	11
	<hr/>
Total	16
	<hr/>
Budget Changes - Decreasing	
Recharges	(51)
Asset Maintenance reallocation	(87)
Saving - Grounds Maintenance contract	(8)
Saving - Leisure retender	(97)
	<hr/>
Total	(243)
	<hr/>
Total Variation for Leisure, Community Services & Culture	(227)
	<hr/> <hr/>

**LEISURE, COMMUNITY SERVICES
& CULTURE
BUDGET 2014/15**

	Budget 2014/15 £'000	Grants to Organisations £'000	Concessionary Fares £'000	Sustainability Climate Change £'000	Community Leisure and Development £'000	Leisure Centres £'000
Gross Expenditure						
Employees	306	44	12	44	132	74
Premises Related Expenditure	154	0	0	0	0	154
Transport Related Expenditure	12	2	1	2	5	2
Supplies and Services	853	259	1	13	69	511
Third Party Payments	8	0	5	0	0	3
Transfer Payments	4	0	0	0	4	0
Support Services	170	22	10	23	79	36
	1,507	327	29	82	289	780
Gross Income						
Customer and Client Receipts	0	0	0	0	0	0
Rents	0	0	0	0	0	0
Government Grants	0	0	0	0	0	0
Other Grants Reimburse/Contribution	0	0	0	0	0	0
Recharges	0	0	0	0	0	0
	0	0	0	0	0	0
Net Expenditure	1,507	327	29	82	289	780
Budget 2013/14	1,734	333	6	85	324	986
Change from 2013/14						
£'000 Change	(227)	(6)	23	(3)	(35)	(206)
% Change	(13%)					
Other Items 2014/15						
Capital Financing Costs	962	0	0	0	0	962
Capital Financing Income	0	0	0	0	0	0
Specific Items	98	0	0	0	0	98

PARKING SERVICES VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Recharges	8
Inflation	12
Asset Maintenance reallocation	10
Ongoing Pressure - Cash Collection contract	3
Pressure - Reduction in Season Ticket income	22
Total	55
Budget Changes - Decreasing	
Saving - Additional Basic Licence income - car washing	(4)
Saving - Grounds Maintenance contract	(4)
Total	(8)
Total Variation for Parking Services	47

PARKING SERVICES BUDGET 2014/15			
	Budget 2014/15	Car Parks	Parking Enforcement
	£'000	£'000	£'000
Gross Expenditure			
Employees	510	43	467
Premises Related Expenditure	378	378	0
Transport Related Expenditure	36	8	28
Supplies and Services	97	59	38
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	165	165	0
	1,186	653	533
Gross Income			
Customer and Client Receipts	(2,165)	(1,775)	(390)
Rents	0	0	0
Government Grants	0	0	0
Other Grants Reimburse/Contributions	(143)	0	(143)
Recharges	0	0	0
	(2,308)	(1,775)	(533)
Net Expenditure	(1,122)	(1,122)	0
Budget 2013/14	(1,169)	(1,169)	0
Change from 2013/14			
£'000 Change	47	47	0
% Change	(4%)		
Other Items 2014/15			
Capital Financing Costs	27	27	0
Capital Financing Income	0	0	0
Specific Items	0	0	0

CLEANSING SERVICES VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	54
Salary adjustments*	4
Refuse Collection - additional properties	16
Ongoing pressures - additional properties	17
Pressure - 8% reduction in WSCC Recycling Credit income	45
Pressure - Recycling quality investment to tackle issues at communal bins	28
Total	164
Budget Changes - Decreasing	
Recharges	(24)
Saving - Additional income - Provision of bins for new developments	(4)
Saving - Revision to budgeted 2013/14 waste contract indexation	(13)
Saving - 2012/13 inflation recycling credits	(28)
Total	(69)
Total Variation for Cleansing Services	95

* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes

CLEANSING SERVICES BUDGET 2014/15		District Drainage	Refuse Collection	Recycling	Highway Cleansing	Highway Maintenance
	Budget 2014/15	£'000	£'000	£'000	£'000	£'000
	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure						
Employees	249	0	106	68	46	29
Premises Related Expenditure	30	0	1	15	0	14
Transport Related Expenditure	15	0	5	5	3	2
Supplies and Services	98	0	44	52	2	0
Third Party Payments	3,841	0	2,766	0	1,075	0
Transfer Payments	0	0	0	0	0	0
Support Services	188	0	125	30	25	8
	4,421	0	3,047	170	1,151	53
Gross Income						
Customer and Client Receipts	(882)	0	(882)	0	0	0
Rents	0	0	0	0	0	0
Government Grants	0	0	0	0	0	0
Other Grants Reimburse/Contributions	(720)	0	(15)	(688)	(17)	0
Recharges	0	0	0	0	0	0
	(1,602)	0	(897)	(688)	(17)	0
Net Expenditure	2,819	0	2,150	(518)	1,134	53
Budget 2013/14	2,724	0	2,104	(543)	1,116	47
Change from 2013/14						
£'000 Change	95	0	46	25	18	6
% Change	3%					
Other Items 2014/15						
Capital Financing Costs	154	0	154	0	0	0
Capital Financing Income	0	0	0	0	0	0
Specific Items	0	0	0	0	0	0

FACILITY MANAGEMENT & STREET - SCENE VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments*	4
Inflation	26
Recharges	83
Asset maintenance reallocation	13
Total	<u>126</u>
Budget Changes - Decreasing	
Soft landscaping	(10)
Ongoing savings - Additional Rural Payments Agency grant	(5)
Saving - Additional Outdoor Facilities income	(3)
Saving - Additional Playgroup income	(25)
Saving - Grounds Maintenance contract saving	(109)
Saving - Landscapes staff restructure resulting from a flexible retirement	(16)
Staff move to Property and Asset Management	(37)
Total	<u>(205)</u>
Total Variation for Facilities Management & Street - Scene	<u><u>(79)</u></u>

* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes

**FACILITY MANAGEMENT & STREET-
SCENE
BUDGET 2014/15**

	Budget 2014/15 £'000	Outdoor Facilities £'000	Trust Fund Accounts £'000	Public Conveniences £'000	Emergency Planning £'000
Gross Expenditure					
Employees	428	354	5	37	32
Premises Related Expenditure	1,345	1,175	76	94	0
Transport Related Expenditure	22	19	0	2	1
Supplies and Services	119	109	2	1	7
Third Party Payments	97	36	0	61	0
Transfer Payments	0	0	0	0	0
Support Services	358	300	0	38	20
	2,369	1,993	83	233	60
Gross Income					
Customer and Client Receipts	(254)	(246)	(8)	0	0
Rents	(111)	(37)	(74)	0	0
Government Grants	0	0	0	0	0
Other Grants Reimburse/Contributions	(1)	(1)	0	0	0
Recharges	0	0	0	0	0
	(366)	(284)	(82)	0	0
Net Expenditure	2,003	1,709	1	233	60
Budget 2013/14	2,082	1,825	0	206	51
Change from 2013/14					
£'000 Change	(79)	(116)	1	27	9
% Change	(4%)				
Other Items 2014/15					
Capital Financing Costs	231	211	0	20	0
Capital Financing Income	0	0	0	0	0
Specific Items	100	100	0	0	0

**Legal Services, Property and Asset Management,
Member Support Services and Land Charges
Head of Service: Tom Clark (Solicitor to the Council & Monitoring Officer)**

Legal

The legal team will continue to concentrate on property and planning work. The large number of planning applications requiring new and amended Section 106 agreements is expected to continue in 2014/15. This generates additional fees. Land prices in the property market are increasing which makes it advantageous to consider the sale of such assets. The commercial market is still depressed, which means there is an opportunity to make investments if funds are available.

The legal team will be completing the contract documents and leases for the new leisure contract starting on 1st July 2014 and progressing the lease agreement for the new Bolnore leisure building due for completion in August 2014. The legal team will also be completing the legal work for the Bridge Road depot and the Starter Units at Bridge Road Haywards Heath. We are also expecting to provide an input to community projects at Ansty, Bolney and Pease Pottage.

Internally the legal team continue to implement the IKEN computer system, which includes a time recording system that can be used to more accurately charge for work.

Property and Asset Management

With the completion of life cycle costings for our operational assets, the team will be working with Management Team and Members to formulate a long term property management strategy. The strategy will also look at future investments in the still depressed commercial market using capital receipts from land disposals achieved in the rising development land market .

The team will be working to get both the Bridge Road depot and the new leisure building at Bolnore completed by the summer of 2014. The new Starter Units at Bridge Road should also be delivered by the end of 2014.

Ahead of the new leisure contract, the team will restructure to ensure the right skills are available to resource this work.

A new IT system will be procured to bring together the work of the once separate property teams and asset management teams. This will deliver efficiencies and enable the development of informative performance indicators.

Town centre development should be underway by the end of 2015 in East Grinstead and Burgess Hill and the work at Haywards Heath station will be well underway by that date too.

Member Support

Alongside the European Elections in May 2014, the team expect to be delivering a number of Neighbourhood Plan referendums. The preparations for Individual Voter Registration will need to be completed for the 10th June 2014 start date with work throughout 2014, to ensure all those who wish to be registered to vote under this new individual voter registration are registered. This will involve the team actively seeking out potential voters and ensuring they have the correct identification documentation to be registered. From February 2015, the team will need to concentrate on preparing for the combined General and District elections in May 2015.

The elections computer system will need to be upgraded to cope with these changes to the registration process.

The team will continue to implement Committee Management Information System (CMIS), a system to manage committee reports across the Council, to gain maximum efficiency from this management system and reduce the need for paper reports going forward.

Land Charges

The team will seek to complete the modernisation of all the land charges records, so everything can be viewed in an electronic format. Maintaining the quality of the service and marketing the benefit of the service, will ensure that the market share is maintained in an increasingly busy property market.

The team will deal with the claims for repayment of historic personal search fees alongside other local authorities subject to similar claims.

LEGAL SERVICES VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments*	2
Inflation	3
Total	<u>5</u>
Budget Changes - Decreasing	
Recharges	(5)
Total	<u>(5)</u>
Total Variation for Legal Services	<u><u>0</u></u>

* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes

LEGAL SERVICES BUDGET 2014/15	Budget 2014/15 £'000	Legal Support Costs £'000
Gross Expenditure		
Employees	257	257
Premises Related Expenditure	0	0
Transport Related Expenditure	0	0
Supplies and Services	32	32
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	95	95
	<u>384</u>	<u>384</u>
Gross Income		
Customer and Client Receipts	(65)	(65)
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(319)	(319)
	<u>(384)</u>	<u>(384)</u>
Net Expenditure	<u><u>0</u></u>	<u><u>0</u></u>
Budget 2013/14	0	0
Change from 2013/14		
£'000 Change	0	0
% Change		
Other Items 2014/15		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

PROPERTY AND ASSET MANAGEMENT VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustment*	7
Inflation	25
Ongoing pressure - NNDR	5
Consultants for Property valuations (once every five years)	15
Asset Maintenance reallocation	64
Staff move from Facility Management and Street-scene	37
Total	<u>153</u>
Budget Changes - Decreasing	
Recharges	(122)
Property - Reversal of 13/14 supplementary rent Orchards pressure	(80)
Saving - Grounds Maintenance contract saving	(7)
Saving - Van Lease	(5)
Saving - Chief Officer Pay Award	(1)
Total	<u>(215)</u>
Total Variation for Property and Asset Management	<u><u>(62)</u></u>

* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes

PROPERTY AND ASSET MANAGEMENT BUDGET 2014/15		Property Operational	Investment Property	Contracts	Oaklands	District Drainage	Health and Safety	Better Mid Sussex
Budget 2014/15	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure								
Employees	325	0	136	0	95	41	39	14
Premises Related Expenditure	547	8	6	0	500	33	0	0
Transport Related Expenditure	11	0	4	0	4	2	1	0
Supplies and Services	113	9	35	17	44	2	3	3
Third Party Payments	84	0	0	0	84	0	0	0
Transfer Payments	0	0	0	0	0	0	0	0
Support Services	346	15	146	75	64	22	5	19
	1,426	32	327	92	791	100	48	36
Gross Income								
Customer and Client Receipts	(3)	0	(2)	0	(1)	0	0	0
Rents	(1,320)	(86)	(1,234)	0	0	0	0	0
Government Grants	0	0	0	0	0	0	0	0
Other Grants Reimburse/Contributions	0	0	0	0	0	0	0	0
Recharges	(992)	0	0	(92)	(852)	0	(48)	0
	(2,315)	(86)	(1,236)	(92)	(853)	0	(48)	0
Net Expenditure	(889)	(54)	(909)	0	(62)	100	0	36
Budget 2013/14	(827)	(56)	(850)	0	(66)	95	0	50
Change from 2013/14								
£'000 Change	(62)	2	(59)	0	4	5	0	(14)
% Change	7%							
Other Items 2014/15								
Capital Financing Costs	321	76	0	0	69	176	0	0
Capital Financing Income	0	0	0	0	0	0	0	0
Specific Items	0	0	0	0	0	0	0	0

MEMBER SUPPORT VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments*	2
Inflation	4
Recharges	54
Total	<u>60</u>
Budget Changes - Decreasing	
Total	<u>0</u>
Total Variation for Member Support	<u><u>60</u></u>

* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes

MEMBER SUPPORT BUDGET 2014/15	Budget 2014/15 £'000	Elections and Registration £'000	Members Services £'000
Gross Expenditure			
Employees	224	115	109
Premises Related Expenditure	5	3	2
Transport Related Expenditure	16	0	16
Supplies and Services	528	125	403
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	203	105	98
	976	348	628
Gross Income			
Customer and Client Receipts	(4)	(2)	(2)
Rents	0	0	0
Government Grants	0	0	0
Other Grants Reimburse/Contributions	0	0	0
Recharges	(158)	0	(158)
	(162)	(2)	(160)
Net Expenditure	814	346	468
Budget 2013/14	754	296	458
Change from 2013/14			
£'000 Change	60	50	10
% Change	8%		
Other Items 2014/15			
Capital Financing Costs	3	3	0
Capital Financing Income	0	0	0
Specific Items	0	0	0

LAND CHARGES VARIATION TABLE

Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments*	1
Recharges	41
Inflation	2
Total	<u>44</u>
Budget Changes - Decreasing	
Service redesign saving - One year salary saving	(7)
Total	<u>(7)</u>
Total Variation for Land Charges	<u><u>37</u></u>

* Includes salary increments, 1% pension increase, year 5 reduction in car allowances and any approved establishment changes

LAND CHARGES BUDGET 2014/15	Budget 2014/15 £'000	Local Land Charges £'000
Gross Expenditure		
Employees	138	138
Premises Related Expenditure	0	0
Transport Related Expenditure	1	1
Supplies and Services	4	4
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	132	132
	<u>275</u>	<u>275</u>
Gross Income		
Customer and Client Receipts	(130)	(130)
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	0	0
	<u>(130)</u>	<u>(130)</u>
Net Expenditure	<u>145</u>	<u>145</u>
Budget 2013/14	108	108
Change from 2013/14		
£'000 Change	37	37
% Change	34%	
Other Items 2014/15		
Capital Financing Costs	28	28
Capital Financing Income	0	0
Specific Items	0	0

Strategic Core

This section covers those costs that are related to the strategic management of the Authority and cannot be allocated to the specific service areas set out in the previous tables. It includes various items of expenditure including the cost of the Chief Executive, Heads of Service and the Council's share of the shared procurement service.

