

CORPORATE PLAN AND BUDGET 2011/12

CONTENTS	Page
Section 1	2-18
Corporate Priorities	2
Overall Summary	2-3
Financial Outlook	3-6
- Formula grant	
- Income from fees and charges	
- Council Tax	
- Staff salaries	
- Pensions	
- VAT	
- Inflation	
- Capital programme and reserves	
- The four year position	
Plans for service redesign in 2011/12	7-15
S25 Local Government Act 2003	15
Risk Analysis	15-18
Section 2	
Revenue Budget and Service Commentaries	19-94
Section 3	
Capital Programme 2010 - 2014	95-120
Section 4	
Reserves and other balances	121-123
Section 5	
Financial Strategy	125-127
Medium Term Financial Plan	128-130
Inflation	131-133
Section 6	
Collection Fund	135-136
Section 7	
Council Tax Levels	137-143
Section 8	
Glossary of Terms	145-150

SECTION 1

1.0 Corporate Priorities

- 1.1 The Corporate Plan and Budget for 2011/12 has been developed in line with the Council's corporate priorities, which were developed in consultation with the local community, these being:

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

- 1.2 The key themes and longer term challenges the Council has agreed with its partners are set out in the District's Sustainable Community Strategy (SCS) which was approved by Council in April 2009. These have also been taken into consideration in the preparation of this Corporate Plan and Budget, being:
- Protecting and Enhancing the Environment;
 - Ensuring Cohesive and Safe Communities;
 - Promoting Economic Vitality; and,
 - Supporting Healthy Lifestyles.

2.0 Overall Summary

- 2.1 The financial outlook facing the Council next year and beyond is very challenging. The economy is only slowly emerging from the recession and the Coalition Government has announced unprecedented reductions in public expenditure over the lifetime of this Parliament.
- 2.2 This means the Council has to further 'cut it's cloth' to match the reduced levels of income it will be receiving during this period of austerity. However, in doing so, it needs to ensure it can continue to deliver the key services that local people rely on. This is not easy. The Council has achieved £3.2m of efficiency savings in the last 4 years and is already one of the lowest spending councils in the country.
- 2.3 These financial constraints have made this year's service and financial planning process very challenging. Every business unit in the Council has been subjected to 'constructive challenge sessions' and a wide variety of options have been explored. We have looked at how we can do things more efficiently and even whether we need to provide the service at all. The emphasis has been on protecting frontline services and especially those used by vulnerable people in the community.
- 2.4 On staffing, vacant posts have been reviewed to see if they can be removed from the Establishment without significantly affecting frontline services. The Council has also approved a new Redundancy Policy at its meeting on 15 December 2010. This has enabled management to encourage staff to come forward for voluntary redundancy where that would suit their specific circumstances. These initiatives have helped minimise the need for compulsory redundancies but will enable a reduction in headcount.

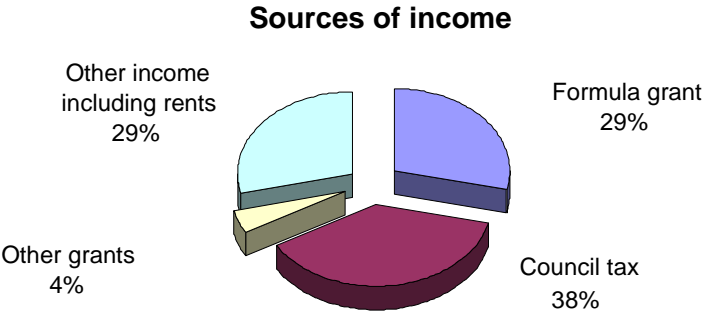
- 2.5 The culmination of the service and financial planning process is a balanced budget that:
- Allocates resources to the Council's priorities;
 - Protects key frontline services;
 - Further reduces senior management costs;
 - Ensures compulsory redundancies are a last resort;
 - Protects the reserves position; and,
 - Freezes Council Tax at existing levels for 2011/12.

3.0 Financial Outlook for 2011/12

- 3.1 The Coalition Government is committed to substantially reducing the level of public debt over the next four years. They have chosen to do this mainly through significant reductions in public spending rather than increases in taxes.
- 3.2 In June 2010, the Coalition Government announced in-year spending cuts of £6.25 billion of which local government was required to absorb £1.1 billion. On 20 October 2010, the Chancellor set out the results of their Spending Review. This showed that the Department for Communities and Local Government received (alongside the Department for Culture, Media and Sport) the worst financial settlement. In his speech, the Chancellor suggested that funding for local government would be reduced by an average of 7.1% per annum for the next four years – equivalent to £6 billion.
- 3.3 The scale of this reduction was demonstrated by his prediction that there would be 490,000 job losses in the public sector over the four-year period. It is recognised that many councils are likely to be announcing reductions in their services and job losses as they try to balance their budgets. All the other Boroughs and Districts in West Sussex have experienced significant reductions in their Formula Grant and it is likely they will be considering redundancies and reductions in service.
- 3.4 However, it has only been possible to measure the true impact of the Spending Review on MSDC’s financial outlook since the Coalition Government announced the individual formula grant funding settlements for each council on 13 December 2010. This has shown that MSDC is one of a number of district councils who have suffered the highest level of grant reductions in the country.

Formula Grant

3.5 The Council received just under £6.5m of Formula Grant for 2010/11. As the pie chart below shows, this is equivalent to 29% of the Council's annual income. In the Settlement, the Government announced that the Council would only receive £4.812m in Formula Grant in 2011/12. However, in other adjustments, principally to reflect concessionary fares becoming the responsibility of the County Council, the Council will not need to incur £652k of expenditure.



- 3.6 This calculation results in a net reduction in the Council's Formula Grant of £1,004k in 2011/12 (after the removal of concessionary fares funding). This is equivalent to a loss of 15.52% of funding next year. The Government announced that there will be a further reduction of £727k in the Council's grant, equivalent to 15.11% in 2012/13. These figures confirmed our planning assumptions that the bulk of the cuts were to be 'front loaded' into the initial years of the Parliament.

Income from Fees and Charges

- 3.7 The Council has two other principal sources of income. The Council expects to generate about £6.4m in 2010/11 from the fees and charges it applies to its own services. This is equivalent to about 29% of the total. To agree a budget for 2011/12, the Council needs to make assumptions as to the state of the local economy and in particular the building related sectors that affect income from land charges, building control and planning. At present, economic commentators are not predicting a rapid return to growth although some have suggested that a 'double-dip recession' could be a possibility. The plans therefore do not anticipate that a significant uplift in overall income can overcome the shortfall in formula grant next year.

Council Tax

- 3.8 The third principal source of the Council's income comes from Council Tax. This year £8.5m, equivalent to 38% of the Council's income, will be received from MSDC's proportion of the Council Tax levied in the District (with the remainder going to the County Council, the Police and the relevant town or parish council). However, given the political and economic climate, above inflation rises in Council Tax levels would be difficult to justify and so Council Tax cannot make up for the pressures in the other two areas of the Council's income.
- 3.9 In fact, the Coalition Government is encouraging councils to freeze Council Tax next year at 2010/11 levels and is willing to provide some funding, £215k in 2011/12, to help us do this. For further details on Council Tax please see section 7 of this plan.

Staff Salaries

- 3.10 Salary increases arising from the national pay negotiations are expected to be minimal but the Council does need to budget for the 1% increase in National Insurance contributions due to come in from April 2011. This represents a cost of £58k in 2011/12. Further information on this can be found in section 5.

Pensions

- 3.11 The outlook for the LGPS is clearer now that Lord Hutton has delivered his interim report. Whilst changes to the scheme are evidently forecast, the lack of detail around the timing and extent of these changes means it is too early to accurately predict their effect. However, the general trend is to redistribute the imbalance between the employer and employee contribution and make the scheme more 'affordable'. The move to index-linking the pensions payable to CPI rather than RPI has started that process but it remains to be seen what else may change, although most people agree that increasing the age at which a pension can be drawn is a certainty.
- 3.12 Locally, the WSCC Triennial valuation has now also been completed and the key outcomes are set out below. Whilst there are few surprises, one aspect of dealing with the fund deficit is changing for 2011/12 and thereafter. In future, the 'future service' rate is to be separated from any payment for the deficit which is now to be solely a lump sum payment.

- 3.13 The Mid Sussex part of the fund is now 76% funded. This is a reduction from the last revaluation when our part was 79% funded. This compares to the position for the whole WSCC fund, which is 86% funded.

The schedule of payments is set out below and equates to approximately £100k increase in 2011/12:

Year	Future service rate	Deficit repayment contribution
	%	£000's
Current	22.6	included
2011/12	15.6	635
2012/13	15.6	753
2013/14	15.6	881

- 3.14 The Council had allowed for 1% extra contributions year on year, but in cash terms this falls slightly short from the total expenditure set out above. This shortfall increases the pressure on Council Tax at a time when resources are increasingly pressured.
- 3.15 There is another factor here that needs highlighting, and that is the effect of making the deficit contribution a defined cash sum rather than a percentage of payroll. The cash sum is fixed, and whilst the payroll will fall as a result of reducing staff numbers and greater efficiency, this will translate into a smaller saving than previously as a result of the reduction in the contribution from 22.6% to 15.2%. However, the payment to the fund will rise and although the deficit will be paid off in a more structured way, this does have the effect of restricting flexibility. Conversely, this does address the deficit earlier than would otherwise have been the case.
- 3.16 The position for the Census Shared Service (which forms a separate part of the fund) is slightly different in that the contribution is to pay for future service only, as the deficit remains with the former employer. The contribution rate was set as recently as April 2010 at 19.6% of payroll but improved equity valuations as part of the overall revaluation have resulted in a decreased rate being set for the next three years – this being 16.1%. The fund is presently 133% funded although this valuation should be treated with caution owing to the short time that this 'pool' has existed. In essence however, the cost of providing the services under Census has reduced by 3.5%.

VAT

- 3.17 The rate of VAT increased to 20% from 1 January 2011. Where this can be added to a service charge (for example, the fees for discretionary planning advice) it will have no effect on the Council's finances, but where the charge is VAT inclusive, e.g. car parking, we will lose some £40k from the overall income budget unless charges are increased. Since there are no plans to increase these charges in 2011/12 we have included this pressure in the budget.

Inflation

- 3.18 In total, inflation relating to contracts and other expenditure is expected to be £212k. Further information about inflation and its financial impact can be found in section 5.

Capital Programme and Reserves

- 3.19 The proposed capital programme is set out in Section 3. This is again a limited programme reflecting the Council's continuing policy to protect its reserves position. The level of spending in the capital programme during 2011/12 is expected to be £2.195m. The level of un-earmarked reserves at March 2012 is expected to be £5.204m. This is an improving situation and reflects the Council's commitment to protect and build up its reserves wherever possible. More details about the council's reserves and other balances is set out in section 4.

The Four Year Position

- 3.20 The financial outlook for the Council over the next four years is set out in the Medium Term Financial Plan (MTFP), which is set out in detail in section 5 of this plan. The figures in such a projection should be treated with appropriate caution as events will change and so assumptions on costs and income will need to be revised in time. However, the MTFP does illustrate the general point that the financial squeeze on the Council will continue for the whole four-year period. These projections estimate that the Council will need to generate additional income and/or identify cost reductions/efficiency savings in future years as follows:

Year 2 2012/13	£768k
Year 3 2013/14	£260k
Year 4 2014/15	£306k

- 3.21 The scale of the financial challenge emphasises why the Council should plan on a four-year basis as it has done for the last few years. Thinking ahead will help the Council avoid crude 'salami slicing' approaches to balancing the budget that could ultimately damage services. It also recognises that some initiatives may have long lead in times before the financial benefits can be achieved.
- 3.22 The 'constructive challenge' sessions conducted with all services have been used to encourage managers to look at how they might modernise and redesign how they deliver their services over the next four years. This has built on the considerable work done in the last four years to reduce costs and achieve efficiencies by reshaping services. Services will continue to examine how they can, for example:
- Further streamline processes to remove unnecessary bureaucracy;
 - Use improved ICT to enable more customer/resident self service;
 - Evaluate the opportunities for shared services;
 - Continue to use smart procurement practices; and,
 - Increase staff productivity and flexibility.

This process of review and constant improvement will need to continue throughout the four-year period to keep costs down and services performing well.

- 3.23 The other key factor that needs to be taken into consideration is that the Coalition Government is still announcing major policy changes on a regular basis. The implications of these initiatives – such as the introduction of a new locally based planning system, the proposed new homes bonus, the universal credit etc – need to be assessed and where necessary amendments to plans be formulated.

4.0 Plans for Service Redesign in 2011/12

- 4.1 The plans for 2011/12 have all been carefully developed so as to minimise as far as possible the impact on residents and customers. The aim has been to protect key frontline services and ensure performance levels remain good.
- 4.2 There is a planned reduction in headcount of about 4% or 12 posts but these service plans do not include any compulsory redundancies.
- 4.3 The service changes are a mixture of:
- Straight forward budget reductions;
 - Proposals to stop or reduce doing things;
 - Reductions in headcount;
 - Reductions in Councillor and senior management costs;
 - Suggestions for changes in service provision or contractual arrangements;
 - Reductions in grant given; and,
 - Income generation ideas.

Individual Service and Budget Changes

4.4 Councillors - reduction in allowances

At Council in December 2010, Councillors agreed an across the board 5% reduction in the basic and special responsibility allowances and removed payments for vice-chairman of committees (with the exception of the Vice Chairman of the Council). The savings to the Council from this decision amount to **£33k pa**.

4.5 Senior Management - reduction in salaries budget

Likewise, in 2010, the Council had already agreed a sizeable reduction in the salary of the Chief Executive and the deletion of the Deputy Chief Executive post. The full year effect of this further reduction in senior management costs is **£165k pa**. This builds on previous reductions in the senior team and when taken together, the affect is that the Council has a senior team that costs around 52% less than the average for other boroughs and district in West Sussex. Analysis of the salary costs across the Council show that the majority of costs (54%) are spent on posts providing frontline services with costs tapering away towards the top of the organisation. Chief officer costs represent 8% of the total salary bill.

4.6 Voluntary Redundancies – reduction in headcount

At Council in December 2010, a new Redundancy Policy was agreed that enabled staff who were interested in voluntary redundancy to come forward. Each expression of interest has been reviewed in terms of the financial viability and the likely impact on the service. Requests for voluntary redundancy can only be accepted where the post is then deleted from the Establishment. Nine posts can be deleted enabling the salary budget to be reduced by **£279k pa**.

This has been achieved at a one-off cost of £369k or expressed as a return on investment, it pays back in a little over 16 months. Whilst the individual 'business cases' do vary around this average, it means that using redundancy on a voluntary basis, where circumstances permit, is a useful tool in improving business efficiency and significantly easier to achieve than the compulsory equivalent. Before accepting any of the requests for voluntary redundancy the relevant Head of Service evaluated the likely impact on the service. Only those cases where it was felt that the work could be successfully managed in an alternative way have been accepted and the post deleted.

The funding for the scheme was agreed at Cabinet in November 2010 with a reserve of £250k set up from the projected under-spend for this year to finance both severances and possible costs arising from job evaluation. In January 2011 the Cabinet agreed to move a further £200k into the reserve. The reserve is therefore sufficient to meet the anticipated costs of voluntary redundancies.

These proposals also allow for the savings from the posts deleted and not otherwise accounted for, to be repaid to the voluntary redundancy and job evaluation reserve in 2011/12 only (totalling £105k). This then replenishes the reserve so that further redundancies can be financed as and when circumstances and business needs can be met. After that year, it is proposed that the savings from the deleted posts are built into the base budget and thereby reduce the Council's ongoing net expenditure.

4.7 **Development Management – increase in income**

Despite the economic situation, income from development management has risen higher than expected this year. It is anticipated that this level will be maintained through 2011/12. This means that an extra **£150k pa** income can be built into the budget.

4.8 **Publicity and printing – reduction in design, promotional material and printing**

A review has been undertaken into the Council's approach to producing printed media. The two principal corporate publications are Mid Sussex Matters (three issues per year) and the A-Z Guide to the Council's Services (which for the first time last year was amalgamated with the Council Tax leaflet and distributed with Council Tax bills). These will remain. However, over time the Council has produced a whole variety of other leaflets and printed material. This material will be reduced to a minimum thereby saving design and print costs. This also reflects the fact that much of this material is now on the Council's website and that information sheets can be handed out when required (and to those who do not have access to the internet). Consideration is being given to participating in a new county-wide print procurement contract will also assist us in reducing costs in the future. This will save **£22k** in 2011/12. An additional **£6k** saving within the customer service area will be achieved as a result of a piece of software no longer being needed in the customer contact centre.

4.9 **Cost control - savings achieved within 2010/11 made permanent**

Officers have reviewed all the 'in year' savings achieved in 2010/11 to date to identify those that can be made permanent reductions in the base budget. They have all been previously reported to Cabinet through budget monitoring reports and together contribute a net saving of **£76k pa**.

4.10 **CENSUS Benefits and Revenues - removal of vacant post in back office**

The post of Office Manager in CENSUS supporting both the revenues and benefits teams is vacant. This post will be deleted, with some adjustments made to other roles, but with no direct impact on the front line service. This will produce a saving of **£15k pa**. This represents a one third share of the total saving in line with the agreement with Horsham and Adur councils.

4.11 **Arts Development – removal of vacant post**

The Council has undertaken arts development through activities with young people, support for public art and more general work with local arts organisations. The Arts Development Officer post is vacant with the posts' work having been distributed between other members of the Community Services and Culture team. This interim arrangement will be made permanent and the post deleted, achieving a saving of **£36k pa**. This will mean that the Council will work more in partnership in future (for instance, with the West Sussex Arts Partnership) to enable the continued local delivery of projects.

4.12 **Facilities Grant – cessation of grant pot**

The Council has had a small Facilities Grant fund which it has used to assist with the development or improvement of community and sports/play facilities, such as pitch drainage or car park improvements. The grants have been distributed to projects all across the district, sometimes supported by Section 106 funds. This grant pot will be discontinued saving **£50k pa** and in future Section 106 monies be used, wherever possible. However, it is recognised that Section 106 funds will not be available to all projects, and so other funding sources will need to be identified. The Council has continued to protect the Partnership Grants Scheme of over £230k pa, which supports the Citizens Advice Bureaux and similar voluntary groups, and the Small Revenue Grants budget of £25k pa which addresses smaller and often emergency funding requests from local community groups.

4.13 **Community Development Events and Activities – reduction of operational budgets**

There are a number of small development budgets to support community based work for Sports, Arts, Older People, Young People, Health projects and Sustainability. The combined budget will be reduced by **£15k pa** (from a total budget of £75k pa). Key events, such as the Life Show, have been protected although other activities may need to be scaled back if alternate funding cannot be obtained (e.g. Sustainability Awareness and Arts Development initiatives). In sports development this means the discontinuation of our small (£2k) contribution to 'Active Sussex' that is principally funded by Sport England. However, further efforts will be made to seek external, and partnership, funding where opportunities exist, to help address shortfalls.

4.14 **Concessionary Fares – change in service**

From April 2011, West Sussex County Council will take on responsibility for the concessionary travel scheme. Although it is likely to ask the Council to continue to administer the scheme for the time being, it will not fund elements of the service that are additional to the core national scheme. In the past, this Council has chosen to fund, over and above the national scheme, free travel between 9 am and 9.30 am. This is out of line with schemes run by other councils and therefore the County Council have indicated that they will not subsidise this additional half an hour access. Therefore, this element of the service will be withdrawn from April 2011 onwards saving the Council **£22k pa**. This action will affect only 3% of the journeys currently taken. Free bus travel will still be available for all those over retirement age from 9.30 am every day, and in all areas.

N.B. The Council funds one other discretionary element of the concessionary fares scheme over and above the national scheme. This involves providing taxi vouchers and companion cards to those with limited mobility. The Council will continue to fund this enhancement of the national scheme.

4.15 **Housing Policy Support – sharing of a post with a neighbouring council**

Building on the Council's existing arrangements to share services and staff with other councils where this fulfils a business need, an opportunity has arisen for housing policy and performance functions to be shared between ourselves and Crawley Borough Council. The Government have reduced requirements on local authorities to produce housing related strategies and performance data. This means that we can share these reduced functions, with one post across two authorities. A saving of **£19k pa** will be achieved. The arrangement is for one year initially and subject to review thereafter.

- 4.16 **Planning applications – modernise method of neighbour notification**
Consideration has been given to how neighbours and others are notified of current planning applications. Further work will be undertaken during 2011/12 to determine the best way of doing this in future, making use of modern technology. In addition, many developers now submit planning applications in electronic form and some town and parish councils already consider and respond to these plans electronically. However, MSDC still prints and reproduces plans in paper form for all the town and parish councils, which requires administrative resource. During 2011/12, the Council will work with the town and parish councils to see if more efficient processes can be used.
- 4.17 **Section 106 – bringing the work in-house**
Work on negotiating Section 106 agreements relating to major planning applications has until recently been undertaken by a previously retired member of staff working from home. This function is now being undertaken by the planning policy team within their existing resources. This change has generated a saving of **£7k pa** and will make it easier to integrate the section 106 work into the team's other infrastructure activities to ensure that developer contributions are used effectively to meet community needs.
- 4.18 **Development Management – deletion of vacant post**
There is a vacant post in Development Management. In anticipation of changes in workload brought about by changes to the planning system it is felt this post can be deleted. This represents a saving of **£20k pa**.
- 4.19 **Pre-application advice – introduction of a charge for site visits**
Some applicants ask for a planning officer to visit the property where development is proposed in order to seek some initial professional advice prior to making a planning application. Currently this service is free for householders and officers can make in excess of 50 such visits a year. A charge of £50 is to be introduced for this service to offset the cost of officer time and travel. This will only apply to visits; advice given to householders by post, phone or in the office will still be free. With some modest marketing of the benefits of the higher quality advice that can be provided through home visits, it is anticipated that income of about **£3k pa** could be generated.