STRATEGIC CORE VARIATION TABLE	
Analysis of changes in budget between 2013/14 original budget, and 2014/15 budget	
Description	Variation £'000
Budget Changes - Increasing	
Inflation	8
Recharges	14
Total	<u>22</u>
Budget Changes - Decreasing	
Saving - Minor savings	(4)
Saving - Chief Officer pay award	(6)
Total	<u>(10)</u>
Total Variation for Strategic Core	<u><u>12</u></u>

STRATEGIC CORE BUDGET 2014/15	Budget 2014/15 £'000	Strategic Core £'000
Gross Expenditure		
Employees	935	935
Premises Related Expenditure	0	0
Transport Related Expenditure	9	9
Supplies and Services	67	67
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	922	922
	<u>1,933</u>	<u>1,933</u>
Gross Income		
Customer and Client Receipts	0	0
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(977)	(977)
	<u>(977)</u>	<u>(977)</u>
Net Expenditure	<u>956</u>	<u>956</u>
Budget 2013/14	944	944
Change from 2013/14		
£'000 Change	12	12
% Change	1%	
Other Items 2014/15		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

Forecast of Benefits Costs 2014/15

	2012/13 Accounts	2013/14 Estimate	2013/14 Forecast	2014/15 Estimate	
Non HRA Rent Rebates					
	£'000	£'000	£'000	£'000	
gross expenditure	140	137	117	117	
net expenditure at standard subsidy					
effect of reduced subsidy	11	14	6	6	
effect of overpayments	(9)	(12)	(6)	(6)	
Total Rent Rebates	2	2	0	0	
Rent Allowances					
	£'000	£'000	£'000	£'000	
gross expenditure	32,295	31,165	32,790	32,790	
net expenditure at standard subsidy	0	0	0	0	
effect of reduced subsidy	710	739	755	755	
effect of overpayments	(833)	(631)	(835)	(835)	1
Total Rent Allowances	(123)	108	(80)	(80)	
Discretionary Local Scheme					
Council Tax Benefit					
Rent Allowances	33	36	51	51	
Subsidy 75%	(25)	(27)	(38)	(38)	
Total Discretionary scheme	8	9	13	13	
Total Support	(113)	119	(67)	(67)	
Add : Previous Year Adjustment					
Less : LA Error subsidy	(162)	(128)	(82)	(82)	2
Adjustment for 2011/12 claim	0		0	0	
Adjustment relating to prior year provision for Bad debt	(99)	0	0	0	
(Less)/Add : Funding (from)/to Benefits Equalisation Reserve	381	16	156	156	3
Cost to MSDC	7	7	7	7	

(1) The introduction of Local Housing Allowance in 2008/2009 was forecast to reduce overpayment collection rates. This was due to the payment of Housing Benefits directly to Benefit recipients rather than the previous system of payments to Landlords. This gradual process of transfer to tenants over a number of years was expected to result in a long term reduction in collection rates as previously forecast. However, there has been no significant change to collection rates to date, and the budgeted overpayments have now been amended to reflect this.

(2) LA error volumes for 2013/14 are lower than expected. This is due to lower than budgeted overpayment volumes, resulting in lower volumes of LA error. LA error subsidy is paid in full for this type of overpayment, as long as the total value does not exceed a lower threshold of 0.48% of correct benefits paid. Maximum LA error subsidy is only achieved when volumes are as close to the lower threshold as possible without exceeding it.

(3) The amount to be drawn from or transferred to the Benefits Equalisation reserve is calculated to bring the final cost to MSDC back to required budget. The Benefits equalisation reserve was set up from previous years surplus'. Due to the favourable change in the budgeted collection rate as detailed in (1), a higher payment to the equalisation reserve is now budgeted.

CAPITAL PROGRAMME 2013/14 - 2017/18

1.0 Background

- 1.1 This section sets out a proposed Capital Programme and Capital Strategy. It also outlines the Council's approach to capital investment ensuring that such investment is directed to the Council's corporate priorities.
- 1.2 Each year, the Council sets out its Capital Programme for the forthcoming year. Although this varies from year to year, it does contain certain core constituents throughout the four-year programme. On this basis, this section sets out, in tables overleaf, the overall Core Capital Programme Summary for the next four years together with its financing. In addition to this, the section details:
- a list of all projects contained in the current Capital Programme including scheme slippage from previous years and capital variations approved by Members during 2013/14;
 - a detailed list of the proposed projects for 2014/15 together with financing.

2.0 Capital Strategy

- 2.1 The current strategy for capital spending is outlined below:
- a) The Capital Projects will contribute to achieving the Corporate Plan and must further the Council's corporate priorities. This will be the means that objectively selects, ranks and recommends projects for inclusion in the Capital Programme, regardless of the source of the funding for the projects.
 - b) The affordability of capital projects must be determined in the context of the Strategy for Revenue Spending and the Strategy for reserves and cash balances and will be governed by the provisions of the Prudential Code.
 - c) The Capital Programme will be financed by the most appropriate mix of:
 - interest;
 - contributions from the Revenue Budget;
 - loan;
 - contributions from stakeholders (including s106 agreements);
 - capital grants;
 - other grants;
 - proceeds from the sale of assets;
 - external funding from partners in both the public and private sectors, which is consistent with this Financial Strategy.
 - d) The use of borrowing as a means of financing capital expenditure will be consistent with the Prudential Code and with the Strategy for Revenue Spending.
 - e) The Council will continually review the financial and service benefits of existing assets and, in accordance with prudent asset management best practice, draw up a schedule of those which could be disposed of and the timescale for disposal in accordance with the Asset Management Plan.

- f) The Council will make every effort to generate funding for capital projects from partners and other sources (including Section 106 agreements). Negotiations on the sources of funding must focus on the Council's priorities at the time.
- g) The asset base will be continually reviewed to maximise financial benefits including income whilst ensuring the Council, as a local authority, does not compromise its fiduciary duty to the Council Tax payers.
- h) Projects that can be supported by a business case may be financed from reserves subject to a payback within an appropriate and specified period but subject to the Council's capacity to allow such a commitment.

3.0 Capital Spending – General Principles

3.1. These are large items of expenditure of public money and to ensure good governance we adhere to the following general principles of Capital spending:

- The expenditure for any particular year to be based only on previous years' cumulative receipts plus use of interest. This is to prevent cashflow problems developing if expenditure is incurred before receipts are received.
- All Affordable Housing grant aid is firstly financed from S106s and topped up by a contribution from New Homes Bonus. There is no Affordable Housing Grant aid budgeted for 2014/15.
- The Council will use Prudential borrowing only for investments with a proven business case. Under this system, the Council will be able to borrow money on the strength of its resources, to pay for capital projects on an 'Invest to Save' basis and satisfying affordability criteria.
- All capital projects are subject to a project justification process and consultation with Cabinet and Ward Members as part of the approval process.
- Capitalised salaries to be permitted where appropriate but kept to a minimum to ease pressure on capital reserves. There are no instances of this in 2014/15.
- Council must approve the Capital Programme as part of the Corporate Plan and Budget exercise.

3.2 The adoption of the foregoing principles results in a modest Capital Programme for 2014/15, as detailed further in the paragraphs below.

4.0 Financial Position: Current and Medium Term

4.1 Over the last few years, work has continued to protect and where possible increase the level of reserves. Part of our strategy was to reduce the overall expenditure on capital projects. This approach has been successful and we are now in a position where some prudent investments can be made from our increased level of reserves.

4.2 As was the case last year, Major Capital Renewals continue to be financed from a revenue contribution, which relieves the pressure on reserves whilst we have financed Disabled Facilities Grants from the £2.501m of New Homes Bonus for 2014/15. In addition, where we have appropriate S106 contributions, we have utilised these for specific projects.

5.0 Proposed Projects for 2014/15

5.1 In light of the comments above, the capital projects that have come forward are as follows:

i) ICT

This year there will be significant expenditure on ICT related projects, primarily as a result of Public Service Network (PSN) accreditation demanding that our network should be secure, up to date (with no out of support hardware or software) and that all mobile devices should be properly managed (i.e. controlled) by the network administrators rather than the users. Whilst this is a costly exercise, the benefits of running a modern and up to date network will provide an immediate return on investment through less downtime, a more secure environment and a reduced risk profile compared to the network that we have accepted to date. The projects are as detailed further in the table overleaf and in the project justifications at the end of Section 3 of this report.

ii) Playground Improvements / Open Spaces

These are funded from S106 contributions.

iii) Major Capital Renewals

This is the cost of maintaining our assets and is detailed in the table of proposed projects set out overleaf.

iv) Disabled Facility Grants

This is a mandatory scheme and is funded partly from Government grant and partly funded from New Homes Bonus.

5.2 The proposed capital projects to be included in the 2014/15 Capital Programme are set out on the next page.

<i>Description</i>	<i>Project Cost £'000</i>	<i>Project Cost £'000</i>	<i>Revenue Implications</i>
Service Projects			
<i>ICT:</i>			
PC Replacement Programme	25		
<i>Census ICT:</i>			
Implement Redhat Linux	14		
Additional Disk Capacity	15		
Back up & Recovery (phase 3)	10		
Server 2003 replacement	56		
Wireless Resilience Projects	8		
<i>Census Capital Strategy:</i>			
PSN 2015 Submission	25		
Disaster Recovery	25		
Total ICT & Census Projects :		178	
<i>S106 Fully Funded Schemes:</i>			
Improvement works to playground at Hollands Way, East Grinstead	18		
Improvement works to playground at Barn Cottage Recreation Ground, Haywards Heath	8		
Improvement works to playground at Sandy Vale, Haywards Heath	36		
Improvement works to Kickabout area at Leylands Park, Burgess Hill	15		
Improvement works to playground at Capenors, Burgess Hill	16		
Improvement works Open Space, Spring Copse, EG	30		
Improvement works to recycling compound at Cyprus Road Car Park, Burgess Hill	15		
Total S106 Schemes		138	
<i>Major Capital Renewals (MCR):</i>			
Vicarage Road Car Park, East Grinstead	29		
Finches Fields Car Park, Pease Pottage	50		
New Community Building, Bolnore, Haywards Heath	45		
Emergency Generator, Oaklands, Haywards Heath	70		
Car Park works, Oaklands, Haywards Heath	80		
Data Cabling works, Oaklands, Haywards Heath	126		
Total Major Capital Renewals (MCR)		400	
Housing			
Disabled Facilities Grants	750		
		750	
Total proposed capital projects for 2014/15		1,466	

- 5.3 Each project has a full accompanying justification statement, and has been the subject of Ward and Cabinet Member consultation. The justification proformas for all service projects are included at the end of this section.
- 5.4 It is proposed that the capital projects set out in 5.2 above are financed by a variety of means as follows:

	£'000	£'000
Capital Grants (Disabled Facilities Grants financed from central government)		363
Capital Grants Contributions- Receipts in Advance :		
: S106 – Time Limited		81
Capital Grants - Unapplied Account		
: - S106 Contributions – Non Time Limited		57
New Home Bonus		387
General Reserve		178
Met from Revenue Contributions		400
Total Capital Spending 2014/15		1,466

Background Papers

Report to Performance and Scrutiny Committee on 15th January 2014.

Budget Report and Council Tax 2014/15

Budget working papers

Capital Programme 2013/14 - 2017/18 Programming Summary

Total Costs £'000	Scheme Description	Payments to 31/3/2013 £'000						
			2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	
	Service Programme							
4,527	Schemes in Progress	1,131	2,256	1,140	0	0	0	
6,132	New Projects	0	3,668	2,176	127	76	85	
<hr/>		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
10,659		1,131	5,924	3,316	127	76	85	
1,200	Unallocated Funding - Future Projects	0	0	0	400	400	400	
<hr/>		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
11,859	Total Service Programme	1,131	5,924	3,316	527	476	485	
<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
			<----- £10,728,000 ----->					
	Housing Services Programme							
10,153	Disabled Facility Grants	6,403	750	750	750	750	750	
2,887	Affordable Housing	1,590	70	0	500	727	0	
<hr/>		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
13,040	Total Housing Services Programme	7,993	820	750	1,250	1,477	750	
<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
			<----- £5,047,000 ----->					
<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
24,899	Total Programme	9,124	6,744	4,066	1,777	1,953	1,235	
<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
			<----- £15,775,000 ----->					

Capital Programme 2013/14 - 2017/18
Financing Schedule

<i>Description</i>	<i>Notes</i>					
		<i>2013/14</i> <i>£'000</i>	<i>2014/15</i> <i>£'000</i>	<i>2015/16</i> <i>£'000</i>	<i>2016/17</i> <i>£'000</i>	<i>2017/18</i> <i>£'000</i>
Capital Grants - Disabled Facility Grants	1	353	363	348	348	348
Capital Receipts	2	1,281	665	0	0	0
Capital Grants & Contributions Reserve :	3					
:- Capital Contributions		650	47	0	0	0
:- S106 Contributions -non time limited		213	91	40	30	3
:- S106 Contributions - Housing -non time limited		70	0	40	367	0
Capital Grants & Contributions - Receipts in Advance :	4					
:- S106 Contributions -time limited		460	583	62	21	57
:- S106 Contributions - Housing -time limited		0	0	100	0	0
Beech Hurst Trust Fund	5	3	34	0	0	0
New Homes Bonus	6	397	387	762	762	402
Use of General Reserves /Specific Reserves / Revenue Contributions	7	3,317	1,896	425	425	425
Total Programme		6,744	4,066	1,777	1,953	1,235

Notes for Financing Schedule:

1. Government grant received for Disabled Facility Grants.
2. Capital receipts from asset disposals.
3. Capital grants, capital contributions and S106 contributions from developers with no conditions to repay.
4. Capital grants and S106 contributions from developers with conditions to repay if not used within a specified time limited.
5. Amount to be used from Beech Hurst Trust Fund surplus.
6. Government grant – New Homes Bonus allocation to Disabled Facility Grants and Affordable Housing schemes.
7. Financing from General Reserve and Specific Reserve including the use of revenue contributions.