- 4.20 **Street naming and numbering – introduction of a charge on developers**
Part of the Council's street naming and numbering service involves the distribution of information to developers with regard to new postal addresses. This part of the service has been provided for free, but will now be subject to a charge as it is in other areas. It is estimated that, by introducing charging, an annual income of about **£17k pa** could be achieved to help offset the cost of the service. The likely charges ranging between £25 - £150 are in line with those set in nearby councils such as Horsham.
- 4.21 **South Downs National Park – generation of income**
The New South Downs National Park Authority (SDNPA) is responsible for all planning applications in its area. However, through an agreement made between it and the Council on 21 July 2010, our development management service will process planning applications on behalf of the SDNPA at an agreed fee rate from April 2011 onwards. The income received from this work will generate an estimated **£17k pa**.
- 4.22 **Planning Appeal Costs – removal of budget**
On occasions, appeals are made by applicants on the outcome of a planning decision. Where the appeal is upheld there can be a cost to the Council if its decision is deemed to be unreasonable. Currently a budget of **£10k pa** is put by for such occasions. The actual costs of appeals may often exceed this. It is felt that in future, in the interests of transparency, it would be preferable not to make a specific budget provision for appeals, but that any costs associated be reported as they occur and are addressed through the budget management process overseen by Cabinet.
- 4.23 **Examination in Public – cessation of payments into the Reserve**
A reserve fund has been used over the past few years to cover the costs of the 'examination in public' of planning policy documents. It was planned to continue to make payments into this fund. However, the reserve stands at £298k and it is felt this represents sufficient funds at this time and so additional payments are not needed. This will achieve a saving of **£50k pa**.
- 4.24 **South Downs AONB Joint Committee – cessation of funding**
The Council has, in recent years, made an annual contribution to supporting the South Downs Area of Outstanding Natural Beauty Joint Committee. However, with the establishment of the South Downs National Park Authority, the Joint Committee will cease to operate so the budget provision of **£13k pa** will no longer be needed.
- 4.25 **Use of Planning Policy Consultants – reduction in budget**
This service uses specialist consultants for some aspects of its work. However it is proposed to draw on and further develop the expertise within the team (including expertise in economic development issues) in order that reliance on outside expertise can be reduced to some extent. The budget for consultants will therefore be reduced from £49k to £29k saving **£20k pa**.
- 4.26 **Landscaping regimes – use of alternative approaches**
By changing the way hard and soft landscaping and mowing are undertaken it will be possible to reduce costs by **£70k pa** in 2011/12. These changes can be made with minimal impact on the visual appearance of the parks and open spaces by using alternatives to high maintenance planting for the bedding displays such as perennials and different seed mixes; a reduction in shrub bed work; and in the volume of tree work being undertaken. With regard to hard landscaping, the changes will involve paths being re-surfaced over a longer time cycle, with care being taken to ensure this does not compromise public safety. This can be achieved within the flexibilities already built into the relevant contracts. We will continue to explore opportunities to work in partnership with town and parish councils in this area.

- 4.27 **Partnership Grants– reduction in MSDC contributions**
As well as undertaking a range of environmental management and improvement work itself, the Council also currently makes a contribution to all three Town Councils to support its work in these towns. This helps to support activities such as graffiti removal and immediate responsive repairs in the towns and some surrounding areas. As a result of a number of discussions with the town councils, a reduced level of expenditure in 2011/12 has been agreed. In addition, the Council has been supporting the British Trust for Conservation Volunteers (BTCV) and the High Weald Unit for the Weald Forest Ridge Partnership Scheme. It is proposed that the contribution for the Forest Ridge Partnership Scheme ceases and the BTCV contribution is also scaled back by a third. In total, a saving of **£18k pa** will be achieved. In addition, a **£2k** saving can be made where the Council no longer needs to subscribe to a weather forecasting service, as this information is now provided from the Flood Forecasting Centre.
- 4.28 **Play Areas – amend arrangements**
It is important that the Council's playgrounds are regularly inspected to ensure they are safe and in good repair. This activity is currently undertaken by an external contractor. However, in future, some of the more regular and routine checks will be carried out by the Council's own Landscapes and Outdoor Facilities Staff whilst they are out working in the District. In addition, some aspects of the on-going development and refurbishment of playgrounds, which are currently funded from the Council's budget will be paid for from Section106 monies in future. In total this amounts to a saving of **£32k pa**. This change can be made without compromising the safety of playgrounds.
- 4.29 **Parish environmental initiatives – reduction in budget**
The Council has a small budget that it uses to support Parish Councils who wish to undertake local environmental initiatives such as tree and bulb planting, and signage improvements etc. From 2011/12, this budget will be discontinued resulting in a saving of **£10k pa**.
- 4.30 **Internal Audit – reduction in value of the contract**
The Internal Audit function is outsourced to Haines Watts. Given the Council's low level of financial risk (borne out by previous years audit reports), the level of discretionary audit work undertaken will be reduced in 2011/12, creating a saving of **£10k pa** from a contract of £82k pa.
- 4.31 **External Audit – reduction in fees**
The Audit Commission have acted as the Council's External Auditor in the past few years. However, with the Coalition Government's announcement that the Audit Commission is being abolished in its current form, there may be an opportunity for the Council to re-negotiate its external audit services. The cessation of the Comprehensive Area Assessment, together with the Audit Commission taking a more risk-based approach to audit in the interim, will result in an estimated saving of **£44k pa** from an annual budget of £134k.
- 4.32 **Property team – salary budget reduction**
The Property team's salary budget needs to be permanently amended to reflect the current staffing structure of one full time post and three part time posts. This results in a saving of **£43k pa**.
- 4.33 **Asset Management – loss of income**
There is a loss of income following recent asset sales representing a budget pressure of **£35k** in 2011/12.

- 4.34 **Waste collection - extension of operating life of the refuse freighters**
Usually waste collection contracts are based on waste freighter vehicles having a working life of about seven years. However, negotiations with the Council's waste contractor, Serco, have agreed that this could be extended to 10½ years, partly as a result of the next generation of freighters being designed to have a longer life. This will enable savings of **£20k pa** in 2011/12 and the full year effect will be £40k pa. However, it should be noted that elongating the life of the freighter vehicles does increase the risk of breakdowns occurring which could affect the service temporarily. To mitigate this risk, increased vehicle maintenance has been factored in to future operating arrangements. This type of proposal is being explored by many councils across the country.
- 4.35 **Pest and dog control - increased cost recovery within the service**
The dog and pest control service run by the Council at the moment operates at a loss. It is mandatory that the Council provides a stray dog service, but the pest service is discretionary. Currently dog control is a shared service with Tandridge Council. However, with the retirement of the Dog Control Officer at the end of 2010/11, the stray dog service will be absorbed into the work of the Council's pest control officers. In addition, the Council will start to charge for carrying out rat treatments. All other forms of pest control are already carried out at a charge. The charge will be set at a competitive level that recognises that there are private sector companies offering this service. However, concessions will be offered to those in receipt of benefits and the Council will, of course, continue its current practice of dealing with rat infestations in public places. These changes are estimated to produce a net saving of **£51k pa**.
- 4.36 **Out of hours noise service – revised approach**
Last year Council agreed to trial an out-of-hours service to respond to summer noise complaints. This service was run through the summer of 2010 but having evaluated the pilot it is felt that it would be more effective to continue to improve the core noise service in collaboration with the Council's anti-social behaviour service, rather than continue to invest in this pilot service. Information provided on the website will be improved and Environmental Health staff will continue to undertake more scheduled out-of-hours inspection work. Through this approach, a saving of **£10k pa** will be achieved.
- 4.37 **Disabled facilities grants – change of service support arrangements**
In recent years, the Council has contracted the Anchor Home Improvement Agency to help support people who are making applications for disabled facilities grants (DFGs). However, Anchor are to withdraw shortly from this area of work, so alternative arrangements need to be put in place. Opportunities to significantly simplify the administration of DFGs have been identified and therefore it is felt that the support of the Home Improvement Agency is no longer required. In future, DFGs will be administered by the Council, resulting in a saving of **£58k pa**.
- 4.38 **Building Control – increase in income generating work**
The Building Control service is currently going through a process re-engineering exercise that will enable it to improve the efficiency of its processes and make it more customer focused. This will also enable further chargeable work to be undertaken within existing resources, increasing the income to the Council. It is anticipated that the outcome of this intervention will be an overall reduction in the budget required for the building control service of **£57k pa**.

- 4.39 **Committee Printing – introduction of alternative arrangements**
A **£10k pa** reduction is being made in the costs of printing and distribution of committee papers from the existing budget of £32k. This will be achieved by using the Royal Mail to undertake the weekly distribution of papers to Members rather than the courier service. The Member Development Working Group have also initiated a pilot exercise in the use of e-readers as a way of reducing the need for hard copies of papers to be produced. There will also be a thorough review of the distribution lists for all committee papers. The service will still provide copies of printed committee papers for all Members who require them.
- 4.40 **Anti-Social Behaviour – permanently funding casework**
As a result of reductions in grants to local government, it is likely that the funding stream that has supported the Council's crime, disorder and anti-social behaviour work (Area Based Grant) will be severely reduced or cease all together. At present, the salary of one officer and a small part of a second officer is funded from this grant but from 2011/12 onwards, the Council will take on this cost, as anti-social behaviour continues to be a high priority of local residents. We have found that having the ASB caseworker is very cost effective because it has significantly reduced the repeat and vexatious service requests made of other services (such as environmental health) where they were not in a position to deal fully with the issues. Building these posts into the Council's revenue budget results in additional costs to the Council of **£40k pa**. This change has been very much welcomed by the Council's partners in the Crime and Disorder Reduction Partnership. In part to off-set this cost, a temporary administrative post has been deleted, with a saving of **£8k**.
- 4.41 **Energy efficiency – reduction in energy use**
The Council is working with the Carbon Trust on a number of energy saving initiatives for 2011/12 and future years. These range from good housekeeping measures to more ambitious projects in collaboration with the Council's leisure provider. A draft 'opportunities list' is currently being reviewed but it is anticipated that these plans will deliver savings of **£13k** in 2011/12 with further savings expected in future years.
- 4.42 **Standards Committee – work brought in-house**
The Council has a budget for use of an external investigator is required in relation to a Standards Committee matter. However, recent staff changes, sharing Standards issues between two Deputy Monitoring Officers (who are also staff within the legal team), mean that a saving of **£5k pa** can be made.
- 4.43 **Legal Agreements – increased income**
The legal team undertakes a variety of work, particularly in relation to planning and property matters, where a charge can be made to third parties and the costs incurred by the Council recovered. It is anticipated that an additional **£2k pa** of income can be achieved by charging in this way.
- 4.44 **Leisure client budget – reduction in budget**
Although the running of the Council's leisure centres and civic halls is contracted out to Freedom Leisure, a small resource is still required within the Council to manage the contract and associated activities. The budget allocated for this work will be reduced by **£5k pa** (from a total budget of £20k pa) by some work being done in-house that was previous undertaken by contractors.
- 4.45 **Staff training – reduction in budget**
The Council has a corporate training budget that is used to support professional training and skills development amongst staff. Given the pressures on the funding of the organisation, and recognising the plans for an overall reduction in staff numbers to help address this, a reduction of **£50k pa** will be made to this budget.

4.46 **Emergency Planning – savings from a shared service**

The shared service arrangements with Crawley Borough Council enable a saving of **£14k pa.**

4.47 **Service improvement – removal of vacant post**

Currently a vacant post exists in the service improvement team. By making some adjustments to the work of performance and scrutiny staff, and to a post within the Customer Contact Centre, it will be possible to remove this vacant post. This can be achieved without a negative impact on the level of resource allocated to service improvement, given the Government's recent decisions to significantly reduce external inspection, assessment and performance management. The deletion of this post will produce a net saving of **£23k pa.**

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 2011/12 ensure that the net budget can be financed from Council Tax income, Formula Grant 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 Services 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 2010/11 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 2011/12, the risks of adverse variances can be considered diluted because of the number of minor changes proposed to service budgets, compared to the whole totality of the budget. It could be said therefore, that we have spread the risk around the budget rather than have it concentrated in one particular area or service.

- 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.

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 where growth is negative or negligible but 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 no pay increase has been assumed, although the Unions have asked for 2.5%. This represents a risk to the budget in the event that an increase is awarded, although this is not considered likely.
- 6.4 Any other adverse increase in prices 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 – 2010/11 net savings made permanent

- 6.5 These are net savings arising from the budget preparation process. Some are budget reductions whilst some relate to increased income. These latter 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, 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.

Service Redesign

- 6.6 There are a number of savings included within this heading that present different risks to the robustness of the budget. The major ones are discussed, and an assessment made in the paragraphs below.

Voluntary Redundancies

- 6.7 The significant savings derived from voluntary redundancies present a risk only from those individuals that have yet to formalise their position and are able to change their mind. There are none for 2011/12 and therefore the risk is not considered significant.

Reductions in budgets

- 6.8 The Management Team have been considering the need to make expenditure savings for some months, and with consultants, accurately assessed the quantum of the savings needed for Mid Sussex. There was therefore plenty of time to plan and then action the reductions needed in order that the savings could be delivered in good time for the 2011/12 budget.

- 6.9 There is little risk therefore that any of the expenditure reductions cannot be achieved, and nil risk that all of them cannot be achieved together.

Income Budgets

- 6.10 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 2010/11 prudent assumptions were made, particularly around areas such as land charges, development management and building control income. We have seen through the year that these understated the actual income, and the estimates for 2011/12 have been increased to nearer the 2010/11 actuals.

Of course, this may prove to be optimistic, but the economic indicators for Mid Sussex do buck the trend for the country as a whole. Unemployment, for example, is markedly lower than many other areas. We therefore anticipate that income levels in those areas mentioned will hold steady as a result of stability in household income levels. In the event that income levels do fall off, compensatory adjustments will be made to bring the overall budget back on target.

Expenditure budgets

- 6.11 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 2011/12 and can be expected to rigorously control costs.
- 6.12 The more difficult areas are those that are demand led and an on-going concern is Housing Benefits – especially in the current financial climate and with the government's changes to the welfare system. Whilst there can be no certainty as to the level of take up in the year, this is not especially a risk for the authority in that we are reimbursed on a £ for £ basis on benefit granted, subject to a complicated set of rules involving caps and ceilings. However, it is likely that recovering overpayments will become more difficult and this does have an effect, since the subsidy on an overpayment reduces to incentivise its recovery.
- 6.13 However, the risk of an adverse variation overall is minimised by basing projections on trends, and in that regard, it is not felt that there are any significant risks to the authority inherent in the budget forecast. Last year, the Department of Work and Pensions recognised the potential for an increasing number of claimants and awarded additional grant to every authority. We placed these sums into Specific Reserve and thereby earmarked them for just such an eventuality and to date, they have not been used. We therefore have a contingency sum, which acts to mitigate the risk, rather than diminish it.

Reserves

- 6.14 The total of the council's non-earmarked General Reserves as at 1st April 2011 are estimated to be £5,277,000 and at 1st April 2012 £5,204,000. The financial strategy includes that the target for the minimum level of total unearmarked reserves is £1,500,000. 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 but it allows the council the scope to invest only modestly in new capital projects over the forecast period.

Capital Programme

- 6.15 All the projects in the Programme are supported by existing or projected funding and reserves. There is minimal 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
Section 2b	
Service Budgets – Definitions	23-24
Revenue Budget Summary	25
Gross Expenditure & Income Summary	26
Specific Items & Capital Charges Summary	27-28
Performance and Scrutiny, Partnerships, Customer Services and Communications:	29
- Performance & Scrutiny and Partnerships Business Unit	30-31
- Customer Services & Communications Business Unit	32-33
Economic Promotion and Planning:	35
- Development Management Business Unit	36-37
- Planning Policy Business Unit	38-39
Finance, CenSus and HR:	41
- Finance Accountancy Business Unit	42-43
- Finance Corporate Business Unit	44-45
- CenSus ICT Business Unit	46-47
- CenSus Revenues & Benefits Business Unit	48-49
- Personnel & Payroll Business Unit	50-51
- Organisational Development Business Unit	52-53
Housing, Environmental Health and Building Control	55
- Housing Business Unit	56-57
- Environmental Health Business Unit	58-59
- Building Control Business Unit	60-61

REVENUE BUDGET CONTENTS CONT'D

	Page
Section 2b Cont'd	
Legal Services, Member Support Services & Elections, Property Services & Land Charges	63
- Land Charges Business Unit	64-65
- Legal Services Business Unit	66-67
- Property Business Unit	68-69
- Member Support Services & Elections	70-71
Leisure and Sustainability	73-74
- Building & Asset Maintenance Business Unit	76-77
- Cleansing Services Business Unit	78-79
- Community Services & Culture Business Unit	80-81
- Facility Management & Street-scene Business Unit	82-83
- Leisure Operations Client Business Unit	84-85
- Parking Services Business Unit	86-87
Better Mid Sussex:	
- Better Mid Sussex Business Unit	89-90
Strategic Core:	
- Strategic Core Business Unit	91-92
Section 2c	
Benefits Statement	93-94

SUMMARY OF REVENUE BUDGET 2011/12

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 2011 / 12 Summary**

Notes	Budget 2011/12 £'000	Original Budget 2010/11 £'000
1 Council Service Net Expenditure	13,210	14,811
Better Mid Sussex Capitalised Salaries		(150)
Step 3 Cost control voluntary severance savings		(212)
Step 5 Adjustments to service levels - Renovation Grants		(20)
Payback to reserves for voluntary severances		64
Capital Schemes financed from revenue	50	50
Contribution to Disabled Facility Grants	375	425
Council tax freeze grant (2.5% increase)	(215)	
	<hr/>	<hr/>
Total Revenue Spending	13,420	14,968
	<hr/>	<hr/>
2 Budget Requirement	13,420	14,968
	<hr/> <hr/>	<hr/> <hr/>
3 Capital Charges	2,657	2,657
4 Specific Items	345	267

Notes :

1. The total of net expenditure which is the responsibility of the individual Business Unit Leaders and Heads of Service.
2. The Budget Requirement consequent on a 0% increase in council tax.
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 the Budget Requirement.
4. Specific Items are one-off items of revenue expenditure financed from reserves and hence not included within the Budget Requirement.

SERVICE BUDGETS

1. Budgets for 2011/12 for each Division are shown on the next pages. There is a section for each Division containing an introduction by the Head of Service, their summary service plan for 2011/12 and a budget summary including analyses by type of spending. The summary shows data for 2009/10 outturn, original budget 2010/11 and budget 2011/12. Also included are figures to show the amount and percentage change between 2010/11 and 2011/12. (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
- Licences
- Postage, telephones and communications
- Computer costs
- Expenses
- Grants and subscriptions
- Miscellaneous expenses

Third party payments

Private contractor payments.

Transfer Payments

- Homelessness
- Funeral costs
- Discretionary non-domestic rate relief
- Housing benefits

Support Services

- Central support recharges
 - Finance
 - Legal
 - HR, Communications and Corporate Health & Safety
 - Democratic Services
 - 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 directorates and services.

**REVENUE BUDGET 2011/12
SUMMARY**

Actual 2009/10 £'000		Budget 2011/12 £'000	Budget 2010/11 £'000	Change From 2010/11	
				£'000	%
459	Performance & Scrutiny & Partnerships	503	499	4	1%
782	Development Management	737	1,039	(302)	(29%)
703	Planning Policy	668	981	(313)	(32%)
(127)	Finance Accountancy	(29)	(29)	0	
2,177	Finance Corporate	1,115	551	563	102%
(187)	CenSus I C T	(206)	(206)	0	
1,125	CenSus Revenues & Benefits	1,409	1,510	(101)	(7%)
710	Housing	814	795	19	2%
917	Environmental Health	969	1,099	(130)	(12%)
201	Building Control	217	310	(94)	(30%)
(41)	Land Charges	84	64	21	33%
(31)	Legal Services	0	0	0	
(451)	Property	(1,029)	(1,021)	(8)	1%
(322)	Building & Asset Maintenance	(244)	(244)	0	
2,701	Cleansing Services	2,850	2,755	95	3%
1,513	Community Services & Culture	854	1,615	(760)	(47%)
2,047	Facility Management & Street-scene	2,015	2,285	(270)	(12%)
821	Leisure Operations	0	0	0	
(178)	Leisure Operations Client	1,147	1,172	(25)	(2%)
(878)	Parking Services	(802)	(848)	45	(5%)
(100)	Customer Services & Communications	0	(30)	30	(100%)
(28)	Personnel & Payroll	(5)	(5)	0	
43	Corporate Organisational Development	64	47	17	36%
(32)	Better Mid Sussex	137	139	(2)	(1%)
1,489	Strategic Core	1,184	1,643	(459)	(28%)
721	Member Support Services & Elections	792	796	(4)	(0%)
(162)	Benefits	(93)	(150)	57	(38%)
13	Drainage Levies	12	13	(0)	
	Balance Unallocated	47	31	16	52%
13,885	Council Net Expenditure	13,210	14,811	(1,601)	
	Better Mid Sussex capitalised salaries		(150)	150	(100%)
	Step 3 Cost control voluntary severance savings		(212)	212	(100%)
	Step 5: Adjustments to service levels - Renovation Grants		(20)	20	(100%)
	Payback to reserves for voluntary severances		64	(64)	(100%)
	Capital schemes financed from revenue	50	50	0	
	Contribution to Disabled Facility Grants	375	425	(50)	(12%)
	Council tax freeze grant	(215)		(215)	
13,885	Total Revenue Spending / Budget Requirement	13,420	14,968	(1,548)	