Capital Programme 2013/14 - 2017/18

<i>Scheme Description</i>	<i>Total</i>	<i>Pre 1/4/2013</i>	<i>2013/2014</i>	<i>2014/2015</i>	<i>2015/2016</i>	<i>2016/2017</i>	<i>2017/2018</i>
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<i>Leisure & Sustainability</i>							
Improvements to Victoria Park skatepark Haywards Heath	32	30	2				
Bolnore leisure site	936	57	450	429			
Improvements to play facilities at Balcombe recreation ground	10	6	4				
Imps to playground at Kings Centre East Grinstead	50	48	2				
Extend skatepark at Kings Centre East Grinstead	78	75	3				
King Street public conveniences East Grinstead	203	198	5				
Improvements to athletics facilities at Whitemans Green Cuckfield	11	7	4				
Footpath works at Beech Hurst Gardens	15	12	3				
Improvements to playground at Court Bushes Hurstpierpoint	9	7	2				
Improvements to playground at Forest Fields Haywards Heath	16	0	16				
Improvements to playground at Mt Noddy East Grinstead	42	0	42				
Improvements to playground at Orchard Way East Grinstead	29	0	29				
Improvements to Outdoor Leisure facilities at Worlds End B Hill	41	33	8				
Works to Victoria Park Splash Pad Haywards Heath	15	12	3				
Dolphin CHP (combined heat and power) Project	389	0	389				
Improvements to playground at Beech Hurst Gardens	40	0	3	37			
Improvements to playground at Cuckfield Recreation ground	31	0	0	31			
Improvements to Forest Fields Kickabout pitch Haywards Heath	33	0	33				
Improvements to playground at Barn Close Pease Pottage	14	0	14				
Improvements to playground - Imberhorne Lane Rec East Grinstead	49	0	0	49			
BMX Track Leylands Park Burgess Hill	41	0	0	41			
Improvements to playground at Manor Glade East Grinstead	13	0	13				
Improvements to Skatepark - St Johns Park Burgess Hill	24	0	24				
Bolney Village Hall	125	0	125				
Improvement works to Open Space at Spring Copse EG	30	0		30			
Improvements to recycling compound at Cyprus Road car park BH	15	0		15			
Improvements to playground at Hemsleys Pease Pottage	40	0		0	40		
Improvement Works to kickabout area at Leylands Park, Burgess Hill	15	0		15			
Improvements to playground at Hollands Way East Grinstead	18	0		18			

Capital Programme 2013/14 - 2017/18

<i>Scheme Description</i>	<i>Total £'000</i>	<i>Pre 1/4/2013 £'000</i>	<i>2013/2014 £'000</i>	<i>2014/2015 £'000</i>	<i>2015/2016 £'000</i>	<i>2016/2017 £'000</i>	<i>2017/2018 £'000</i>
Improvements to playground at Barn Cottage Rec Haywards Heath	8	0		8			
Improvements to playground at Sandy Vale Haywards Heath	36	0		36			
Improvements to playground at St Johns Park Burgess Hill	15	0			15		
Improvements to playground at Wisden Avenue Burgess Hill	16	0			16		
Improvements to playground at Richmond Way East Grinstead	19	0			19		
Improvements to playground at Parklands Hassocks	12	0			12		
Improvements to playground at Capenor Burgess Hill	16	0		16		0	
Improvements to playground at Pavilion Way, East Grinstead	11	0				11	
Improvement Works to Coos Lane, Handcross	25	0				25	
Improvements to playground at Wyvern Close East Grinstead	15	0				15	
Improvements to playground at Fry Crescent, Burgess Hill	16	0					16
Improvements to plgd at Sunnyside Recreation ground, EG	44	0					44
<i>Total Leisure & Sustainability</i>	<i>2,597</i>	<i>485</i>	<i>1,174</i>	<i>725</i>	<i>102</i>	<i>51</i>	<i>60</i>
<i>Housing</i>							
County Council Transit site for Gypsies and & Travellers	163	0	163				
<i>Total Housing</i>	<i>163</i>	<i>0</i>	<i>163</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

Capital Programme 2013/14 - 2017/18

<i>Scheme Description</i>	<i>Total</i> £'000	<i>Pre 1/4/2013</i> £'000	<i>2013/2014</i> £'000	<i>2014/2015</i> £'000	<i>2015/2016</i> £'000	<i>2016/2017</i> £'000	<i>2017/2018</i> £'000
<i>Finance, CenSus (ICT, Revenues & Benefits) and HR</i>							
PC replacement programme	125	0	25	25	25	25	25
CenSus ICT strategy	48	20	28				
CenSus SAN disk expansion	15	0	15				
Census ICT - Implement Redhat Linux	14	0		14			
Census ICT - Additional Disk Capacity	15	0		15			
Census ICT - Back up & Recovery (Phase 3)	10	0		10			
Census ICT - Server 2003 replacement	56	0		56			
Census ICT - Wireless Resilience Projects	8	0		8			
Census Strategy -PSN 2015 submission	25	0		25			
Census Strategy -Disaster Recovery	25	0		25			
Census Network Architecture Upgrade	80	0	80				
Census Mobile Device Management software	10	0	10				
Protective Monitoring software	20	0	20				
Backup, GIS Disaster Recovery & Resilience, PSN pre-submission & MSDC Server moves	65	0	65				
MSDC Storage Area Network (SAN) replacement	160	0	160				
MSDC Windows 7 installation across the network	130	0	130				
<i>Total Finance, CenSus (ICT, Revenues & Benefits) and HR</i>	806	20	533	178	25	25	25
<i>Legal Services, Member Support, Property, Building & Asset Management and Land Charges</i>							
Modernisation of corporate records	156	86	24	46			
Replacement refuse and recycling depot	2,360	65	1,630	665			
Bridge Road - business starter units	1,872	0	570	1,302			
Oaklands Invest to save - electrical works	49	0	49				
Oaklands East Wing	520	0	520				
<i>Total Legal, Member Supp, Property, Building Asset Mgt, Land Chges</i>	4,957	151	2,793	2,013	0	0	0

Capital Programme 2013/14 - 2017/18

<i>Scheme Description</i>	<i>Total</i> £'000	<i>Pre 1/4/2013</i> £'000	<i>2013/2014</i> £'000	<i>2014/2015</i> £'000	<i>2015/2016</i> £'000	<i>2016/2017</i> £'000	<i>2017/2018</i> £'000
Total schemes	8,523	656	4,663	2,916	127	76	85
Major Capital Renewals(MCR)							
Dolphin - Haywards Heath	23	0	23				
Kings - East Grinstead	84	82	2				
Kings - East Grinstead	264	0	264				
Triangle - Burgess Hill	110	66	44				
Triangle - Burgess Hill	121	0	121				
Streams & watercourses culvert Hurstpierpoint	70	66	4				
MCR Streams and Watercourses - Tower Close EG	55	0	55				
Clair Hall	114	94	20				
Oaklands campus - roof works & boilers	48	46	2				
Oaklands campus - roof works	90	75	15				
Oaklands Campus - car park works	47	46	1				
Beacon Heights, Church Road, Haywards Heath	710	0	710				
Vicarage Road Car Park, East Grinstead	29	0	0	29			
Finches Fields Car Park, Pease Pottage	50	0	0	50			
New Community Building, Bolnore, Haywards Heath	45	0	0	45			
Emergency Generator, Oaklands, Haywards Heath	70	0	0	70			
Car Park works, Oaklands, Haywards Heath	80	0	0	80			
Data Cabling works, Oaklands, Haywards Heath	126	0	0	126			
Major Capital Renewals Unallocated Funding	1,200	0	0		400	400	400
Total Major Capital Renewals (MCR)	3,336	475	1,261	400	400	400	400

Capital Programme 2013/14 - 2017/18

<i>Scheme Description</i>	<i>Total £'000</i>	<i>Pre 1/4/2013 £'000</i>	<i>2013/2014 £'000</i>	<i>2014/2015 £'000</i>	<i>2015/2016 £'000</i>	<i>2016/2017 £'000</i>	<i>2017/2018 £'000</i>
Total Service Programme	11,859	1,131	5,924	3,316	527	476	485
Housing Services							
Disabled Facility Grants	10,153	6,403	750	750	750	750	750
Affordable Housing	2,887	1,590	70	0	500	727	0
Total Housing Services Programme	13,040	7,993	820	750	1,250	1,477	750
Grand Total	24,899	9,124	6,744	4,066	1,777	1,953	1,235

PROJECT JUSTIFICATION DETAILS

PC Replacement Programme

Purpose of Project:

The Council currently has approximately 400 desktop PCs / laptops and to ensure efficiency and reliability a replacement programme is required. With the ever increasing use of ICT systems in all business areas and the demands of new or upgraded systems the average life of a PC is 4 to 5 years.

This project forms part of the on-going PC replacement programme and represents the monies required to replace a number of PCs each year, which have been deemed to have reached the end of their useful life. We are also trying to standardise the desktop across all CenSus sites, which will help with the Windows 7 upgrade taking place shortly.

Total Amount: £25,000

Other sources of funding: None

Revenue Implications: None

Value For Money Assessment:

Due to the increasing use of ICT in all areas of the Council's business and the increased demands made by new systems, the average lifespan of a PC is assumed to be 4 to 5 years. Due to the current financial climate, the expected lifetime of a PC has been extended but this should be reviewed in future years to make sure that this is still valid. To ensure value for money, purchases will be made in bulk to a standard specification.

a) Current practice / doing nothing

The rolling programme presented here is the current practice and doing nothing would have a negative impact in the efficient working of the Council.

b) Other alternative approaches

Due to the increasing demands placed upon the desktop PCs, a rolling replacement programme is the most appropriate way forward.

Business Unit/Service: ICT Services

Head of Service: Peter Stuart, Head of Finance, ICT and Human Resources

Project Manager: Ian Henderson (Horsham DC), Interim Head of CenSus ICT

CenSus ICT operates projects under PRINCE Lite methodology.

Overall CenSus ICT Strategy is managed by the CenSus Programme Management Board.

Cabinet Member: Councillor Jonathan Ash-Edwards

Ward Members: Not applicable

Continued...

PC Replacement Programme**This project contributes to achieving the Corporate Plan in the following ways:**

BS 2.1 - Better Services to the customer

By maintaining the rolling replacement programme it ensures that PCs are have sufficient processing power to enable business units to work efficiently and provide an effective service to customers.

Summary of discussions with Cabinet Member:

Councillor Ash-Edwards is supportive of the programme for the forthcoming years in light of the Council's overall financial position.

Risk Analysis:

The network needs updating if risks of not achieving PSN accreditation are to be fully mitigated. If this project is not undertaken we will be unable to access the Government's PSN and our performance for customers and ability to communicate with central government will impact on the Council's Revenues and Benefits service and collect our customer's receipts of benefits.

PROJECT JUSTIFICATION DETAILS

CenSus ICT – Implement Redhat Linux

Purpose of Project:

The project provides a technology refresh for the Revenues and Benefits service in particular. The current equipment is 3 years old and capacity is being reached with expansion options being both limited and expensive. The Software Supplier has opened up new and cheaper options in addition to the current technology (Sun/Solaris) offering. Therefore the project proposes new equipment and data storage within the technology refresh. Red Hat Linux offers the best strategic option as it supported by the Software supplier, utilises the knowledge available within CenSus ICT support team and provides better DR/BCP solutions.

Total Amount: £14,000

Other sources of funding: None

Revenue Implications: Included in the Revenue Budget for 2014/15.

Value For Money Assessment:

The project will be procured at the most economically advantageous rates.

Business Unit/Service: ICT Services

Head of Service: Peter Stuart, Head of Finance, ICT and Human Resources

Project Manager: Ian Henderson (Horsham DC), Interim Head of CenSus ICT

Cabinet Member: Councillor Jonathan Ash-Edwards

Ward Members: Not applicable

This project contributes to achieving the Corporate Plan in the following ways:

BS 2.1 - Better Services to the customer

Summary of discussions with Cabinet Member:

Councillor Ash-Edwards is supportive of the network achieving PSN accreditation.

Risk Analysis:

The network needs updating if risks of not achieving PSN accreditation are to be fully mitigated. If this project is not undertaken we will be unable to access the Government's PSN and our performance for customers and ability to communicate with central government will impact on the Council's Revenues and Benefits service and collect our customer's receipts of benefits.

PROJECT JUSTIFICATION DETAILS

CenSus ICT – Additional Disk Capacity

Purpose of Project:

The CenSus Revenues and Benefits and the Info@Work EDRMS projects both continue to require additional disk capacities as new data is added. This is the MSDC contribution to the joint storage arrangements.

Total Amount: £15,000

Other sources of funding: None

Revenue Implications: None

Value For Money Assessment:

The project will be procured at the most economically advantageous rates.

Business Unit/Service: ICT Services

Head of Service: Peter Stuart, Head of Finance, ICT and Human Resources

Project Manager: Ian Henderson (Horsham DC), Interim Head of CenSus ICT

Cabinet Member: Councillor Jonathan Ash-Edwards

Ward Members: Not applicable

This project contributes to achieving the Corporate Plan in the following ways:

BS 2.1 - Better Services to the customer

Summary of discussions with Cabinet Member:

Councillor Ash-Edwards is supportive of the project.

Risk Analysis:

The additional disk capacity is necessary if we are not to run out of storage room. If this were to manifest services would be adversely impacted.

PROJECT JUSTIFICATION DETAILS

CenSus ICT – Back up & Recovery (Phase 3)

Purpose of Project:

The Back Up & Recovery Project Phase 3 proposes to acquire new Back Up devices for MSDC. As part of the approved CenSus ICT Back up & Recovery Strategy, there is a pressing need to have a standardised platform so that Magnetic Tapes produced by one site may be processed at another. The introduction of standardised Magnetic Tapes drives across all sites will leverage the investments already made in server virtualisation, resilient storage and future investment in disaster recovery / business continuity solutions.

Total Amount : £10,000

Other sources of funding: None

Revenue Implications: Included in the Revenue Budget.

Value For Money Assessment:

The project will be procured at the most economically advantageous rates.

Business Unit/Service: ICT Services

Head of Service: Peter Stuart, Head of Finance, ICT and Human Resources

Project Manager: Ian Henderson (Horsham DC), Interim Head of CenSus ICT

Cabinet Member: Councillor Jonathan Ash-Edwards

Ward Members: Not applicable

This project contributes to achieving the Corporate Plan in the following ways:

BS 2.1 - Better Services to the customer

Summary of discussions with Cabinet Member:

Councillor Ash-Edwards is supportive of this project.

Risk Analysis:

If this project were not to take place there would be a possibility that services would be severely adversely impacted were this service to fail without adequate backup and recovery processes and capability.

PROJECT JUSTIFICATION DETAILS

CenSus ICT – Server 2003 replacement

Purpose of project:

Upgrade Windows Server 2003 to Windows Server 2008R2. Some of the current server operating systems in use by the Council (Windows 2003) will no longer be supported by Microsoft after June 2015. To maintain our compliance to the PSN Code of Connection we must not use unsupported software. Therefore work will be undertaken to eliminate Windows Server 2003 from the MSDC & CenSus ICT Environments by the end of March 2015.

Total Amount: £56,000 (although total scheme is £225,000 across CenSus authorities)

Other sources of funding: None

Revenue Implications: None

Value For Money Assessment:

There is no viable alternative to the course of action recommended.

Business Unit/Service: ICT Services

Head of Service: Peter Stuart, Head of Finance, ICT and Human Resources

Project Manager: Ian Henderson, Interim Head of CenSus ICT

Cabinet Members: Councillor Jonathan Ash-Edwards

Ward Members: None

This project contributes to achieving the Corporate Plan in the following ways:

The ICT service underpins all other Council services

BS 2.1 - Better Services to the customer

Summary of discussions with Cabinet Member: The Cabinet Member is supportive of the approach taken to modernise our network in order to attain PSN accreditation.

Risk Analysis:

With robust planning and change management procedures this project should proceed without issues. Given that there are a number of servers to be changed, it is possible that some brief interruption of service may arise but it is not anticipated that this will be significant.

The network needs updating if risks of not achieving PSN accreditation are to be fully mitigated. If this project is not undertaken we will be unable to access the Government's PSN and our performance for customers and ability to communicate with central government will impact on the Council's Revenues and Benefits service and collect our customer's receipts of benefits.

PROJECT JUSTIFICATION DETAILS

CenSus ICT – Wireless Resilience Projects

Purpose of Project:

As part of the PSN accreditation requirements, all Council wireless networks have to be configured to Government specifications. The Adur & Worthing environment on the CenSus network has been configured in the required manner but has limited resilience with single points of failure on the management servers. This project is the MSDC contribution to bring the MSDC and HDC (along with Adur & Worthing) wireless networks under a common management arrangement with improved resilience for all. The benefit from the project being that there would be single entity to manage/configure at the time of the PSN accreditation.

Total Amount: £8,000

Other sources of funding: None

Revenue Implications: None

Value For Money Assessment:

The project will be procured at the most economically advantageous rates.

Business Unit/Service: ICT Services

Head of Service: Peter Stuart, Head of Finance, ICT and Human Resources

Project Manager: Ian Henderson (Horsham DC), Interim Head of CenSus ICT

Cabinet Member: Councillor Jonathan Ash-Edwards

Ward Members: Not applicable

This project contributes to achieving the Corporate Plan in the following ways:

BS 2.1 - Better Services to the customer

Summary of discussions with Cabinet Member:

Councillor Ash-Edwards is supportive of the network achieving PSN accreditation.