GROSS EXPENDITURE & INCOME SUMMARY BUDGET 2011/12

Actual 2009/10 £'000		Budget 2011/12 £'000	Budget 2010/11 £'000	Change From 2010/11	
				£'000	%
Gross Expenditure					
13,579	Employees	12,114	13,398	(1,284)	(10%)
3,670	Premises Related Expenditure	2,616	2,980	(364)	(12%)
464	Transport Related Expenditure	416	421	(5)	(1%)
5,210	Supplies and Services	4,411	4,576	(164)	(4%)
4,378	Third Party Payments	4,424	4,754	(330)	(7%)
35,369	Transfer Payments	36,094	33,608	2,486	7%
6,847	Support Services	5,995	6,501	(506)	(8%)
<u>69,517</u>		<u>66,070</u>	<u>66,238</u>	<u>(168)</u>	<u>(0%)</u>
Gross Income					
(7,666)	Customer and Client Receipts	(5,169)	(4,957)	(212)	4%
(1,454)	Rents	(1,358)	(1,403)	45	(3%)
(36,744)	Government Grants	(1,087)	(1,055)	(32)	3%
(2,177)	Other Grants Reimburse Cont	(39,041)	(36,833)	(2,208)	6%
(7,591)	Recharges	(5,995)	(7,022)	1,027	(15%)
<u>(55,632)</u>		<u>(52,650)</u>	<u>(51,270)</u>	<u>(1,380)</u>	<u>3%</u>
<u>13,885</u>	Total Revenue Spending	<u>13,420</u>	<u>14,968</u>	(1,548)	

Details of Specific Items per Service Area

	Budget 2011/12 £'000	Original Budget 2010/11 £'000
Member Support Services & Elections	111	10
Development Management	25	30
Planning Policy	79	75
CenSus Revenues and Benefits		45
Leisure Operations - Clients	98	98
Corporate Organisational Development	6	9
Corporate Funds	26	0
	345	267

Details of Capital Charges per Service Area

	Budget 2011/12 £'000	Original Estimate 2010/11 £'000
Development Management	24	24
Planning Policy	36	36
Finance Accountancy	29	29
Information Communications Technology	206	206
CenSus Revenues and Benefits	5	5
Land Charges	23	23
Property	65	65
Building & Asset Maintenance	244	244
Cleansing Services	368	368
Facility Management & Street-scene	153	153
Leisure Operations Client	1,412	1,412
Parking Services	87	87
Personnel and Payroll	5	5
	2,657	2,657

Performance & Scrutiny, Partnerships, Customer Services & Communications

Richard Hodson, Assistant Chief Executive

The Division has a wide-ranging remit to promote service improvement across the Council; work with key partner agencies; and ensure residents are aware of how they can access our services and how their council tax is used. The changes in policy direction being instigated by the Coalition Government and the need to respond to the challenging financial environment will determine how the teams operate and what they focus on in 2011/12.

Customer Service

A key task will be to manage the development of the customer contact centre. It has been very successful in taking calls from the 'back office' and resolving them 'at the first point of contact'. This is both more efficient for the Council and a better service for those contacting us. The team will oversee the implementation of the up-grade in the CRM (Customer Relationship Management) software that supports the operation – this is being wholly funded through the Better Together initiative from IESE funding. Further work will be done to add new services into the contact centre where this makes business sense; continue to develop the web site so that those people who want to use it to transact with the Council can do so; and, to help frontline services minimise 'avoidable contact' and streamline customer processes.

Service Performance and Scrutiny

With the demise of the Comprehensive Area Assessment (CAA) process, National Indicators and Local Area Agreements, the Council is reviewing its approach to managing performance. Without the external constraints of central government inspection and targets, it will be necessary to ensure suitable service performance information is provided to Members and local residents. This will continue to be based on quarterly reports of key performance measures to Performance and Scrutiny Committee. Alongside this, the team will continue to support the Performance and Scrutiny Committee in undertaking their wider scrutiny function effectively. As in recent years, it is likely that two to three scrutiny reviews, of Member's choosing, will be supported during the year.

Partnerships

The Coalition Government's championing of 'localism' and the 'Big Society', together with the significant reduction in spending across all local public bodies, is already affecting the work of the partnerships team and this will continue. Whereas in the past, the MSP has focused on drawing in additional resources into the District, its emphasis in the coming year will be on how we use the resources we have, across the different partner organisations, to ensure the affect of the budget reductions are at least to some extent mitigated. The team will be using the two conferences a year (to which all local organisations are invited) and the Board meetings to ensure the views of local communities are known and key issues are addressed.

The Council will continue to work with the Police and other partners on the crime and antisocial behaviour issues that are important to local residents. Again the level of government funding available for this work will be removed or at least severely reduced but the CDRP has already agreed that multi agency working is vital if crime is to be kept at current low levels.

Communications

Communications activity will continue to focus on press relations; publication of MSM (3 issues per year) and the A-Z of Council Services booklet that is distributed with the council tax bills; and, the provision of information for Members, staff, town and parish councils, residents and visitors to the District. Communications activity will continue to support the Council's desire to champion the District's interests.

There will be a reduction in the number of publications produced, which will lower design and printing costs. This will be complemented by work to ensure the Council's web site continues to provide the necessary information in a suitably clear and easy to find manner. The approach taken will support the Coalition Government's 'transparency' agenda. Likewise the team will continue to lead on responding to FOI requests and manage the Council's complaints and compliments procedures.

PERFORMANCE & SCRUTINY AND PARTNERSHIPS VARIATION TABLE	
Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget	
Description	Variation £'000
Budget Changes - Increasing	
Inflation	2
Recharges	6
Service Redesign - reinstatement of post	40
Total	48
Budget Changes - Decreasing	
Salary adjustments *	(17)
Pension contribution rate reduction to 15.6%	(10)
Budget realignment - (see contra in Member Support & Elections)	(7)
Service redesign savings - printing and design	(2)
Service redesign savings - reduction in headcount	(8)
Total	(44)
Total Variation for Performance & Scrutiny & Partnerships	4
* Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).	

PERFORMANCE SCRUTINY & PARTNERSHIPS BUDGET 2011/12	Budget 2011/12 £'000	Community Services £'000	Partnership Funding £'000	Corporate Improvement £'000
Gross Expenditure				
Employees	245	138	0	107
Premises Related Expenditure	18	17	0	1
Transport Related Expenditure	5	3	0	2
Supplies and Services	39	6	0	33
Third Party Payments	0	0	0	0
Transfer Payments	0	0	0	0
Support Services	197	77	0	120
	504	241	0	263
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	(1)	(1)	0	0
Recharges	0	0	0	0
	(1)	(1)	0	0
Net Expenditure	503	240	0	263
Budget 2010/11	499	214	0	285
Change from 2010/11				
£'000 Change	4	26	0	(22)
% Change	1%			
Other Items 2011/12				
Capital Financing Costs	0	0	0	0
Capital Financing Income	0	0	0	0
Specific Items	0	0	0	0

CUSTOMER SERVICES & COMMUNICATIONS VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments *	5
Recharges	67
Inflation	5
Realignment of First Point budget (see contra in Organisational Development)	5
Pressure - staff costs	13
	95
Total	95
Budget Changes - Decreasing	
Pension contribution rate reduction to 15.6%	(23)
Saving - website software	(11)
Service redesign savings - reduction in headcount	(23)
Service redesign savings - printing and design	(2)
Service redesign savings - software savings	(6)
	(65)
Total	(65)
	30

* Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

CUSTOMER SERVICES AND COMMUNICATIONS BUDGET 2011/12	Budget 2011/12 £'000	Customer Service and Comms £'000
Gross Expenditure		
Employees	449	449
Premises Related Expenditure	0	0
Transport Related Expenditure	4	4
Supplies and Services	102	102
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	191	191
	<u>746</u>	<u>746</u>
Gross Income		
Customer and Client Receipts	(1)	(1)
Rents	(8)	(8)
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(737)	(737)
	<u>(746)</u>	<u>(746)</u>
Net Expenditure	<u>0</u>	<u>0</u>
Budget 2010/11	(30)	(30)
Change from 2010/11		
£'000 Change	30	30
% Change	(100%)	
Other Items 2011/12		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

Economic Promotion and Planning

Claire Tester, Head of Economic Promotion & Planning

The Economic Promotion and Planning Service will be looking to re-shape itself over the next year to meet the opportunities and challenges of the new planning system being introduced under the Decentralisation and Localism Bill and other ministerial papers, such as the Local Growth White Paper.

Economic Development

Economic Development will continue to be a high priority of the Council. We will be looking to engage in the new 'Coast to Capital' Local Economic Partnership – one of the first LEPs in the South East. This will focus on encouraging international business growth and entrepreneurship in the area.

We will also continue to play our part in the Gatwick Diamond Initiative, which promotes this area as a “world class, internationally recognised business location achieving sustainable prosperity”. This partnership is already working towards outcomes in the following areas:

- Inspire – improving the education and training offer and its links to future business needs
- Connect – encouraging investment in transport infrastructure and broadband connectivity
- Grow - leading on efforts to achieve 'Smart Growth' that respects the quality of place, facilitating greater coordination of local authority strategic planning, and to deliver town centre regeneration.

In addition we will work closely with the local business community to implement the objectives of our Economic Development Strategy 2010, which seeks to “maintain and enhance a healthy and vibrant local economy that provides in a sustainable way for the well-being of all those who live, work, visit or run a business in Mid Sussex”. We will continue to support events such as local business fairs and our successful 'Open for Business' event.

Planning Policy

The Planning Policy team will be concentrating on the production of a District Plan, based on our Local Housing Assessment and seeking to update the policies of the Local Plan to secure sustainable development. This District Plan will set the strategic framework for any future planning documents such as 'neighbourhood plans'.

In parallel with this process it will be updating its information on the infrastructure needs of the area, and working towards the submission of a 'charging schedule', to ensure that the District can take advantage of the new Community Infrastructure Levy.

Development Management

In Development Management we will continue to promote a positive, problem-solving approach to delivering high quality sustainable development. This will be achieved through enhanced partnership working with the community, stakeholders (such as utility companies), developers and town and parish councils. A Member protocol for involvement in pre-application meetings has now been agreed, and its implementation will be monitored to ensure that it is working well for all parties.