Risk Analysis:

The network needs updating if risks of not achieving PSN accreditation are to be fully mitigated. If this project is not undertaken we will be unable to access the Government's PSN and our performance for customers and ability to communicate with central government will impact on the Council's Revenues and Benefits service and collect our customer's receipts of benefits.

PROJECT JUSTIFICATION DETAILS

CenSus Strategy – PSN 2015 Submission

Purpose of project:

This project is required to cater for any changes and/or additional requirements that may arise from changing specifications within the PSN accreditation processes.

Total Amount: £25,000

Other sources of funding: None

Revenue Implications: None

Value For Money Assessment:

The project will be procured at the most economically advantageous rates.

Business Unit/Service: ICT Services

Head of Service: Peter Stuart, Head of Finance, ICT and Human Resources

Project Manager: Ian Henderson (Horsham DC), Interim Head of CenSus ICT

Cabinet Member: Councillor Jonathan Ash-Edwards

Ward Members: Not applicable

This project contributes to achieving the Corporate Plan in the following ways:

BS 2.1 - Better Services to the customer

Summary of discussions with Cabinet Member:

Councillor Ash-Edwards is supportive of the network achieving PSN accreditation.

Risk Analysis:

The network needs updating if risks of not achieving PSN accreditation are to be fully mitigated. If this project is not undertaken we will be unable to access the Government's PSN and our performance for customers and ability to communicate with central government will impact on the Council's Revenues and Benefits service and collect our customer's receipts of benefits.

PROJECT JUSTIFICATION DETAILS

CenSus Strategy – Disaster Recovery

Purpose of project :

This project is required to fund the MSDC aspects of the revision/expansion/testing of Disaster Recovery/Business Continuity Plans that cover the MSDC location/systems. Particularly in relation to the incorporation of new equipment and alterations to the infrastructure such as the new DMZ (firewall). The benefit of the project being the continuation of services during times of crisis.

Total Amount : £25,000

Other sources of funding: None

Revenue Implications: Included in the Revenue Budget.

Value For Money Assessment:

The project will be procured at the most economically advantageous rates.

Business Unit/Service: ICT Services

Head of Service: Peter Stuart, Head of Finance, ICT and Human Resources

Project Manager: Ian Henderson (Horsham DC), Interim Head of CenSus ICT

Cabinet Member: Councillor Jonathan Ash-Edwards

Ward Members: Not applicable

This project contributes to achieving the Corporate Plan in the following ways:

BS 2.1 - Better Services to the customer

Summary of discussions with Cabinet Member:

Councillor Ash-Edwards is supportive of the need for reliable disaster recovery.

Risk Analysis:

If this project is not implemented service continuity would be jeopardised.

PROJECT JUSTIFICATION DETAILS

Improvement Works to Playground at Hollands Way, East Grinstead in 2014/15

Purpose of Project:

To upgrade the equipped playground at Hollands Way, East Grinstead so as to make the play area a more enjoyable, challenging, yet safe place to visit.

Amount: £18,335

S106 available:

P35/547 £5,897

P35/642B £10,365

P35/623B £2,073

Total £18,335

Revenue Implications: Expected reduction in revenue costs of c.£100 pa for first 3 years

Value For Money Assessment:

This will reduce future maintenance costs and provide an improved and more exciting play experience for children.

Business Unit/Service: Leisure and Sustainability

Head of Service: Mark Fisher, Head of Leisure and Sustainability

Project Manager: Rupert Browning, Business Unit Leader for Landscapes

Cabinet Member: Councillor Pru Moore

Ward Members: Councillor Liz Bennett & Councillor Peter Reed

This project contributes to achieving the Corporate Plan in the following ways:

BL 1.2 – Deliver further improvements to leisure facilities in Mid Sussex.

BL 1.4 – Improve the District's parks and open spaces for the benefit and health of the community.

Summary of discussions with Cabinet Member:

Councillor Pru Moore is supportive of the need to enhance this playground so as to provide a better play experience for the local residents and visitors to this open space.

Risk Analysis:

The project is not likely to involve any risk to the Council. The Contractor installing the play improvements will ensure that the work is done in as risk-free a way as possible with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.

PROJECT JUSTIFICATION DETAILS

Improvement Works to Playground at Barn Cottage Rec, Haywards Heath in 2014/15

Purpose of Project:

To upgrade the equipped playground at Barn Cottage, Haywards Heath, to make the play area a more enjoyable, challenging, yet safe place to visit.

Amount: £8,190

S106 available:
P35/562B £8,190
Total £8,190

Revenue Implications: Expected reduction in revenue costs of c.£50 pa for first 3 years

Value For Money Assessment:

This will reduce future maintenance costs and provide an improved and more exciting play experience for children.

Business Unit / Service: Leisure and Sustainability

Head of Service: Mark Fisher, Head of Leisure and Sustainability

Project Manager: Rupert Browning, Business Unit Leader for Landscapes

Cabinet Member: Councillor Pru Moore

Ward Members: Councillor David Dorking & Councillor Richard Goddard

This project contributes to achieving the Corporate Plan in the following ways:

BL 1.2 – Deliver further improvements to leisure facilities in Mid Sussex.
BL 1.4 – Improve the District's parks and open spaces for the benefit and health of the community.

Summary of discussions with Cabinet Member:

Councillor Pru Moore is supportive of the need to enhance this playground so as to provide a better play experience for the local residents and visitors to this open space.

Risk Analysis:

The project is not likely to involve any risk to the Council. The Contractor installing the play improvements will ensure that the work is risk assessed and any risks mitigated as far as possible with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.

PROJECT JUSTIFICATION DETAILS

Improvement Works to Playground at Sandy Vale, Haywards Heath in 2014/15

Purpose of Project:

To upgrade the equipped playground at Playground at Sandy Vale, Haywards Heath in 2014/15 so as to make the play area a more enjoyable, challenging, yet safe place to visit.

Amount: £35,857

S106 available:

P35/592 £6,385

P35/763 £11,398

P35/489B £6,986

P35/383 £11,088

Total £35,857

Revenue Implications: Expected reduction in revenue costs of c.£100 pa for first 3 years

Value For Money Assessment:

This will reduce future maintenance costs and provide an improved and more exciting play experience for children.

Business Unit / Service: Leisure and Sustainability

Head of Service: Mark Fisher, Head of Leisure and Sustainability

Project Manager: Rupert Browning, Business Unit Leader for Landscapes

Cabinet Member: Councillor Pru Moore

Ward Members: Councillor Richard Bates & Councillor Jim Knight

This project contributes to achieving the Corporate Plan in the following ways:

BL 1.2 – Deliver further improvements to leisure facilities in Mid Sussex.

BL 1.4 – Improve the District's parks and open spaces for the benefit and health of the community.

Summary of discussions with Cabinet Member:

Councillor Pru Moore is supportive of the need to enhance this playground so as to provide a better play experience for the local residents and visitors to this open space.

Risk Analysis:

The project is not likely to involve any risk to the Council. The Contractor installing the play improvements will ensure that the work is risk assessed and any risks mitigated as far as possible with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.

PROJECT JUSTIFICATION DETAILS

Improvement Works to Kickabout area at Leylands Park, Burgess Hill in 2014/15

Purpose of Project:

To re-surface with tarmac the kickabout court that lies adjacent to the Burgess Hill Town Football club grounds off Maple Drive, Burgess Hill in 2014/15, to make it a more usable facility for all to enjoy. Also to carry out minor repairs to the existing fence and boarding surrounding this tarmac court. The club have agreed to mark out the court once it is cleaned and re-surfaced. The Leylands Park kickabout area is an existing facility which is in need of repair. The proposal is to renew the surface to bring it up to standard.

Amount: £15,000

Formal Sport S106 available:

P35/543 £15,000

Total £15,000

Revenue Implications: The club will take on future maintenance of this facility under their lease.

Value For Money Assessment:

These works will make the facility more attractive for letting to other clubs and users in the town, so assisting in improving the financial viability of the club. The club have confirmed that the facility will remain available for free casual play whilst not being used for a formal booking. This facility will not be affected by the emerging Burgess Hill Town Council neighbourhood plan or the Mid Sussex District Plan.

Business Unit / Service: Leisure and Sustainability

Head of Service: Mark Fisher, Head of Leisure and Sustainability

Project Manager: Rupert Browning, Business Unit Leader for Landscapes

Cabinet Member: Councillor Pru Moore

Ward Members: Councillor Pru Moore & Councillor Cherry Catharine

This project contributes to achieving the Corporate Plan in the following ways:

BL 1.2 – Deliver further improvements to leisure facilities in Mid Sussex.

BL 1.4 – Improve the District's parks and open spaces for the benefit and health of the community.

Summary of discussions with Cabinet Member:

Councillor Pru Moore is supportive of the need to improve this kickabout area which has had virtually no investment since its construction in the late 1980's. The project has the support of the Town Council and ward members.

Risk Analysis:

The facility has been in existence since the 1980's and there will be no change of use. Information notices will be erected at Leylands Park car park and at the Coopers Close entrance into Bedelands Farm prior to the works commencing. The project is not likely to involve any risk to the Council. The Contractor installing the play improvements will ensure that the work is risk assessed and any risks mitigated as far as possible with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.

PROJECT JUSTIFICATION DETAILS

Improvement Works to Playground at Capenors, Burgess Hill in 2014/15

Purpose of Project:

To upgrade the equipped playground in Capenors, Burgess Hill, to make the play area a more enjoyable, challenging, yet safe place to visit.

Amount: £16,430

S106 available:

P35/687 £16,430

Total £16,430

Revenue Implications: Expected reduction in revenue costs of c.£100 pa for first 3 years

Value For Money Assessment:

This will reduce future maintenance costs and provide an improved and more exciting play experience for children.

Business Unit / Service: Leisure and Sustainability

Head of Service: Mark Fisher, Head of Leisure and Sustainability

Project Manager: Rupert Browning, Business Unit Leader for Landscapes

Cabinet Member: Councillor Pru Moore

Ward Members: Councillor Mandy Thomas-Atkin & Councillor Emily White

This project contributes to achieving the Corporate Plan in the following ways:

BL 1.2 – Deliver further improvements to leisure facilities in Mid Sussex.

BL 1.4 – Improve the District's parks and open spaces for the benefit and health of the community.

Summary of discussions with Cabinet Member:

Councillor Pru Moore is supportive of the need to enhance this playground so as to provide a better play experience for the local residents and visitors to this playground.

Risk Analysis:

The project is not likely to involve any risk to the Council. The Contractor installing the play improvements will ensure that the work is risk assessed and any risks mitigated as far as possible with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.

PROJECT JUSTIFICATION DETAILS

Improvement Works to Open Space at Spring Copse, East Grinstead in 2014/15

Purpose of Project:

To provide recreational facilities within this open space in line with the wishes of the local youth community. To provide some outdoor fitness equipment, a modest all weather kickabout facility and some seating, bins etc. Exact details of the scheme are still being developed in partnership with the local police and community.

Amount: £30,000

S106 available:

P35/667 £30,000 (part of a £59,025 formal sport contribution)

Total £30,000

Revenue Implications: increase in revenue costs of c. £200 pa

Value For Money Assessment:

This will improve the facilities available to young people in the local community.

Business Unit / Service: Leisure and Sustainability

Head of Service: Mark Fisher, Head of Leisure and Sustainability

Project Manager: Rupert Browning, Business Unit Leader for Landscapes

Cabinet Member: Councillor Pru Moore

Ward Members: Councillor Liz Bennett & Councillor Peter Reed

This project contributes to achieving the Corporate Plan in the following ways:

BL 1.2 – Deliver further improvements to leisure facilities in Mid Sussex.

BL 1.4 – Improve the District's parks and open spaces for the benefit and health of the community.

Summary of discussions with Cabinet Member:

Councillor Pru Moore is supportive of the need to enhance this playground so as to provide a better play experience for the local residents and visitors to this open space.

Risk Analysis:

The project is not likely to involve any risk to the Council. The Contractor installing the play improvements will ensure that the work is risk assessed and any risks mitigated as far as possible with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.

PROJECT JUSTIFICATION DETAILS

Improvement Works to recycling compound at Cyprus Road Car Park, Burgess Hill in 2014/15

Purpose of Project:

To re-organise the layout and re-landscape this well used recycling bin storage area, to provide a more attractive entrance to the town and car park.

Amount: £14,715

S106 available:

P35/543 £165 (Recycling contribution)

P35/604B £700 (Recycling contribution)

P35/622 £850 (Recycling contribution)

Local Community Infrastructure available:

P35/716 £13,000 (part of £60k contribution)

Total £14,715

Revenue Implications: No ongoing revenue implications for the Council.

Value For Money Assessment:

These works will make better and more efficient use of the part of the car park currently used for storage of recycling facilities. It will also enable some new fencing and planting to take place that will better screen this facility and provide a visually more pleasing entrance to this car park and the town.

Business Unit / Service: Leisure and Sustainability

Head of Service: Mark Fisher, Head of Leisure and Sustainability

Project Manager: Rupert Browning, Business Unit Leader for Landscapes

Cabinet Member: Councillor Pru Moore

Ward Members: Councillor Kathleen Dumbovic & Councillor Anne Jones MBE

This project contributes to achieving the Corporate Plan in the following ways:

Deliver further improvements to recycling facilities in the District.

Summary of discussions with Cabinet Member:

Councillor Pru Moore is supportive of the need to improve this recycling area, which has had limited investment since its construction in the 1990s. The ward Councillors and the Town Council are supportive of this initiative.

Risk Analysis:

The project is not likely to involve any risk to the Council. The Contractor will ensure that the work is risk assessed and any risks mitigated as far as possible with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.

USABLE RESERVES AND OTHER BALANCES

1. This part of the report considers the Council's usable reserves and other cash balances. These are amounts held for future revenue or capital expenditure and to ensure the Council has sufficient cash resources for any unforeseen demands.
2. Details are set out in Table 1 overleaf, which shows that overall balances held at 1st April 2013 were £21.225m and with the estimated changes, the current expectation is that some £30.393m will be held at 31st March 2018. Brief notes explaining each item are given after the table. Please note that the figures contained within the table are displayed to the nearest thousand pounds. Consequently, the sum of individual figures may not necessarily agree with the totals displayed due to roundings.
3. Estimated interest received on investing surplus balances is based on rates averaging 1.089% for 2013/14, falling marginally to 1.083% for the period 2014/15. The rate rises to 1.227% in 2015/16, 1.589% in 2016/17, and 2.032% in 2017/18. Rates are forecast to remain low until well into 2015/16 as a result of the Government's 'Funding for Lending' scheme which is designed to stimulate the economy by providing low cost finance for the banks which can then be passed on to borrowers.
4. As was the case last year, further details relating to the management of the Council's daily cash balances and the borrowing limits will be set out in the Treasury Management Strategy Statement and Annual Investment Strategy 2014/15 to 2016/17 report. This is a stand-alone report that will be considered by Council on 26th March 2014.
5. This Council classifies its Usable Reserves as follows:
 - **General Reserve:** This Reserve includes amounts earmarked for the Capital Programme. It also includes the non-earmarked element.
 - **Earmarked Specific Reserve:** This contains amounts for particular purposes and for which Member authorisation has been obtained as to how these may be applied.
 - **Usable Capital Receipts Reserve:** This represents the capital receipts from the sale of assets that are available to finance future capital expenditure.
 - **Capital Grants Unapplied Account:** This comprises capital grants and S106s contributions from developers with no conditions to repay.
6. This Council also holds other balances as follows:
 - **Capital Grants & Contributions receipts in advance:** This comprises capital grants and S106s contributions from developers with conditions to repay if not used within a specified time limit. These sums are restricted to being spent only in accordance with the agreement concluded with the developer.