There will also be a focus on providing a more streamlined, cost-effective and modern service to customers, which takes advantage of improvements in the electronic provision of information, and the ability for people to customise which applications they wish to be notified of, and to submit their comments on-line.

DEVELOPMENT MANAGEMENT VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	11
Recharges	31
Car allowance and mileage increase to NJC rates	2
Realignment of budget - Section 106 income (see contra in Planning Policy)	11
Total	55
Budget Changes - Decreasing	
Reduction in car allowances (year 2)	(2)
Salary adjustments *	(28)
Realignment of budget - staff restructure (see contra in Facility Management & Streetscene)	(6)
Additional income from discharge of planning conditions	(10)
Income improvement	(175)
Pension contribution rate reduction to 15.6%	(51)
Saving - South Downs National Park (SDNP) income	(8)
Service redesign savings - S106 work brought back 'in house'	(7)
Service redesign savings - charge for householder pre-app. site visits	(3)
Service redesign savings - charge for street naming / numbering	(17)
Service redesign savings - planning appeal costs	(10)
Service redesign savings - South Downs National Park (SDNP) income	(17)
Service redesign savings - reduction in headcount	(20)
Service redesign savings - printing and design	(3)
Total	(357)
Total Variation for Development Control	(302)

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only)

DEVELOPMENT MANAGEMENT BUDGET 2011/12	Budget 2011/12 £'000	Development Control £'000
Gross Expenditure		
Employees	823	823
Premises Related Expenditure	1	1
Transport Related Expenditure	55	55
Supplies and Services	172	172
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	403	403
	<u>1,454</u>	<u>1,454</u>
Gross Income		
Customer and Client Receipts	(717)	(717)
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	0	0
	<u>(717)</u>	<u>(717)</u>
Net Expenditure	<u><u>737</u></u>	<u><u>737</u></u>
Budget 2010/11	1,039	1,039
Change from 2010/11		
£'000 Change	(302)	(302)
% Change	(29%)	
Other Items 2011/12		
Capital Financing Costs	24	24
Capital Financing Income	0	0
Specific Items	25	25

PLANNING POLICY VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	4
Salary adjustments *	8
Car allowance and mileage increases to N.J.C. rates	1
	<hr/>
Total	13
Budget Changes - Decreasing	
Recharges	(145)
Pension contribution rate reduction to 15.6%	(20)
Budget realignment - Section 106 income (see contra in Development Management)	(11)
Service Redesign savings - cease contribution to reserve for "Examinations in Public"	(50)
Service redesign savings - cease (A.O.N.B.) contribution	(13)
Service redesign savings - reduction in Consultants budget	(20)
Service redesign savings - reduction in headcount	(62)
Service redesign savings - Printing and Design	(5)
	<hr/>
Total	(326)
	<hr/>
Total Variation for Planning Policy	(313)
	<hr/> <hr/>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only)

PLANNING POLICY BUDGET 2011/12	Budget 2011/12 £'000	Planning Policy £'000	Economic Development Promotion £'000
Gross Expenditure			
Employees	296	296	0
Premises Related Expenditure	1	1	0
Transport Related Expenditure	14	14	0
Supplies and Services	97	66	31
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	272	213	59
	680	590	90
Gross Income			
Customer and Client Receipts	(12)	(12)	0
Rents	0	0	0
Government Grants	0	0	0
Other Grants Reimburse/Contributions	0	0	0
Recharges	0	0	0
	(12)	(12)	0
Net Expenditure	668	578	90
Budget 2010/11	981	835	146
Change from 2010/11			
£'000 Change	(313)	(257)	(56)
% Change	(32%)		
Other Items 2011/12			
Capital Financing Costs	36	36	0
Capital Financing Income	0	0	0
Specific Items	79	79	0

Finance, CenSus (ICT, Revenues and Benefits) and HR
Peter Stuart, Head of Finance & ICT

Finance

Much of the work of Finance is routine; that is, the process of setting a budget, monitoring the same and closing and reporting the accounts varies little from year to year. However, the introduction of International Financial Reporting Standards (IFRS) means a great deal of behind-the-scenes work to ensure the 2010/11 accounts are compliant. Whilst this is largely a technical exercise and has little to offer the Members of the Council, conformity is prized by the Auditors.

CenSus

The ICT service, provided by Horsham DC, will expand to include both Adur and Worthing Councils from 1st April 2011. This is a major increase in the number of users supported by Census and has the potential to bring about further economies of scale, through joint procurement of goods and services and from sharing systems such as the Helpdesk right up to a full EDRMS roll out across key services.

A major feature of the work of Census during 2011 will be the development and implementation of an Information Management policy. This is a wide-ranging project across all four councils that will have repercussions on all aspects of how our information and data is shared, handled, stored and ultimately disposed of.

The Revenues and Benefits service, provided by Mid Sussex for Horsham and Adur councils will have to respond to a customer base that is itself finding the economic climate difficult. It can be expected that applications for benefit and successful cases will increase and revenues (i.e. council tax and business rates) be more difficult to collect. There is also the uncertainty over both the housing and council tax benefit changes that will need preparing for, with consequent core system changes to implement.

In this challenging environment, attention will still be paid to driving down costs and increasing service resilience – both Horsham and Mid Sussex are committed to decreasing the net cost of both services whilst maintaining top quartile performance.

Human Resources

There are a number of key projects that start, and finish, in the year ahead. One such thrust for the year ahead will be to manage the Job Evaluation exercise and implement its results, whilst not allowing any changes to divert energy from the Council's core businesses.

The Resourcelink HR system will also be upgraded and the self-serve modules implemented; these have the effect of increasing business efficiency by making routine enquiries within the gift of all members of staff. Greater interaction with the payroll module so that staff can input their own car mileage claims will feature at the year-end.

FINANCE ACCOUNTANCY VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Recharges	70
Inflation	7
Pressure - budget realignment (see contra in Finance Corporate)	1
	<hr/>
Total	78
	<hr/>
Budget Changes - Decreasing	
Salary adjustments *	(36)
Pension contribution rate reduction to 15.6%	(29)
Savings - valuation fee	(4)
Service redesign savings - reduction in headcount	(9)
	<hr/>
Total	(78)
	<hr/>
Total Variation for Finance Accountancy	0
	<hr/> <hr/>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

FINANCE ACCOUNTANCY BUDGET 2011/12	Budget 2011/12 £'000	Accountancy Support £'000
Gross Expenditure		
Employees	541	541
Premises Related Expenditure	0	0
Transport Related Expenditure	1	1
Supplies and Services	81	81
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	149	149
	<u>772</u>	<u>772</u>
Gross Income		
Customer and Client Receipts	0	0
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(801)	(801)
	<u>(801)</u>	<u>(801)</u>
Net Expenditure	<u>(29)</u>	<u>(29)</u>
Budget 2010/11	(29)	(29)
Change from 2010/11		
£'000 Change	(0)	(0)
% Change	0%	
Other Items 2011/12		
Capital Financing Costs	29	29
Capital Financing Income	0	0
Specific Items	0	0

FINANCE CORPORATE VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	7
Recharges	67
Lump sum payment to pension fund	635
Pressure - Treasury Management and Insurance shared service	27
Pressure - Legacy pension payments	10
Total	746
Budget Changes - Decreasing	
Salary adjustments *	(43)
Payback to reserves - fully repaid	(6)
Pension contribution rate reduction to 15.6%	(10)
Savings - external audit fees	(44)
Savings - Ordnance Survey	(16)
Savings - insurance/insurance brokers fees	(45)
Savings - additional savings from reduction in headcount	(7)
Savings - budget realignment (see contra in Finance Accountancy)	(1)
Service redesign savings - internal audit contract costs	(10)
Total	(182)
Total Variation for Finance Corporate	564

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

FINANCE CORPORATE BUDGET 2011/12		Budget 2011/12 £'000	Other Corp and Democratic Core £'000	Non Distributed Costs £'000	Insurance £'000	Finance Control Support £'000
Gross Expenditure						
Employees	859	0	870	(11)	0	
Premises Related Expenditure	1	0	0	1	0	
Transport Related Expenditure	0	0	0	0	0	
Supplies and Services	284	193	0	6	85	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	70	52	0	4	14	
	1,214	245	870	0	99	
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	0	0	0	0	0	
Recharges	(99)	0	0	0	(99)	
	(99)	0	0	0	(99)	
Net Expenditure	1,115	245	870	0	0	
Budget 2010/11	551	310	241	0	0	
Change from 2010/11						
£'000 Change	564	(65)	629	0	0	
% Change	102%					
Other Items 2011/12						
Capital Financing Costs	0	0	0	0	0	
Capital Financing Income	0	0	0	0	0	
Specific Items	0	0	0	0	0	

CENSUS ICT VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	3
Realignment of budget - (see contra in Revenues and Benefits)	64
Pressure - staff costs	25
Pressure - corporate printers	10
Total	<u>102</u>
Budget Changes - Decreasing	
Payback to reserve - fully repaid	(23)
Recharges	(79)
Total	<u>(102)</u>
Total Variation for ICT	<u><u>0</u></u>

ICT BUDGET 2011/12	Budget 2011/12 £'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	189	4	189	(4)
Third Party Payments	596	0	596	0
Transfer Payments	0	0	0	0
Support Services	215	211	0	4
	1,006	221	785	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	(1,212)	(426)	(786)	0
	(1,212)	(426)	(786)	0
Net Expenditure	(206)	(205)	(1)	0
Budget 2010/11	(206)	(206)	0	0
Change from 2010/11				
£'000 Change	(0)	1	(1)	0
% Change	0%			
Other Items 2011/12				
Capital Financing Costs	206	206	0	0
Capital Financing Income	0	0	0	0
Specific Items	0	0	0	0

CENSUS REVENUES & BENEFITS VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments *	4
Inflation	12
Recharges	120
Car allowance and mileage increase to NJC rates	2
	138
Total	138
Budget Changes - Decreasing	
Realignment of budgets from proportional sharing (see contra in ICT)	(64)
Reduction in car allowances (year 2)	(2)
Effect of proportional sharing after including HDC and ADC	
CenSus budgets	(29)
Administration subsidy reduction	(58)
Pension contribution rate reduction (19.4% to 16.1%)	(71)
Service redesign savings - reduction in headcount	(15)
	(239)
Total	(239)
Total Variation for CenSus Revenues & Benefits	
	(101)