Table 1: Usable Reserves and other balances - Council 26th February 2014

		Balance 01/04/2013 £'000	Balance 31/03/2014 £'000	Balance 31/03/2015 £'000	Balance 31/03/2016 £'000	Balance 31/03/2017 £'000	Balance 31/03/2018 £'000
	Note						
Usable Reserves							
General Reserve:							
Non-Earmarked General Reserve	1	9,415	7,839	8,867	11,548	14,889	18,948
Total Earmarked General Reserve	2	28	28	28	28	28	28
Total General Reserve:		9,443	7,867	8,895	11,576	14,917	18,976
Specific Reserve :							
Performance & Partnerships		1	8	0	0	0	0
Planning Policy & Economic Development		554	620	143	86	36	0
Customer Services and Communications		2	2	2	2	2	2
Development Management		66	0	0	0	0	0
Finance Accountancy		3	0	0	0	0	0
Finance Corporate		240	200	200	200	200	200
Human Resources & Payroll		22	12	12	12	12	12
Census ICT		43	31	0	0	0	0
Revenues & Benefits		926	1,131	1,287	1,287	1,287	1,287
Housing		105	129	119	119	119	119
Environmental Health		10	10	10	10	10	10
Legal Services		5	0	0	0	0	0
Leisure, Community Services & Culture		496	285	237	165	165	165
Facilities Management and Streetscene		41	126	26	26	26	26
Property and Asset Management		70	47	47	47	47	47
Member Support		79	103	145	2	45	87
Land Charges		27	27	27	27	27	27
Strategic Core		80	0	0	0	0	0
Total Specific Reserve:	3	2,770	2,732	2,257	1,983	1,975	1,982
Total Revenue Reserves		12,213	10,599	11,152	13,559	16,892	20,958
Total Usable Capital Receipts Reserve	4	1,949	669	4	4	4	4
Total Capital Grants Unapplied Account	5	2,440	2,560	3,189	3,859	4,212	4,959
Total Usable Reserves		16,602	13,828	14,344	17,422	21,108	25,920
Other Balances							
Total Capital Grants & Contributions -Receipts in Advance		4,623	5,296	4,713	4,551	4,530	4,473
Total Other Balances	6	4,623	5,296	4,713	4,551	4,530	4,473
Total Reserves and Other Balances		21,225	19,124	19,057	21,973	25,638	30,393

NB. Figures to nearest £'000 therefore totals subject to rounding variations

Notes:

1. Total available to provide additional finance for day-to-day services and/or additional capital expenditure (after financing the current capital programme). Included in this total are planned contributions to reserves from revenue, windfall income received in 2013/14, amounts received from developers in respect of land adoptions in lieu of maintenance (e.g. culvert commuted sums), interest receipts forecast for the period, and New Homes Bonus monies.
2. It includes an amount set aside to lend to owners of historic buildings to assist in keeping properties in good repair, and the balance on the Car Bond Contingency.
3. Representing a number of balances held for specific purposes for which a decision has previously been taken of how to apply.
4. Accumulated proceeds from asset disposals.
5. This comprises capital grants and S106s contributions from developers with no conditions to repay.
6. This comprises capital grants and S106s contributions from developers with conditions to repay if not used within a specified time limit. These sums are restricted to being spent only in accordance with the agreement concluded with the developer.

FINANCIAL STRATEGY, MEDIUM TERM FINANCIAL PLAN AND INFLATION

1.0 Introduction

- 1.1 This section sets out the plan for revenue spending and outlines some assumptions made in its preparation. Whilst it is a legal requirement to draw up such a plan it also forms part of the 'Sustainable Finances' workstream which aims to achieve financial equilibrium in the medium term.
- 1.2 The last position adopted by Council was reported in September 2013 as part of the budget-setting guidelines report. A feature of that position was that the state of the Council's finances had stabilised and we could start to see an improvement in the years ahead.
- 1.3 At this point, the financial strategy has not changed, and whilst the country's finances have settled down to a more stable economic picture, this is one of a 'flat' economy with little growth, low inflation (at least for local government) and a continuing squeeze on resources.
- 1.4 Last year we implemented three initiatives; Localisation of Business Rates, the Localisation of Council Tax benefit and the Technical Changes to the Council Tax base. The impact of these has proved to be very similar to the outcomes we expected and we are therefore not making any significant changes to forecasts or the underlying schemes.
- 1.4 Officers have therefore been working throughout 2013 to update the four-year financial plan as set out at the end of Section 5 and have now reflected the new system of government funding that will be in place to 2020. As last year, some terminology changed and we explain that again where necessary.

2.0 FINANCIAL STRATEGY 2014/15 – 2017/18

2.1. Main Principles

- 2.1.1. The Council's spending priorities to be formulated after consultation with the community in line with the Council's consultation strategy.
- 2.1.2. All expenditure decisions to be led by the Council's priorities, in particular, the Corporate Plan.
- 2.1.3. The Financial Strategy will provide the framework for the Medium Term Financial Plan. The Medium Term Financial Plan will cover a rolling five year period and will include all commitments and the estimated effect of significant future changes for the Council.
- 2.1.4. Annual budget guidelines will be formulated to provide a framework for the annual budget to ensure it is prepared in accordance with the Financial Strategy.
- 2.1.5. The Financial Strategy may be reviewed at this time to ensure it maintains its relevance to the circumstances at the time.

2.2. Strategy for Revenue Spending

- 2.2.1. The Council will continue to adopt a prudent approach to financing the Council Tax Requirement which will, in the main be financed by the council tax, Business Rate Retention and Formula Grant, but will be supported from other sources as necessary to maintain a level of council tax considered, at the time of setting, to be in the best interests of the community as a whole.
- 2.2.2. All payments forming pension contributions will be paid from the revenue budget. The deficit on the Council's element of the pensions fund will be paid from the revenue budget but spread over the maximum period the Actuary advises.
- 2.2.3. The budget will include an allowance for inflation that is considered realistic at the time it is estimated.
- 2.2.4. Income estimates which include volume (rather than price) increases must be the subject of detailed risk and sensitivity analysis in conjunction with the Head of Finance to ensure they are realistic and robust.
- 2.2.5. A fundamental and detailed examination of the Council's budget will be undertaken to ensure all aspects contribute to the Council's priorities. Savings that are identified as a result of this process will be used to further the Council's priorities and the decision on how to apply these savings will be taken corporately.
- 2.2.6. Income that arises which is unbudgeted will be made available for corporate use in achieving the Council's priorities.
- 2.2.7. The Council will aim to achieve net expenditure reductions by exploring alternative ways to deliver existing services.
- 2.2.8. Opportunities for charging for services under powers provided by the Local Government Act 2003 will be maximised. The Council should make such decisions in the light of the best information available to it at the time.
- 2.2.9. The Medium Term Financial Plan will show the difference between projected net spending and income from the council tax and other sources and Cabinet will recommend how this is to be managed in a way that is consistent with this Financial Strategy.

2.3. Strategy for Capital Spending

- 2.3.1. The Strategy for Capital Spending is contained within Section 3.

2.4. Strategy for Reserves and Cash Balances

- 2.4.1. The target for the total level of unearmarked reserves will be a minimum of £1,500,000. This is equivalent to approximately 11% of the Total Revenue Spending and is an amount held which can, legally, be used for any purpose. However, the reason for its being held is to act as a buffer, and a source of ready cash, were the need to arise. It is there to financially protect the Council were the unexpected to happen, and it cannot therefore be earmarked for any particular purpose or form part of any budget plans. Holding such a sum represents good governance on the part of the Council and is a direct recommendation of the Head of Finance; Members will appreciate that it also represents good financial management on behalf of the community they serve.
- 2.4.2. The Treasury Management Strategy Statement and Annual investment Strategy report will determine the investment of cash balances. The Council as a whole will plan and decide how interest from all sources is applied. The target for the generation of interest will be shown in the Medium Term Financial Plan.

3.0 SUMMARY MEDIUM TERM FINANCIAL PLAN

- 3.1 The Budget forecast summarises projected changes in the Council's finances over a five-year timescale, the current period for which is 2013/14 to 2016/17. This is shown on the next two pages with explanatory comments and the key assumptions made in the projections below :
- 3.2 The expenditure and income projections in the Medium Term Financial Plan are based on likely commitments apparent at the present time. It is important to note that they do not dictate the estimate for any particular year. Their purpose is to provide a view of the Council's likely financial position for the period of the plan. The figures making up the plan will need to be analysed further and approved when the annual budget for each year is prepared.
- 3.3 Similarly the council tax figures are purely indications of increases in future years. They are not intended to show the amounts that will be approved. That will be for the Council to decide in relation to the circumstances and budget decisions for the particular year.
- 3.4 Revenue Spending
- Increases in net expenditure are based on commitments known at the present time.
 - Inflation on Head of Service Net Expenditure has been estimated using varying rates according to the type of expenditure.
- 3.5 Council Tax calculations
- This section shows the effect on council tax at Band D as a result of projected changes in Revenue Spending, but having regard to Council Tax capping.
 - Decreases in Revenue Support Grant are based on a two-year settlement (for 2014/15 and provisionally for 2015/16), with further decreases estimated in the third and fourth years.
 - Increases in council tax base are a prudent view to reflect the increase in properties in the district. For 2014/15 the taxbase has increased significantly as a result of new housebuilding and a reduction in exemptions that would otherwise reduce the figure.

3.6 Capital Spending

- This section is a summary of the programme shown in detail in section 3.

3.7 Receipts and Contributions

- The amount for Disabled Facility Grants is the average 50% grant from government on mandatory awards relating to the expenditure shown in the capital programme in the above section.
- Capital receipts take account of asset disposals known at the present time, and include projected repayments of mortgage loans.
- The level of contributions is a view of payments from developers.
- Anticipated New Homes Bonus is also shown as an annual receipt in line with our housing projections.

3.8 Interest

- Projected interest rates used in estimating interest receipts are a combination of rates averaging 1.089% for 2013/14, falling marginally to 1.083% for the period 2014/15. It then rises to 1.227% in 2015/16, 1.589% in 2016/17, and 2.032% in 2017/18.

3.9 Cash Balances

- The total of cash balances is detailed in Section 4. The amount of cash balances is determined by the assumptions made in the rest of the forecast.

Medium Term Financial Plan – Council 26th February 2014

<u>Revenue Spending</u>	<u>Year 0</u> <u>2013/14</u> <u>£'000</u>	<u>Year 1</u> <u>2014/15</u> <u>£'000</u>	<u>Year 2</u> <u>2015/16</u> <u>£'000</u>	<u>Year 3</u> <u>2016/17</u> <u>£'000</u>	<u>Year 4</u> <u>2017/18</u> <u>£'000</u>
<i>Base Net Expenditure</i>	13,051	13,120	13,150	13,309	13,444
Benefits	7	7	7	7	7
Base Revenue Spending	13,058	13,127	13,157	13,316	13,451
Balance Unallocated	46	29	26	26	26
Council Net Expenditure	13,104	13,156	13,183	13,342	13,477
Loss of NI Discount for Pensions				223	223
Capital schemes financed from revenue	50	50	50	50	50
Contribution to Rate Retention Scheme Equalisation Reserve	290	249	0	0	0
Contribution to Benefits & CTSS Equalisation Reserve	100	0	0	0	0
Contribution to Parish Councils for 2013/14 only	137	0	0	0	0
Net General inflation with pay at 1% for 14/15 & future years	0	0	218	436	654
Total Revenue Spending	13,681	13,455	13,451	14,051	14,404
External Funding (RSG)	(2,813)	(2,242)	(1,570)	(1,335)	(1,134)
Rates Retention Scheme (RRS) Baseline funding	(1,871)	(1,908)	(1,961)	(2,020)	(2,080)
Council Tax Freeze Grant 13/14 – 14/15	(87)	0	0	0	0
Council Tax Freeze Grant for 14/15	0	(89)	(89)	0	0
HB Admin Grant / LCTS Grant (14/15 onwards)	(531)	(489)	(489)	(489)	(489)
Council Tax Requirement @ 0% in 14/15-15/16; 1.9% future yrs	(8,286)	(8,417)	(8,518)	(8,786)	(9,059)
Collection Fund deficit / (surplus)	(93)	(62)			
Rates Retention Scheme (RSS) deficit / (surplus)	0	(249)	0	0	0
Cumulative Balance deficit / (surplus)	0	0	824	1,422	1,641
Gap to close year on year			824	597	219
<u>Financing Revenue Spending</u>					
	<u>Year 0</u> <u>2013/14</u>	<u>Year 1</u> <u>2014/15</u>	<u>Year 2</u> <u>2015/16</u>	<u>Year 3</u> <u>2016/17</u>	<u>Year 4</u> <u>2017/18</u>
Council Taxbase	55,397	56,269	56,944	57,627	58,319
Change in Taxbase	-4.00%	1.57%	1.20%	1.20%	1.20%
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Total Revenue Spending	13,681	13,455	13,451	14,051	14,404
% change in Formula Grant / External Funding				-15.0%	-15.0%
External Funding (RSG)	(2,813)	(2,242)	(1,570)	(1,335)	(1,134)
Rates Retention Scheme (RRS) Baseline funding	(1,871)	(1,908)	(1,961)	(2,020)	(2,080)
Council Tax Freeze Grant 13/14 – 14/15	(87)	0	0	0	0
Council Tax Freeze Grant for 14/15 (Assumed 2 year grant)	0	(89)	(89)	0	0
HB Admin Grant / LCTS Grant (14/15 onwards)	(531)	(489)	(489)	(489)	(489)
Council Tax Requirement	(8,286)	(8,417)	(8,518)	(8,786)	(9,059)
Collection Fund deficit / (surplus)	(93)	(62)	0	0	0
Rates Retention Scheme (RSS) deficit / (surplus)	0	(249)	0	0	0
Total Financing	(13,681)	(13,455)	(12,627)	(12,629)	(12,763)
Balance (deficit) / surplus	0	0	(824)	(1,422)	(1,641)
	(13,681)	(13,455)	(13,451)	(14,051)	(14,404)
Council Tax at Band D	£149.58	£149.58	£149.58	£152.46	£155.34
Change from previous year	0.0%	0.0%	0.0%	1.9%	1.9%

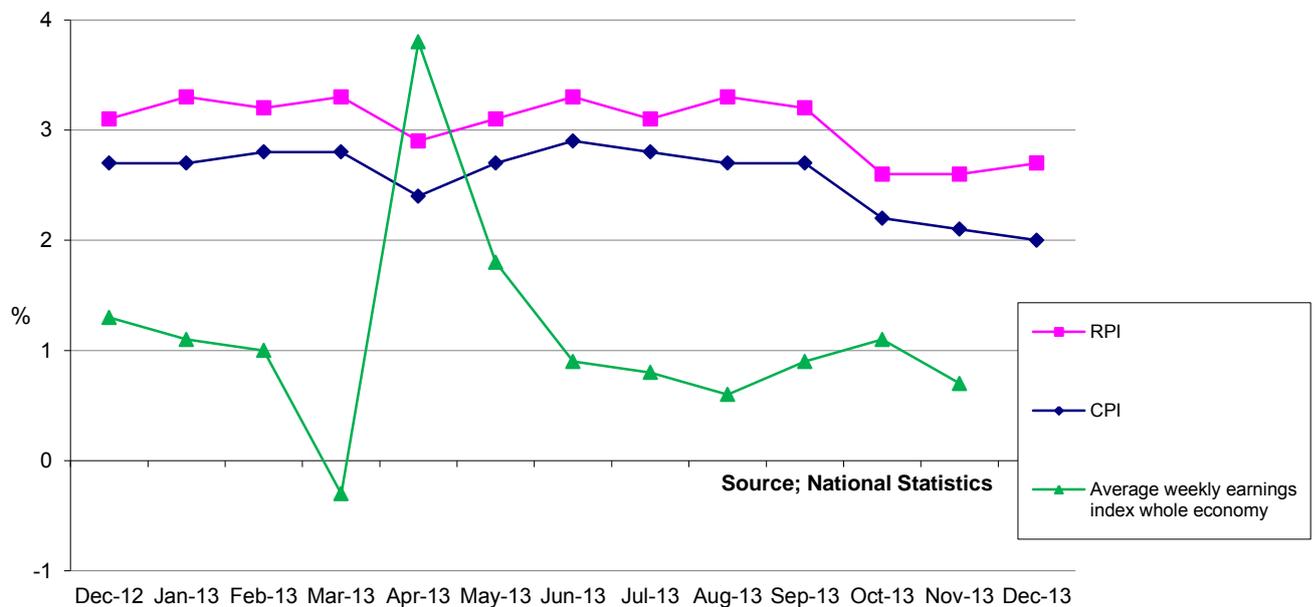
Medium Term Financial Plan as at Council 26th February 2014

Capital Spending							
	Total	Year 1	Year 2	Year 3	Year 4	Year 5	
	£'000	2013/14	2014/15	2015/16	2016/17	2017/18	£'000
Service projects							
Schemes in Progress	3,396	2,256	1,140	-	-	-	
New Projects	6,132	3,668	2,176	127	76	85	
	9,528	5,924	3,316	127	76	85	
Unallocated Funding -future projects	1,200	-	-	400	400	400	
	10,728	5,924	3,316	527	476	485	
Housing Services							
Disabled Facility Grants	3,750	750	750	750	750	750	
Affordable Housing	1,297	70	-	500	727	-	
	5,047	820	750	1,250	1,477	750	
Total Programme	15,775	6,744	4,066	1,777	1,953	1,235	
Receipts and Contributions							
	Total	Year 1	Year 2	Year 3	Year 4	Year 5	
	£'000	2013/14	2014/15	2015/16	2016/17	2017/18	£'000
Disabled Facility Grants	1,760	353	363	348	348	348	
Capital Receipts	-	0	0	0	0	0	
New Homes Bonus	14,221	1,601	2,495	2,995	3,494	3,636	
Other Third Party Contributions (including S106s)	5,186	2,186	750	750	750	750	
Total	21,167	4,140	3,608	4,093	4,592	4,734	
Interest							
	Total	Year 1	Year 2	Year 3	Year 4	Year 5	
	£'000	2013/14	2014/15	2015/16	2016/17	2017/18	£'000
Interest	2,544	373	366	423	582	800	
Usable Reserves & Other Balances							
	Base						
	31.03.13	31.3.14	31.3.15	31.3.16	31.3.17	31.3.18	
	£'000	£'000	£'000	£'000	£'000	£'000	
Reserves							
General Reserve	9,443	7,867	8,895	11,576	14,917	18,976	
Specific Reserve	2,770	2,732	2,257	1,983	1,975	1,982	
Usable Capital Receipts Reserve	1,949	669	4	4	4	4	
Capital Grants Unapplied Account	2,440	2,560	3,189	3,859	4,212	4,959	
Total Usable Reserves	16,602	13,828	14,344	17,422	21,108	25,920	
Other balances							
Capital Grants & Contributions -Receipts in Advance	4,623	5,296	4,713	4,551	4,530	4,473	
Total Usable Reserves & Other Balances	21,225	19,124	19,057	21,973	25,638	30,393	

NB. Figures to nearest £'000 therefore totals subject to rounding variations

4.0 Net Inflation

- 4.1. A realistic budget needs to take account of price increases in the year. The net inflation allowance set out in the Budget Forecast for 2014/15 in the Medium Term Financial Plan to Council on 27th February 2013 was £285,000. It is now proposed that this figure is revised for the new financial year, as explained below.
- 4.2. Members will note that the figure shown for 2014/15 is £218k. This has been estimated using a variety of indicators, but in the absence of a specific indicator, 2.7% has been used as an estimate of CPI for 2014/15. For 2014/15, the principal increases are in contracts (£52k), other supplies and services (£36k) and maintenance (£32k). The inflation figure assumes a 1% pay increase for staff in 2014/15 –equivalent to £100k.
- 4.3. As background information, inflation for the whole economy for the past year has been running as illustrated in the graph below:



- 4.4 After examining each type of expenditure and income in more detail, and in the light of indications for future inflation, the inflation allowance has been recalculated. The table below shows the suggested inflation rate to be applied to each element of the budget.

Inflation calculation for 2014/15 Budget		
<i>Item</i>	<i>Inflation %</i>	<i>£'000 age</i>
<i>Employees</i>		
Pay Salaries have been forecast to increase by 1% in 2014/15 to allow for an estimated pay award to all staff.	1	100
Other employee costs The inflationary percentage on this category is linked to the estimated pay award for 2014/15 of 1%.	1	1
<i>Buildings and Premises</i>		
Maintenance An estimate of the increase for 2014/15 is based on the CPI index for September 2013.	2.7	32
Fuel Our fuel suppliers have advised us of a 0.03% inflationary increase for Gas and a 7.5% inflationary increase for Electricity.	7.5	8
NNDR Allowance increase required for 2014/15 is based on the RPI index for September 2013.	3.2	13
Water This increase is based on inflationary trends for both metered water and sewerage.	1.8	1
<i>Transport</i>		
Car Allowances No increase has been provided for in 2014/15.	0	0

Inflation calculation for 2014/15 Budget cont.		
	<i>Inflation</i>	
	<i>%</i>	<i>£'000</i>
	<i>age</i>	
Supplies and Services		
Postage No allowance has been provided for in 2014/15.	0	0
Subscriptions An estimate of the likely increase for 2014/15 is based on the CPI index for September 2013.	2.7	3
Telephones An estimate of the likely increase for 2014/15 based on the CPI index for September 2013.	2.7	2
Insurance No inflationary increase has been provided for in 2014/15 as the base cost of our premiums is fixed over the duration of the insurance contract.	0	0
Grants Grants for CAB etc. No allowance has been made.	0	0
Other Supplies and Services A 'basket' of items which will increase by different allowances, or remain static.		36
<i>Third Party Payments</i>		
Contracts The contract terms for refuse collection, street sweeping and highway maintenance are subject to increases relating to NJC Labour rates for Local Government (60%), price adjustment formulae for construction contracts civil engineering, Index No 2 plant and road vehicles (10%), price adjustment formulae for construction contracts civil engineering, Index No 10 derf fuel (5%) and National Statistics index 18.3 RPI all items (25%).	1.42	52
<i>Fees and Charges</i>		
Discretionary Charges An allowance based on the CPI index for September 2013 has increased discretionary charges (car park fees excluded).	2.7	(1)
Mandatory Charges No further increases have been announced.	0	0

Inflation calculation for 2014/15 Budget cont.

	%	<i>Inflation</i> £'000
Rents		
Increases of rents are currently dependent on the review of individual leases rather than annual growth. Therefore rental income streams are not inflated but are reported as corporate savings if applicable.	0	0
<i>Recharges</i>		
Census Revenues and Benefits		
The amount of inflation from various types of expenditure recovered from our Census Partner		(22)
CPE		
The amount of inflation from various types of expenditure recovered from WSCC in relation to Controlled Parking Enforcement.		(7)
Total		<u>218</u>

COLLECTION FUND

The latest Collection Fund estimates are shown below:

	Collection Fund			
	2013/14 Original Estimate £'000	2013/14 Revised Estimate £'000	2014/15 Original Estimate £'000	Note
Council Tax Income				
Council Taxpayers	(84,117)	(84,485)	(85,643)	
Contribution to estimated deficit for previous year	0	0	0	
Total Council Tax	(84,117)	(84,485)	(85,643)	<i>a</i>
Council Tax Expenditure				
West Sussex County Council	64,371	64,371	65,384	
Sussex Police & Crime Commissioner	7,668	7,668	7,941	
Mid Sussex District Council	11,493	11,493	11,729	
Contribution paid for estimated C Fund surplus for previous year	678	678	448	<i>b</i>
Allowance for Bad & Doubtful Debts	585	517	589	
	<u>84,795</u>	<u>84,727</u>	<u>86,091</u>	
Movement on Fund Balance for Council Tax	678	242	448	
Business Ratepayers Income				
Business Ratepayers	(42,314)	(41,804)	(42,569)	<i>c</i>
	<u>(42,314)</u>	<u>(41,804)</u>	<u>(42,569)</u>	
Business Rates Expenditure				
Rate Retention Scheme to Central Govt	20,197	20,197	20,862	
Rate Retention Scheme to WSCC	4,039	4,039	4,172	
Rate Retention Scheme MSDC	16,158	16,158	16,690	
Transitional Protection Payments	67	10	48	
Cost of collection	172	172	172	
Allowance for Bad & Doubtful Debts and Appeals Provision	1,681	1,090	625	
Contribution paid for estimated surplus for previous year	0	0	138	<i>d</i>
	<u>42,314</u>	<u>41,666</u>	<u>42,707</u>	
Movement on Fund Balance for RRS	0	(138)	138	
Total Movement on Fund Balance	678	104	586	
Collection Fund Balance				
At the beginning of the year	(678)	(690)	(586)	
Total Movement on Fund Balance	<u>678</u>	<u>104</u>	<u>586</u>	
Total Deficit/(Surplus) at Year End	0	(586)	0	

Notes

Council Tax

- a. For 2014/15, total Council Tax, less provision for bad debts of 0.7%, totals £85,643m - the amount required to meet the "precepts" of WSCC, Sussex Police & Crime Commissioner, MSDC and the parish/town councils. The effect of the local Council Tax Support Scheme (CTSS) is that Council Tax Benefit is given as a discount to the council tax bill.
- b. In accordance with legislation, the estimated balance as at 31st March 2014 on the Council Tax Collection Fund is £448,000 surplus and both the County Council and Police Crime Commissioner have been notified. This surplus is paid to each of these principal authorities in proportion to their Council Tax for the current year.

	%	£
West Sussex CC	77.06	(345,230)
Sussex Police & Crime Commissioner	9.18	(41,130)
MSDC	13.76	(61,640)
	100.00	(448,000)

Business Rates

- c. For 2014/15, the amounts are taken from the CLG NNDR1 return. These are derived from the number of hereditaments 3,996, and the total rateable value of £106m as at 31st December 2013. An allowance of 1.0% for losses on collection has been made.
- d. The Rate Retention Scheme (RRS) was introduced as part of the Finance Act 2012. The RRS sets a target for the collection of business rates. The net yield is paid 50% to central government, 10% to WSCC leaving 40% as the estimate of funding to be retained by MSDC, which can be compared to the Business Rates Baseline. The estimated balance as at 31st March 2014 on the Collection Fund for RRS is a surplus of £138,444, although this will be monitored and adjusted at the end of the financial year, by way of the NNDR3 form for 13-14. The estimated surplus is shared as shown below.

	%	£
Central Government	50	(69,222)
MSDC	40	(55,378)
West Sussex CC	10	(13,844)
	100	(138,444)

COUNCIL TAX LEVELS

1. The basic amount of Council Tax for this Council is calculated as shown below:

Table 1: Council Tax Calculation		
	£	£
Mid Sussex DC Net Revenue Spending	13,455,372	
Town and Parish Council precepts*	3,312,088	
		16,767,460
Council Tax Freeze Grant 2014-15	(88,876)	
Council Tax Support Grant	(93,267)	
Housing Benefit Admin Grant	(396,052)	
Revenue Support Grant	(2,242,041)	
Rates Retention Scheme (RRS) Baseline funding	(1,907,912)	
RRS estimated increase on Baseline funding	(193,444)	
Collection Fund Estimated Surplus 13-14(Business Rates)	(55,378)	
Collection Fund Estimated Surplus 13-14(Council Tax)	(61,640)	
		(5,038,610)
Mid Sussex DC Council Tax Requirement	8,416,762	
Town and Parish Council Tax Requirement	3,312,088	
Total Council Tax Requirement		11,728,850
		£208.44
Divided by 56,269.3 (tax base)		

* Burgess Hill Town Council precept subject to approval on 24th February 14

This represents the *average* Council Tax for a dwelling in valuation band D in respect of District and Parish/Town Council requirements.

2. From the average council tax calculated in paragraph 1, Parish and Town Council precepts are removed to give a Council Tax at band D of £149.58 for this Council's Council Tax Requirement. For each parish area a sum is added to this amount being the relevant precept divided by the parish tax base. The results of these calculations for each parish area are set out in table 4 overleaf.
3. The method of calculation of the tax base is laid down in the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2012.
4. The starting point is the actual number of properties within each tax band as shown on the Council's Valuation List as at 30th November 2013 (the "Relevant Day") less the actual number of exemptions and discounts at that time. The resulting figures are adjusted to take account of estimated movements within and between bands affecting 2014/15 (i.e. changes from 1st December 2013 to 31st March 2015) to arrive at the number of chargeable properties within each band for the year.
5. The numbers of chargeable properties within each tax band are expressed as band D equivalents. The aggregate of all bands is multiplied by the estimated collection rate to determine the tax base for the area. The collection rate represents the effect of losses on collection due to non-payment. For 2014/15 the rate has been set at 99.3%.
6. The calculations referred to in the previous paragraphs are shown in table 2 below, together with tax base figures for each of the twenty-four parish areas, which are shown in table 3 overleaf.

Table 2: Mid Sussex Tax Base 2014/15 - Analysed by Chargeable dwellings

	band A	band B	band C	band D	band E	band F	band G	band H	Total
No of dwellings									
Property equivalents*	2,022.02	6,159.49	12,855.61	16,143.10	10,528.55	7,775.73	4,123.84	357.97	59,966.31
Exemptions (various classes)**	-107.00	-115.00	-122.00	-129.00	-88.00	-40.00	-19.00	-1.00	-621.00
Disabled reductions	11.00	31.00	32.00	-17.00	-19.00	-9.00	-10.00	-19.00	0.00
Chargeable	1,926.02	6,075.49	12,765.61	15,997.10	10,421.55	7,726.73	4,094.84	337.97	59,345.31
Single discounts	1,063.00	3,652.00	4,765.00	4,399.00	2,266.00	1,164.00	535.00	33.00	17,877.00
Two discounts	2.00	4.00	13.00	7.00	4.00	17.00	23.00	4.00	74.00
Council Tax Support Scheme Discounts***	334.44	1,228.47	1,383.45	839.88	210.56	67.05	21.72	0.45	4,086.02
Net chargeable	1,324.83	3,932.02	10,184.41	14,053.97	9,642.49	7,360.18	3,927.87	327.27	50,753.04
Ratio to Band D	6/9ths	7/9ths	8/9ths	9/9ths	11/9ths	13/9ths	15/9ths	18/9ths	
Band D equivalent	883.22	3,058.24	9,052.81	14,053.97	11,785.27	10,631.37	6,546.45	654.54	56,665.9
Total multiplied by Collection Rate of 99.3%									56,269.3

* Includes estimates of effect of new dwellings and other changes to the valuation list, and increases for local premiums for long-term empty dwellings.