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

REVENUES & BENEFITS BUDGET 2011/12		Census Efficiency	Census Benefits Administration	Census Revenue Collection	Benefits Administration	Revenue Collection
	Budget 2011/12	£'000	£'000	£'000	£'000	£'000
	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure						
Employees	3,263	0	1,767	1,457	35	4
Premises Related Expenditure	0	0	0	0	0	0
Transport Related Expenditure	62	0	47	15	0	0
Supplies and Services	690	0	318	321	19	32
Third Party Payments	15	0	0	0	0	15
Transfer Payments	73	0	0	0	0	73
Support Services	769	0	0	0	427	342
	4,872	0	2,132	1,793	481	466
Gross Income						
Customer and Client Receipts	(506)	0	(14)	(492)	0	0
Rents	0	0	0	0	0	0
Other Grants Reimburse/Contributions	(2,170)	0	(1,432)	(738)	0	0
Government Grants	(787)	0	0	0	(616)	(171)
Recharges	0	0	0	0	0	0
	(3,463)	0	(1,446)	(1,230)	(616)	(171)
Net Expenditure	1,409	0	686	563	(135)	295
Budget 2010/11	1,510	(450)	1,073	672	(144)	359
Change from 2010/11						
£'000 Change	(101)	450	(387)	(109)	9	(64)
% Change	(7%)					
Other Items 2011/12						
Capital Financing Costs	5	0	0	0	0	5
Capital Financing Income	0	0	0	0	0	0
Specific Items	0	0	0	0	0	0

PERSONNEL & PAYROLL VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	2
Pressure - non achievement of payroll income	10
Pressure - specialist advice	4
Total	<u>16</u>
Budget Changes - Decreasing	
Salary adjustments *	(1)
Recharges	(3)
Pension contribution rate reduction to 15.6%	(12)
Total	<u>(16)</u>
Total Variation for Personnel & Payroll	<u><u>0</u></u>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

PERSONNEL & PAYROLL BUDGET 2011/12	Budget 2011/12 £'000	Personnel and Payroll £'000
Gross Expenditure		
Employees	204	204
Premises Related Expenditure	0	0
Transport Related Expenditure	3	3
Supplies and Services	48	48
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	109	109
	<u>364</u>	<u>364</u>
Gross Income		
Customer and Client Receipts	0	0
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	(4)	(4)
Recharges	(365)	(365)
	<u>(369)</u>	<u>(369)</u>
Net Expenditure	<u><u>(5)</u></u>	<u><u>(5)</u></u>
Budget 2010/11	(5)	(5)
Change from 2010/11		
£'000 Change	0	0
% Change		
Other Items 2011/12		
Capital Financing Costs	5	5
Capital Financing Income	0	0
Specific Items	0	0

ORGANISATIONAL DEVELOPMENT VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	1
Recharges	108
	<hr/>
Total	109
	<hr/>
Budget Changes - Decreasing	
Realignment of First Point budget (see Customer Services & Communications for contra entry)	(5)
Realignment of Emergency Planning Officer budget (see contra Facilities Management & Street-scene, Building & Asset Maintenance, and Cleansing.)	(23)
Saving - emergency planning and corporate health & safety.	(14)
Service redesign saving - corporate training	(50)
	<hr/>
Total	(92)
	<hr/>
	<hr/>
Total Variation for Personnel & Payroll	17
	<hr/> <hr/>

**ORGANISATIONAL DEVELOPMENT
BUDGET 2011/12**

	Budget 2011/12 £'000	Corporate Org Development £'000	Emergency Planning £'000
Gross Expenditure			
Employees	125	118	7
Premises Related Expenditure	0	0	0
Transport Related Expenditure	2	2	0
Supplies and Services	35	3	32
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	35	10	25
	197	133	64
Gross Income			
Customer and Client Receipts	0	0	0
Rents	0	0	0
Government Grants	0	0	0
Other Grants Reimburse/Contributions	0	0	0
Recharges	(133)	(133)	0
	(133)	(133)	0
Net Expenditure	64	0	64
Budget 2010/11	47	0	47
Change from 2010/11			
£'000 Change	17	0	17
% Change	36%		
Other Items 2011/12			
Capital Financing Costs	0	0	0
Capital Financing Income	0	0	0
Specific Items	6	6	0

Housing, Environmental Health and Building Control
Lynne Standing, Head of Housing, Environmental Health & Building Control

Housing

There will be a number of important developments in the Division during 2011-12. These will particularly affect Housing Services, and the residents who rely on these services.

The Government's *Local decisions: a fairer future for social housing* marks a fundamental change to how affordable housing is funded and let, with a move from tenancies for life to fixed term tenancies at higher rents than traditional "social" rents. It is intended that the higher rents will compensate for the reductions in capital grant for affordable housing. We will need to work with partners to determine how these new flexibilities will be used to generate income for new affordable housing whilst protecting those who are vulnerable. To this end, we will be developing a strategic tenancy policy to guide our partners.

We expect housing benefit changes, which are being phased in over the next three years, to impact on levels of homelessness and on our ability to prevent homelessness by securing privately rented accommodation. We are planning to meet an increased workload and an increased demand for temporary accommodation for those who become homeless, using funding provided by the Government for this purpose.

Environmental Health

In Environmental Health we will be introducing the Food Hygiene Rating Scheme, formerly known as Scores on the Doors, from April. This means that the ratings for food businesses will be published on our web site, providing an incentive to businesses to improve. We will monitor the impact over time.

New Licensing legislation, which promises to give local authorities more say over license applications, is being introduced. We will be developing a new Licensing Policy to address these changes.

Building Control

In Building Control we will continue to try to maximise our share of the market and to provide an efficient and customer focused service. We will be building on the changes recently introduced to enable customers to contact us more easily through the customer contact centre, and through streamlining our processes to achieve best value.

HOUSING VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Car allowance and mileage increase to N.J.C rates	1
Pressure - reduced subsidy for temporary accomodation	67
Pressure - additional Homelessness case load	20
Inflation	9
Recharges	7
	<hr/>
Total	104
	<hr/>
Budget Changes - Decreasing	
Salary adjustments *	(3)
Pension contribution rate reduction to 15.6%	(16)
Saving - additional Homelessness grant	(44)
Service redesign saving -shared service initiative with Crawley BC	(19)
Service redesign saving - printing and design	(3)
	<hr/>
Total	(85)
	<hr/>
Total Variation for Housing	19
	<hr/> <hr/>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

HOUSING BUDGET 2011/12	Budget 2011/12 £'000	Housing Needs £'000	Housing Enabling £'000
Gross Expenditure			
Employees	338	249	89
Premises Related Expenditure	0	0	0
Transport Related Expenditure	17	12	5
Supplies and Services	229	217	12
Third Party Payments	0	0	0
Transfer Payments	186	186	0
Support Services	206	113	93
	976	777	199
Gross Income			
Customer and Client Receipts	(15)	(15)	0
Rents	0	0	0
Government Grants	(85)	(85)	0
Other Grants Reimburse/Contributions	(62)	(62)	0
Recharges	0	0	0
	(162)	(162)	0
Net Expenditure	814	615	199
Budget 2010/11	795	574	221
Change from 2010/11			
£'000 Change	19	41	(22)
% Change	2%		
Other Items 2011/12			
Capital Financing Costs	0	0	0
Capital Financing Income	0	0	0
Specific Items	0	0	0

ENVIRONMENTAL HEALTH VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Car allowance and mileage increase to N.J.C rates	2
Inflation	6
Total	<u>8</u>
Budget Changes - Decreasing	
Recharges	(2)
Reduction in car allowances (year 2)	(2)
Pension contribution rate reduction to 15.6%	(45)
Service redesign saving - dog and pest service	(51)
Service redesign saving - out of hours service	(10)
Service redesign saving - Home Improvement agency	(28)
Total	<u>(138)</u>
Total Variation for Environmental Health	<u><u>(130)</u></u>

ENVIRONMENTAL HEALTH BUDGET 2011/12		Contaminated Land	Housing Standards	Safety and Licensing	Environmental Protection
	Budget 2011/12	£'000	£'000	£'000	£'000
	£'000				
Gross Expenditure					
Employees	801	30	148	409	214
Premises Related Expenditure	3	0	0	0	3
Transport Related Expenditure	63	2	9	24	28
Supplies and Services	62	3	2	28	29
Third Party Payments	3	0	0	0	3
Transfer Payments	3	0	0	0	3
Support Services	378	9	34	143	192
	1,313	44	193	604	472
Gross Income					
Customer and Client Receipts	(344)	(1)	(1)	(247)	(95)
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
	(344)	(1)	(1)	(247)	(95)
Net Expenditure	969	43	192	357	377
Budget 2010/11	1,099	52	217	382	448
Change from 2010/11					
£'000 Change	(130)	(9)	(25)	(25)	(71)
% Change	(12%)				
Other Items 2011/12					
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 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Car allowance and mileage increase to N.J.C. rates	2
Inflation	4
Recharges	59
Total	<u>65</u>
Budget Changes - Decreasing	
Salary adjustments *	(74)
Reduction in car allowances (year 2)	(2)
Pension contribution rate reduction to 15.6%	(25)
Service redesign saving - improvements to efficiency	(57)
Total	<u>(158)</u>
Total Variation for Building Control	<u><u>(93)</u></u>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

BUILDING CONTROL BUDGET 2011/12	Budget 2011/12 £'000	Building Control £'000
Gross Expenditure		
Employees	507	507
Premises Related Expenditure	0	0
Transport Related Expenditure	34	34
Supplies and Services	30	30
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	132	132
	<u>703</u>	<u>703</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>217</u>	<u>217</u>
Budget 2010/11	310	310
Change from 2010/11		
£'000 Change	(93)	(93)
% Change	(30%)	
Other Items 2011/12		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

**Legal Services, Member Support Services & Elections,
Property Services and Land Charges
Tom Clark, Solicitor to the Council & Monitoring Officer**

Legal Services

Legal Services will be concentrating on Planning and Property work. Applications for residential schemes in Mid Sussex are above the levels found in other parts of the country. With such schemes come S106 Agreements. The Council recovers its costs in completing such agreements.

The Council has been involved in a number of Property transactions some of which are on a large scale. Future transactions are likely to require similar contracts conditional on planning consent being drafted.

The Legal Section will assist the Property Section in maximising the return on the Council's property interests.

Changes to the Licensing laws are expected in 2011/12 with additional training being required by Licensing Committee Members and a review of existing licences.

New Council structures are expected to be available to the Council by the end of 2011 and these will need to be considered for implementation in 2012.

Member Support Services & Elections

The Member Support Section will continue to concentrate on maintaining the service to Members and all sections of the organisation to ensure the smooth running of Council business. We will deliver an efficient and effective Induction programme for Members in May/June 2011. We will work with Members towards computerising more of the work where this would deliver a more effective and efficient service.

The Elections team will deliver District and Town/Parish elections on 5th May 2011 and any national referendum held in 2011. The team will conduct a polling places review by the end of December 2011 and will manage the annual electoral canvass in the autumn.

Property Services

The Property Team will continue, through careful property management input, to ensure that rents are collected on time with rent reviews and lease renewals concluded within relevant time constraints and to provide optimum rental levels to the Council.

The Team will also be looking to increase the value of Council's Property Portfolio through prudent asset management for example through lease re-gearing. Acquisitions and disposals will be duly evaluated on individual merits.