** Includes estimates of removal of Class A and Class C exemptions.

*** Includes reductions under the local council tax support scheme.

7. The 2014/15 tax base so calculated for the whole district is 56,269.3 which represents an increase of 872.4 (1.6%) on the tax base for the current year. The effect at parish area level ranges from a decrease of -2.0 to an increase of 219.2 and in percentage terms from -1.6% to +4.7%.
8. For 2014/15, the Exemption Class A and C have been removed in full. Last year the exemptions were given for a period of 1 month or up to 3 months.

Table 3: Mid Sussex Tax Base 2014/15 - Analysed by Parish Area

Parish area	band A	band B	band C	band D	band E	band F	band G	band H	Total
Albourne	2.5	6.8	31.8	68.0	26.7	35.3	96.8	11.4	279.3
Ansty & Staplefield	13.7	16.4	68.6	132.2	153.5	174.6	230.3	53.2	842.5
Ardingly	11.4	15.9	69.2	179.7	143.5	143.2	99.7	19.4	682.0
Ashurst Wood	8.3	17.5	75.0	175.3	148.5	140.0	152.7	2.0	719.3
Balcombe	11.4	35.8	71.4	134.5	116.2	224.6	183.0	18.4	795.3
Bolney	12.1	16.3	15.3	81.7	82.8	144.3	211.6	47.2	611.3
Burgess Hill	130.2	640.6	2,566.0	3,389.5	2,396.3	1,472.8	575.0	17.4	11,187.8
Cuckfield	40.3	51.1	171.7	213.9	388.2	275.0	422.5	34.8	1,597.5
East Grinstead	229.1	520.3	1,837.3	2,380.9	2,432.6	2,229.0	872.0	46.2	10,547.4
Fulking	4.1	4.9	14.8	17.9	27.3	18.3	48.0	13.4	148.7
Hassocks	22.2	197.4	388.2	930.4	960.7	441.7	309.1	21.4	3,271.1
Haywards Heath	125.2	979.9	2,264.5	2,847.9	1,508.8	2,003.3	1,049.5	34.8	10,813.9
Horsted Keynes	4.5	16.3	69.1	118.1	110.5	158.8	179.6	31.3	688.2
Hurstpierpoint and Sayers Common	36.6	102.3	349.5	657.8	728.2	391.6	411.7	35.8	2,713.5
Lindfield	7.1	151.6	202.7	542.9	525.9	764.8	559.5	44.2	2,798.7
Lindfield Rural	13.2	35.1	90.2	218.9	264.1	355.6	180.0	57.0	1,214.1
Newtimber	0.4	4.7	11.6	4.5	4.5	1.1	7.6	2.0	36.4
Poynings	3.0	11.6	29.8	12.2	19.7	13.4	33.1	6.0	128.8
Pyecombe	2.0	3.5	8.7	22.4	16.1	25.5	30.6	0.0	108.8
Slaugham	33.4	93.1	184.0	265.6	160.8	169.1	131.5	49.2	1,086.7
Turners Hill	122.8	23.0	109.8	108.5	72.2	78.7	58.9	7.9	581.8
Twineham	3.6	1.6	9.9	21.2	27.3	17.2	37.7	17.4	135.9
West Hoathly	15.9	18.5	106.6	179.0	216.6	173.7	161.3	39.2	910.8
Worth	24.0	72.7	243.6	1,252.7	1,171.6	1,105.3	458.9	40.7	4,369.5
Total	877.0	3,036.9	8,989.3	13,955.7	11,702.6	10,556.9	6,500.6	650.3	56,269.3

Table 4: Basic Tax

Parish area	Tax base	Precept £	Precept band D £	MSDC band D £	Basic Tax £
Albourne	279.3	14,054	50.32	149.58	199.90
Ansty & Staplefield	842.5	41,561	49.33	149.58	198.91
Ardingly	682.0	77,933	114.27	149.58	263.85
Ashurst Wood	719.3	58,000	80.63	149.58	230.21
Balcombe	795.3	60,000	75.44	149.58	225.02
Bolney	611.3	35,260	57.68	149.58	207.26
Burgess Hill*	11,187.8	764,562	68.34	149.58	217.92
Cuckfield	1,597.5	140,996	88.26	149.58	237.84
East Grinstead	10,547.4	724,679	68.71	149.58	218.29
Fulking	148.7	7,303	49.11	149.58	198.69
Hassocks	3,271.1	157,634	48.19	149.58	197.77
Haywards Heath	10,813.9	464,673	42.97	149.58	192.55
Horsted Keynes	688.2	27,460	39.90	149.58	189.48
Hurstpierpoint & Sayers Common	2,713.5	171,360	63.15	149.58	212.73
Lindfield	2,798.7	152,000	54.31	149.58	203.89
Lindfield Rural	1,214.1	50,803	41.84	149.58	191.42
Newtimber	36.4	225	6.18	149.58	155.76
Poynings	128.8	2,984	23.17	149.58	172.75
Pyecombe	108.8	4,814	44.25	149.58	193.83
Slaugham	1,086.7	68,000	62.57	149.58	212.15
Turners Hill	581.8	60,490	103.97	149.58	253.55
Twineham	135.9	5,400	39.74	149.58	189.32
West Hoathly	910.8	41,897	46.00	149.58	195.58
Worth	4,369.5	180,000	41.19	149.58	190.77
Total	56,269.3	3,312,088	58.86	149.58	208.44

* Burgess Hill Town Council precept subject to approval on 24th February 14

10. The above amounts represent the level of Council Tax to be set for a dwelling within band D in respect of the requirements of this Council and the appropriate Parish/Town Council. These amounts are used to determine the Council Tax for each valuation band in the area by applying the following proportions:

band A	6/9ths
band B	7/9ths
band C	8/9ths
band D	9/9ths
band E	11/9ths
band F	13/9ths
band G	15/9ths
band H	18/9ths

The amounts so calculated are set out in recommendation 3.3.3(g).

11. The Council Tax amounts to be set for 2014/15 are determined by adding to the amounts calculated for District, Parish and Town Council requirements, the amounts calculated by West Sussex County Council and Police and Crime Commissioner for Sussex in respect of their precepts for the year.
12. For illustrative purposes *average* Council Tax figures for each valuation band are shown below:

	WSCC	PCCS	MSDC	Parish/ Town Councils*	Total
	£	£	£	£	£
band A	774.66	94.08	99.72	39.24	1,007.70
band B	903.77	109.76	116.34	45.78	1,175.65
band C	1,032.88	125.44	132.96	52.32	1,343.60
band D	1,161.99	141.12	149.58	58.86	1,511.55
band E	1,420.21	172.48	182.82	71.94	1,847.45
band F	1,678.43	203.84	216.06	85.02	2,183.35
band G	1,936.65	235.20	249.30	98.10	2,519.25
band H	2,323.98	282.24	299.16	117.72	3,023.10

* Burgess Hill Town Council precept subject to approval on 24th February 14

An analysis of the actual amounts of tax for each parish area is shown on the following pages.

13. The actual band D Council Tax within each parish area of Mid Sussex ranges from:

Parish	Council Tax £
Newtimber (minimum)	1,458.87
Ardingly (maximum)	1,566.96

14. The percentage increase in the actual band D Council Tax within each parish area of Mid Sussex ranges from:

Parish	Increase/ (Decrease) on 2013/14 %
Hassocks (decrease)	(0.3)
Twineham (increase)	0.9

Analysis of Council Tax set for 2014/15 in each parish area (bands A to D)

Parish area		band A		band B		band C		band D	
		£	£	£	£	£	£	£	£
Albourne	parish	33.55		39.14		44.73		50.32	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,002.01	1,013.53	1,169.01	1,158.32	1,336.01	1,303.11	1,503.01
Ansty & Staplefield	parish	32.89		38.37		43.85		49.33	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,001.35	1,013.53	1,168.24	1,158.32	1,335.13	1,303.11	1,502.02
Ardingly	parish	76.18		88.88		101.57		114.27	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,044.64	1,013.53	1,218.75	1,158.32	1,392.85	1,303.11	1,566.96
Ashurst Wood	parish	53.75		62.71		71.67		80.63	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,022.21	1,013.53	1,192.58	1,158.32	1,362.95	1,303.11	1,533.32
Balcombe	parish	50.29		58.68		67.06		75.44	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,018.75	1,013.53	1,188.55	1,158.32	1,358.34	1,303.11	1,528.13
Bolney	parish	38.45		44.86		51.27		57.68	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,006.91	1,013.53	1,174.73	1,158.32	1,342.55	1,303.11	1,510.37
Burgess Hill*	town	45.56		53.15		60.75		68.34	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,014.02	1,013.53	1,183.02	1,158.32	1,352.03	1,303.11	1,521.03
Cuckfield	parish	58.84		68.65		78.45		88.26	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,027.30	1,013.53	1,198.52	1,158.32	1,369.73	1,303.11	1,540.95
East Grinstead	town	45.81		53.44		61.08		68.71	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,014.27	1,013.53	1,183.31	1,158.32	1,352.36	1,303.11	1,521.40
Fulking	parish	32.74		38.20		43.65		49.11	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,001.20	1,013.53	1,168.07	1,158.32	1,334.93	1,303.11	1,501.80
Hassocks	parish	32.13		37.48		42.84		48.19	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,000.59	1,013.53	1,167.35	1,158.32	1,334.12	1,303.11	1,500.88
Haywards Heath	town	28.65		33.42		38.20		42.97	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	997.11	1,013.53	1,163.29	1,158.32	1,329.48	1,303.11	1,495.66
Horsted Keynes	parish	26.60		31.03		35.47		39.90	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	995.06	1,013.53	1,160.90	1,158.32	1,326.75	1,303.11	1,492.59
Hurstpierpoint & Sayers Common	parish	42.10		49.12		56.13		63.15	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,010.56	1,013.53	1,178.99	1,158.32	1,347.41	1,303.11	1,515.84
Lindfield	parish	36.21		42.24		48.28		54.31	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,004.67	1,013.53	1,172.11	1,158.32	1,339.56	1,303.11	1,507.00
Lindfield Rural	parish	27.89		32.54		37.19		41.84	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	996.35	1,013.53	1,162.41	1,158.32	1,328.47	1,303.11	1,494.53
Newtimber	parish	4.12		4.81		5.49		6.18	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	972.58	1,013.53	1,134.68	1,158.32	1,296.77	1,303.11	1,458.87
Poynings	parish	15.45		18.02		20.60		23.17	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	983.91	1,013.53	1,147.89	1,158.32	1,311.88	1,303.11	1,475.86
Pyecombe	parish	29.50		34.42		39.33		44.25	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	997.96	1,013.53	1,164.29	1,158.32	1,330.61	1,303.11	1,496.94
Slaugham	parish	41.71		48.67		55.62		62.57	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,010.17	1,013.53	1,178.54	1,158.32	1,346.90	1,303.11	1,515.26
Turners Hill	parish	69.31		80.87		92.42		103.97	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	1,037.77	1,013.53	1,210.74	1,158.32	1,383.70	1,303.11	1,556.66
Twineham	parish	26.49		30.91		35.32		39.74	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	994.95	1,013.53	1,160.78	1,158.32	1,326.60	1,303.11	1,492.43
West Hoathly	parish	30.67		35.78		40.89		46.00	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	999.13	1,013.53	1,165.65	1,158.32	1,332.17	1,303.11	1,498.69
Worth	parish	27.46		32.04		36.61		41.19	
	district	99.72		116.34		132.96		149.58	
	wsccl/pcc	868.74	995.92	1,013.53	1,161.91	1,158.32	1,327.89	1,303.11	1,493.88

*Burgess Hill Town Council precept subject to approval on 24th February 14

Analysis of Council Tax set for 2014/15 in each parish area (bands E to H)

band E		band F				band G				band H		Parish area
£	£	£	£	£	£	£	£	£	£	£		
61.50		72.68		83.87		100.64		182.82		299.16	parish district	Albourne
182.82		216.06		249.30		299.16		1,592.69	1,837.01	2,606.22	wsccl/pcc	
		1,882.27	2,171.01	2,171.85	2,505.02	2,606.22	3,006.02					
60.29		71.25		82.22		98.66		182.82		299.16	parish district	Ansty & Staplefield
182.82		216.06		249.30		299.16		1,592.69	1,835.80	2,606.22	wsccl/pcc	
		1,882.27	2,169.58	2,171.85	2,503.37	2,606.22	3,004.04					
139.66		165.06		190.45		228.54		182.82		299.16	parish district	Ardingly
182.82		216.06		249.30		299.16		1,592.69	1,915.17	2,606.22	wsccl/pcc	
		1,882.27	2,263.39	2,171.85	2,611.60	2,606.22	3,133.92					
98.55		116.47		134.38		161.26		182.82		299.16	parish district	Ashurst Wood
182.82		216.06		249.30		299.16		1,592.69	1,874.06	2,606.22	wsccl/pcc	
		1,882.27	2,214.80	2,171.85	2,555.53	2,606.22	3,066.64					
92.20		108.97		125.73		150.88		182.82		299.16	parish district	Balcombe
182.82		216.06		249.30		299.16		1,592.69	1,867.71	2,606.22	wsccl/pcc	
		1,882.27	2,207.30	2,171.85	2,546.88	2,606.22	3,056.26					
70.50		83.32		96.13		115.36		182.82		299.16	town district	Bolney
182.82		216.06		249.30		299.16		1,592.69	1,846.01	2,606.22	wsccl/pcc	
		1,882.27	2,181.65	2,171.85	2,517.28	2,606.22	3,020.74					
83.53		98.71		113.90		136.68		182.82		299.16	parish district	Burgess Hill*
182.82		216.06		249.30		299.16		1,592.69	1,859.04	2,606.22	wsccl/pcc	
		1,882.27	2,197.04	2,171.85	2,535.05	2,606.22	3,042.06					
107.87		127.49		147.10		176.52		182.82		299.16	parish district	Cuckfield
182.82		216.06		249.30		299.16		1,592.69	1,883.38	2,606.22	wsccl/pcc	
		1,882.27	2,225.82	2,171.85	2,568.25	2,606.22	3,081.90					
83.98		99.25		114.52		137.42		182.82		299.16	town district	East Grinstead
182.82		216.06		249.30		299.16		1,592.69	1,859.49	2,606.22	wsccl/pcc	
		1,882.27	2,197.58	2,171.85	2,535.67	2,606.22	3,042.80					
60.02		70.94		81.85		98.22		182.82		299.16	parish district	Fulking
182.82		216.06		249.30		299.16		1,592.69	1,835.53	2,606.22	wsccl/pcc	
		1,882.27	2,169.27	2,171.85	2,503.00	2,606.22	3,003.60					
58.90		69.61		80.32		96.38		182.82		299.16	parish district	Hassocks
182.82		216.06		249.30		299.16		1,592.69	1,834.41	2,606.22	wsccl/pcc	
		1,882.27	2,167.94	2,171.85	2,501.47	2,606.22	3,001.76					
52.52		62.07		71.62		85.94		182.82		299.16	town district	Haywards Heath
182.82		216.06		249.30		299.16		1,592.69	1,828.03	2,606.22	wsccl/pcc	
		1,882.27	2,160.40	2,171.85	2,492.77	2,606.22	2,991.32					
48.77		57.63		66.50		79.80		182.82		299.16	parish district	Horsted Keynes
182.82		216.06		249.30		299.16		1,592.69	1,824.28	2,606.22	wsccl/pcc	
		1,882.27	2,155.96	2,171.85	2,487.65	2,606.22	2,985.18					
77.18		91.22		105.25		126.30		182.82		299.16	parish district	Hurstpierpoint & Sayers Common
182.82		216.06		249.30		299.16		1,592.69	1,852.69	2,606.22	wsccl/pcc	
		1,882.27	2,189.55	2,171.85	2,526.40	2,606.22	3,031.68					
66.38		78.45		90.52		108.62		182.82		299.16	parish district	Lindfield
182.82		216.06		249.30		299.16		1,592.69	1,841.89	2,606.22	wsccl/pcc	
		1,882.27	2,176.78	2,171.85	2,511.67	2,606.22	3,014.00					
51.14		60.44		69.73		83.68		182.82		299.16	parish district	Lindfield Rural
182.82		216.06		249.30		299.16		1,592.69	1,826.65	2,606.22	wsccl/pcc	
		1,882.27	2,158.77	2,171.85	2,490.88	2,606.22	2,989.06					
7.55		8.93		10.30		12.36		182.82		299.16	parish district	Newtimber
182.82		216.06		249.30		299.16		1,592.69	1,783.06	2,606.22	wsccl/pcc	
		1,882.27	2,107.26	2,171.85	2,431.45	2,606.22	2,917.74					
28.32		33.47		38.62		46.34		182.82		299.16	parish district	Poynings
182.82		216.06		249.30		299.16		1,592.69	1,803.83	2,606.22	wsccl/pcc	
		1,882.27	2,131.80	2,171.85	2,459.77	2,606.22	2,951.72					
54.08		63.92		73.75		88.50		182.82		299.16	parish district	Pyecombe
182.82		216.06		249.30		299.16		1,592.69	1,829.59	2,606.22	wsccl/pcc	
		1,882.27	2,162.25	2,171.85	2,494.90	2,606.22	2,993.88					
76.47		90.38		104.28		125.14		182.82		299.16	parish district	Slaugham
182.82		216.06		249.30		299.16		1,592.69	1,851.98	2,606.22	wsccl/pcc	
		1,882.27	2,188.71	2,171.85	2,525.43	2,606.22	3,030.52					
127.07		150.18		173.28		207.94		182.82		299.16	parish district	Turners Hill
182.82		216.06		249.30		299.16		1,592.69	1,902.58	2,606.22	wsccl/pcc	
		1,882.27	2,248.51	2,171.85	2,594.43	2,606.22	3,113.32					
48.57		57.40		66.23		79.48		182.82		299.16	parish district	Twineham
182.82		216.06		249.30		299.16		1,592.69	1,824.08	2,606.22	wsccl/pcc	
		1,882.27	2,155.73	2,171.85	2,487.38	2,606.22	2,984.86					
56.22		66.44		76.67		92.00		182.82		299.16	parish district	West Hoathly
182.82		216.06		249.30		299.16		1,592.69	1,831.73	2,606.22	wsccl/pcc	
		1,882.27	2,164.77	2,171.85	2,497.82	2,606.22	2,997.38					
50.34		59.50		68.65		82.38		182.82		299.16	parish district	Worth
182.82		216.06		249.30		299.16		1,592.69	1,825.85	2,606.22	wsccl/pcc	
		1,882.27	2,157.83	2,171.85	2,489.80	2,606.22	2,987.76					

*Burgess Hill Town Council precept subject to approval on 24th February 14

GLOSSARY OF TERMS

AONB – Area of Outstandingly Natural Beauty.

Balances - in general, the surplus or deficit on any account at the end of the year. A General Fund balance is required to meet unexpected expenditure or a shortfall in income and to finance expenditure pending receipt of income. An authority may also use its revenue balances to reduce the requirement from the Council Tax.

Balance Unallocated - The term used by MSDC to denote a part of the budget for Net Expenditure which is not allocated to a service at the time the budget is prepared. It has been practice in recent years to use this facility to accrue budget reductions and to meet budget increases (other than new proposals) as a result of revenue budget management during the year. A Balance Unallocated can, however, be earmarked for a purpose but subject to further consideration before being applied.

Band D Equivalent - the weighted number of properties subject to council tax in a local authority's area, calculated on the basis of prescribed proportions in relation to Band D.

Baseline Funding Level – This is notified by CLG in the Local Government Finance Settlement and represents the individual Authority's Business Rates Baseline less tariff / or plus top-up funding.

Benefits - Housing Benefit (see Housing Benefit).

Billing Authority - the local authority responsible for the billing and collection of the council tax from all properties in their area. In shire areas the district councils are the billing authorities.

Budget - a statement defining the Council's policies over a specified period of time in terms of finance. Budgets usually include statements about the use of other resources (e.g. numbers of staff) and provide some information on performance measures.

Capital - see Capital Expenditure.

Capital Accounting - the recording in local authority balance sheets of the value of all capital assets and the use of these values to charge services with depreciation.

Capital Expenditure (see also Capital Spending) - spending on the acquisition of assets either directly by the Council or indirectly in the form of grants to other persons or bodies. Section 40 of the Local Government and Housing Act 1989 defines "expenditure for capital purposes". Expenditure which does not fall within the definition must be charged to a revenue account.

Capital Grants & Contributions Receipts in Advance - This comprises capital grants and S106s contributions from developers with conditions to repay if not used within a specified time limit. These sums are restricted to being spent only in accordance with the agreement concluded with the developer.

Capital Grants and Unapplied Account - This comprises capital grants and S106s contributions from developers with no conditions to repay.

Capital Programme - an authority's plan for capital projects and spending over future years. Included in this category are the purchase of land and buildings, the erection of new buildings, design fees and the acquisition of vehicles and major items of equipment.

Capital Reserves – comprise Usable Capital Receipts from the sale of assets, and capital grants and S106s contributions from developers with no conditions to repay.

Capital Spending - the acquisition of assets which have a long-term value to the authority in the provision of its services (e.g. land) purchasing existing buildings or erecting new ones, purchasing furniture, equipment, etc.

CenSus ICT – Central Sussex partnership for Information Communication Technology services. The partners are Mid Sussex District Council, Horsham District Council and Adur / Worthing Council.

CenSus Revenues and Benefits (CenSus) – Central Sussex partnership for Revenues and Benefits services. The partners are Mid Sussex District Council, Horsham District Council and Adur District Council.

Central Support (or Administration Charges) - the cost of central administrative departments, e.g. Finance and Legal Business Units apportioned to services.

CIPFA - The Chartered Institute of Public Finance and Accountancy. This is the professional body for accountants working in local government and public bodies and is a Member of the Consultative Committee of Accounting Bodies. The Institute provides financial and statistical information services for local government and advises central government and other bodies on local government and public finance matters.

CLG – Department for Communities and Local Government.

Collection Fund - a fund administered by each billing authority (the District Council in shire areas). The council tax, business rate income and the community charge are paid into the fund whilst the net revenue spending of the county, district and parishes are met from the fund.

Commuted Sum - a one-off payment to the Council as a settlement intended for a specific purpose such as the continued maintenance of an open space.

Contingencies - money set aside in the estimates to pay for inflation (and sometimes unforeseen events).

Council Tax – Locally set tax payable on most residential properties in a local authority's area. The council tax is essentially a property tax which is levied on the broad capital value of domestic properties. Properties are valued within eight valuation bands (A-H).

Council Tax base – is equal to the number of band D equivalent properties. One band H property is equivalent to two band D properties, as it pays twice as much tax.

Council Tax Benefit – provided support for groups with low incomes towards the payment of their council tax bills. The benefit was administered by local authorities but funded by central government. From 2013/14, Council Tax Benefit has been abolished, and has been replaced by new localised Council Tax Support Scheme administered by individual local authorities.

Council Tax Freeze Grant 2014/15- where the authority sets its basic amount of council tax for 2014/15 at a level which is no more than its basic amount of council tax for 2013/14, it will be eligible to receive a grant equivalent to a 1% increase in its 2013/14 basic amount of council tax *multiplied* by the authority's tax base for 2014-15 (rounded to the nearest pound).

Council Tax Requirement - sum of money including parish and town council precepts required to be met from local taxpayers, having taken into account any funding from reserves, income it expects to raise and general funding it will receive from the Government.

Council Tax Support Scheme – The Local Government Finance Bill made provision for the localisation of council tax support by imposing a duty on billing authorities to make a localised council tax reduction scheme, by 31 January 2013. The new scheme took effect for MSDC on 1st April 2013.

Depreciation - the measure of the wearing out, consumption, or other reduction in the useful economic life of a fixed asset, whether arising from use, effluxion of time or obsolescence through technological or other changes.

Fees and Charges - income arising from the provision of services, e.g. car park charges, Development Management planning fees, Building Control fees and Green Waste.

Financial Regulations - a formal code of procedures to be followed in the financial management of the Council. Within this Council's constitution these are the Financial Procedure Rules.

Forecast Budget - created by adding variations to existing budgets in order to predict what a budget may be a number of years from now.

General Fund - the main revenue fund of a billing authority. Day-to-day spending on services is met from the fund.

General Grant – a grant to local authorities which has no restrictions on how it may be spent. It is divided into formula grants such as Revenue Support Grant, as well as some targeted grants.

General Reserve - referred to under Usable Reserves and other Balances section of this report. This Reserve includes amounts earmarked for the Capital Programme. It also includes the non-earmarked element.

Gross Expenditure - the cost of providing the Council's services before deduction of government grants or other income.

Housing Benefit - an allowance to persons on low income (or none) to meet in whole or part their rent. Benefit is allowed or paid by local authorities but central government refunds part of the cost of the benefits and of the running costs of the service to local authorities. Benefit paid to the authority's own tenants is known as "rent rebate" and that paid to private sector tenants as "rent allowance".

Local Government Finance Settlement 2014/15- the Local Government Finance Settlement sets out the annual Start-Up Funding Assessment as made by the Government and debated by Parliament. It includes:

- the totals of **Revenue Support Grant** and **Baseline Funding Level** (made up of Formula Funding; 2011/12 Council Tax Freeze grant; 2013/14 Council Tax Freeze grant and Homelessness Prevention funding)
- how that grant will be distributed between local authorities;

MSDC – Mid Sussex District Council.

National Non-Domestic Rates (NNDR) - nationally set tax charged on the rateable value of non-domestic properties (also known as business rates). The rate is set by the Chancellor of the Exchequer. Up to 2012/13, the proceeds were pooled nationally and redistributed as a fixed amount per head of resident population. However, from 2013/14 this pooling and redistribution arrangement has been abolished and replaced by the Rates Retention Scheme.

Net Expenditure (gross expenditure less income) - the term used by MSDC to describe net revenue expenditure for all Services less Depreciation and Specific Items and excluding Benefits.

New Homes Bonus – The New Homes Bonus, introduced from 2011/12, is designed as an incentive to encourage local authorities to facilitate housing growth. The scheme provides local authorities with a New Homes Bonus, equal to the national average for the council tax band on each additional property and paid for the following six years as an unring-fenced grant.

NJC - National Joint Council for Local Government Services.

NLIS - National Land Information Service.

NNDR - see National Non-Domestic Rates.

Overspending/Underspending - extent to which the actual net expenditure for the year varies from the latest budget for the same period.

Pension Fund - an employees' pension fund maintained by an authority, or group of authorities, in order to make pension payments on retirement of participants; it is financed from contributions from the employing authority, the employee and investment income. This Council contributes to the West Sussex Pension Fund.

Precept - the levy made by the county, the Police and Crime Commissioner, parish and town councils on the Collection Fund for their net expenditure requirements.

Precepting Authorities - those authorities which are not billing authorities, i.e. do not collect the council tax and non-domestic rate. County councils and joint authorities are "major precepting authorities" and parish, community and town councils are "local precepting authorities".

Provision for Bad and Doubtful Debts - the amount set aside in the Council's accounts to cover debts which may be uncollectable and written off.

Provisions and Reserves - amounts set aside in one year to cover expenditure in the future. Provisions are for liabilities or losses which are likely or certain to be incurred, but the amounts or the dates on which they will arise are uncertain. Reserves are amounts set aside which do not fall within the definition of provisions and include general reserves (or "balances") which every authority must maintain as a matter of prudence.

Prudential Code - The Prudential Code, which came into force on 1st April 2004, replaced the complex regulatory frameworks that have governed local authority capital expenditure. The Prudential Code is based largely on self-regulation by local authorities themselves. The basic principles of the code are that authorities are free to invest so long as their capital spending plans are affordable, prudent and sustainable.

Rates Retention Scheme – Authorities have previously made payments to CLG on the basis of their estimates of NDR during the year, but their income from business rates has been entirely dependent on the allocation received as part of the Local Government Finance Settlement. Under the new system, which took effect from 2013/14, billing authorities' estimates of the business rate base determine the resources available to both themselves and their major preceptors, in line with the arrangements for Council Tax.

Recharges - the cost of support services that are added to the front line service to show the full cost of that service.

Reserves - these are created for specific or general purposes to meet future expenditure.

Revenue Budget - the estimate of annual income and expenditure requirements for all services, which sets out the financial implications of the Council's policies and provides the basis of the calculation of the annual requirement from the Collection Fund.

Revenue Expenditure - this is expenditure on day-to-day running costs and consists principally of salaries and wages and general running expenses.

Revenue Spending - term used by MSDC to refer to Council Net Expenditure plus expenditure/savings on items not at this time specifically allocated to an individual service.

Revenue Support Grant (RSG) - a grant paid by central government in aid of local authority services in general as opposed to specific grants, which may only be used for a specific purpose.

RRS – see Rates Retention Scheme.

RSG – see Revenue Support Grant.

Section 106s (S106s) - contributions under Section 106 Agreements whereby Developers make payments to the Council in lieu of provision of e.g. recreational facilities, playspaces, car parking spaces. The Council utilise these moneys to provide the facilities subject to S106 agreements within certain time limits. S106s are classed as either a Capital Grants and Contributions Reserve or as Capital Grants and Contributions Receipts in Advance. Further detail is set out under these headings in this glossary.

Settlement – see Local Government Finance Settlement.

Slippage - where a revenue or, more typically, a capital scheme, does not progress at the rate of physical progress or spending originally forecast.

Specific Grants - government grants to local authorities in aid of particular project or services, e.g. housing benefits.

Specific Item - the term used by MSDC to denote an item of expenditure to be financed from the Specific Reserve.

Specific Reserve - a reserve maintained by MSDC containing sums which are mostly identified for specific purposes.

Specified Capital Grants - certain government grants towards capital spending e.g. Disabled Facility Grants. Local authorities must apply a special accounting treatment to these grants.

Support Services (or Administration Charges) - the cost of central administrative departments, e.g. Finance and Legal Business Units apportioned to services, as well as office accommodation and computer recharges.

Tariff- This is determined by comparing each individual authority's baseline funding level with individual authority business rates baseline. A tariff is applied if the business rates baseline is greater than funding level.

Tax-base -The tax base is the divisor used to convert the total net amount required for local authority spending in the area to a level of council tax due for a band D property.

The Police and Crime Commissioner for Sussex – On 22 November 2012 legislation came into force whereby the Sussex Police Authority was abolished and replaced by a single, directly elected individual called the Police and Crime Commissioner.

Top-up- This is determined by comparing each individual authority's baseline funding level with individual authority business rates baseline. A top-up is applied if funding level is greater than the business rates baseline.

Unallocated Funding - The term used by MSDC to denote a part of the Capital Programme which is not identified to specific projects.

Underspending/Overspending - see Overspending/Underspending.

Usable Capital Receipts - income received from the sale of land or assets, which is available to finance other items of capital (but not revenue) spending, or to repay debt on assets originally financed from loan.

Usable Reserves - these include General Fund Balance, Earmarked Specific Reserve, Usable Capital Receipts Reserve and the Capital Grants Unapplied Account.

WSCC - West Sussex County Council.