The Council's property income will be maintained by means of ensuring that wherever possible, early notice is afforded of any tenants' financial difficulties in making rental payments or non-observance of material clauses in respective leases or licences.

All of the Council's property assets will continue to be valued by the Team for accounting purposes, rating and fire insurance.

Land Charges

The Land Charges Section will continue to give an excellent service to the customer base to ensure the maintenance of the Council's part of the market. The Land Charges Section will continue to computerise in the expectation that this can be achieved by 2013. The result will be a transformation of the Council's information, allowing us to respond to the changing demands brought about by political change and also meet the growing expectation of the general public to access information held by the Council by the use of modern technology. It will also allow closer and more flexible work in all sections of the Council and a reduction in staffing requirements.

LAND CHARGES VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	1
Forecast income reduction	48
Total	<u>49</u>
Budget Changes - Decreasing	
Salary adjustments *	(2)
Recharges	(14)
Pension contribution rate reduction to 15.6%	(9)
Savings - N.L.I.S. payments	(4)
Total	<u>(29)</u>
Total Variation for Land Charges	<u><u>20</u></u>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

LAND CHARGES BUDGET 2011/12	Budget 2011/12 £'000	Local Land Charges £'000
Gross Expenditure		
Employees	98	98
Premises Related Expenditure	0	0
Transport Related Expenditure	1	1
Supplies and Services	2	2
Third Party Payments	5	5
Transfer Payments	0	0
Support Services	103	103
	209	209
Gross Income		
Customer and Client Receipts	(125)	(125)
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	0	0
	(125)	(125)
Net Expenditure	84	84
Budget 2010/11	64	64
Change from 2010/11		
£'000 Change	20	20
% Change	31%	
Other Items 2011/12		
Capital Financing Costs	23	23
Capital Financing Income	0	0
Specific Items	0	0

LEGAL SERVICES VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	2
Recharges	21
	<hr/>
Total	23
	<hr/>
Budget Changes - Decreasing	
Salary adjustments *	(3)
Pension contribution rate reduction to 15.6%	(13)
Savings - Standards Committee	(5)
Income improvement based on current trends	(2)
	<hr/>
Total	(23)
	<hr/>
Total Variation for Legal Services	0
	<hr/> <hr/>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

LEGAL SERVICES BUDGET 2011/12	Budget 2011/12 £'000	Legal Support Costs £'000
Gross Expenditure		
Employees	260	260
Premises Related Expenditure	0	0
Transport Related Expenditure	1	1
Supplies and Services	31	31
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	122	122
	<u>414</u>	<u>414</u>
Gross Income		
Customer and Client Receipts	(60)	(60)
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(354)	(354)
	<u>(414)</u>	<u>(414)</u>
Net Expenditure	<u><u>0</u></u>	<u><u>0</u></u>
Budget 2010/11	0	0
Change from 2010/11		
£'000 Change	0	0
% Change		
Other Items 2011/12		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

PROPERTY VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	2
Recharges	13
Pressure -loss of rent in Burgess Hill from asset disposal	10
Service redesign - rent adjustments from asset disposals	35
	<hr/>
Total	60
	<hr/>
Budget Changes - Decreasing	
Salary adjustments *	(1)
Martlets (Market Place) car park deed of variation	(5)
Pension contribution rate reduction to 15.6%	(8)
Additional income from rent review and licenses	(2)
Realignment of budgets - repairs & renewals (see contra entry Building & Asset Maintenance, Cleansing, Facility Management & Street-scene, Leisure Operations and Parking)	(8)
Saving - NNDR adjustment	(1)
Service redesign savings - reduction in headcount	(43)
	<hr/>
Total	(68)
	<hr/>
Total Variation for Property	(8)
	<hr/> <hr/>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

PROPERTY BUDGET 2011/12	Budget 2011/12 £'000	Property Operational £'000	Investment Property £'000
Gross Expenditure			
Employees	88	0	88
Premises Related Expenditure	17	13	4
Transport Related Expenditure	5	0	5
Supplies and Services	21	9	12
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	146	11	135
	277	33	244
Gross Income			
Customer and Client Receipts	(95)	0	(95)
Rents	(1,211)	(86)	(1,125)
Government Grants	0	0	0
Other Grants Reimburse/Contributions	0	0	0
Recharges	0	0	0
	(1,306)	(86)	(1,220)
Net Expenditure	(1,029)	(53)	(976)
Budget 2010/11	(1,021)	(41)	(980)
Change from 2010/11			
£'000 Change	(8)	(12)	4
% Change	1%		
Other Items 2011/12			
Capital Financing Costs	65	65	0
Capital Financing Income	0	0	0
Specific Items	0	0	0

MEMBER SUPPORT SERVICES & ELECTIONS VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	4
Recharges	38
Salary adjustments *	2
Budget realignment - (see contra in Performance & Scrutiny and Partnerships)	7
Total	<u>51</u>
Budget Changes - Decreasing	
Pension contribution rate reduction to 15.6%	(12)
Service redesign savings - members allowances	(33)
Service redesign savings - printing	(10)
Total	<u>(55)</u>
Total Variation for Member Support	<u><u>(4)</u></u>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

MEMBER SUPPORT SERVICES & ELECTIONS BUDGET 2011/12	Budget 2011/12 £'000	Elections and Registration £'000	Members Services £'000
Gross Expenditure			
Employees	197	76	121
Premises Related Expenditure	2	0	2
Transport Related Expenditure	15	0	15
Supplies and Services	565	132	433
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	201	101	100
	980	309	671
Gross Income			
Customer and Client Receipts	(14)	(2)	(12)
Rents	0	0	0
Government Grants	0	0	0
Other Grants Reimburse/Contributions	(3)	(3)	0
Recharges	(171)	0	(171)
	(188)	(5)	(183)
Net Expenditure	792	304	488
Budget 2010/11	796	257	539
Change from 2010/11			
£'000 Change	(4)	47	(51)
% Change	(1%)		
Other Items 2011/12			
Capital Financing Costs	0	0	0
Capital Financing Income	0	0	0
Specific Items	111	111	0

Leisure & Sustainability
Mark Fisher, Head of Leisure & Sustainability

In the current economic climate all the teams will be reviewing their services against tightening budgets, in particular exploring achieving efficiencies through procurement opportunities.

Building Asset & Maintenance

The team will be driving forward several major initiatives for facilitating a sustainable environment for the future. Working with the Community Services & Culture Team the introduction of 'Carbon Reduction Measures' to reduce the Councils CO2 emissions by 20% over the next 5 years, and improving the energy efficiency of Council buildings.

Leisure Operations Client

2011/12 will see work with our partners, Freedom Leisure, on energy management projects within the leisure centres and civic halls including a Combined Heat and Power (CHP) project for The Dolphin. In conjunction with Freedom Leisure we will be working more closely with local groups to bring more community events into the halls. In year there will be the introduction of 'disc parking' into the leisure centre car parks to assist our customers with their parking requirements.

Parking Services

The team will commence work on the options in the new 10 year Parking Strategy, bringing them forward for consideration as appropriate. The team will also continue to focus on providing good quality parking facilities throughout the District.

Cleansing Services

The team will be working with SERCO, West Sussex County Council (WSSCC) and partners to ensure that recycling quality is improved, alongside a continued year on year reduction in waste to landfill to meet national waste reduction targets. The team are also looking to explore opportunities for commercial recycling as part of a countywide strategy. We will be looking to achieve improved customer satisfaction levels in street sweeping of 79%, refuse collections of 79% and recycling collections of 80%. The waste team will also work with Serco to produce an implementation plan for the growth of the garden waste service in readiness for an expanded service commencing Spring 2013.

Facility Management & Street-Scene

The team will commence implementing changes to the provision of public toilets, which will form a three-year action plan and in collaboration with the Landscapes Team will alter some aspects of the grounds maintenance services provided which will lead to cost efficiencies.

Community Services and Culture

On the leisure and 'healthy lifestyles' agenda this year, the Team will respond to the changes proposed within the NHS by engaging with the public health function at WSCC and GP consortia and will also further develop the Health & Wellbeing advice service following the launch of our Mid Sussex wellbeing website. The forthcoming year will be used to develop the leisure facilities on the Bolnore leisure field site, now that the Council has taken over responsibility for the site. The team will continue to promote popular community projects such as the Lifeshow for the Over 50's at Burgess Hill in September and a similar event for all age groups in East Grinstead at the beginning of the year. Other projects, which will celebrate the Olympic Games in the summer of 2012 will be developed with our partners, and will include participatory events involving both the arts and sports as well as capitalising on the potential tourism and business benefits which will arise from this 'one in a lifetime' event.

Landscapes

Procurement efficiencies will be explored by developing further partnership opportunities with neighbouring authorities with the tree works contract and the grounds maintenance contract. The team will be focussed on delivering an improved skate park facility and playground at the Kings Centre in East Grinstead, providing a new water play feature in Victoria Park Haywards Heath, enlarging and enhancing the play provision at Queens Crescent in Burgess Hill gaining a further Green Flag award for Beech Hurst and preparing for another 'Wild About' event in spring 2012.

BUILDING & ASSET MAINTENANCE VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Car allowance and mileage increase to N.J.C. rates	1
Budget realignment - staff restructure (see contras in Facility Management & Street-scene, Cleansing & Organisational Development)	18
Pressure - NNDR adjustment	3
Budget realignment - repairs & renewals (see contras in Property Services, Leisure Operations, Facility Management & Street-scene, Cleansing & Parking Services)	21
Inflation	23
Recharges	6
	<hr/>
Total	72
	<hr/>
Budget Changes - Decreasing	
Salary adjustments *	(1)
Reduction in car allowances (year 2)	(1)
Pension contribution rate reduction to 15.6%	(22)
Ongoing 2009/10 savings - oaklands security services	(5)
Service redesign savings - reduction in headcount	(36)
Service redesign savings - energy efficiency	(7)
	<hr/>
Total	(72)
	<hr/>
	<hr/>
Total Variation for Community Services & Culture	0
	<hr/> <hr/>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

**BUILDING & ASSET MAINTENANCE
BUDGET 2011/12**

	Budget 2011/12 £'000	Contracts £'000	Oaklands £'000
Gross Expenditure			
Employees	111	0	111
Premises Related Expenditure	420	0	420
Transport Related Expenditure	18	12	6
Supplies and Services	60	18	42
Third Party Payments	12	0	12
Transfer Payments	0	0	0
Support Services	154	91	63
	775	121	654
Gross Income			
Customer and Client Receipts	(1)	0	(1)
Rents	(14)	0	(14)
Government Grants	0	0	0
Other Grants Reimburse/Contributions	(12)	0	(12)
Recharges	(992)	(121)	(871)
	(1,019)	(121)	(898)
Net Expenditure	(244)	0	(244)
Budget 2010/11	(244)	0	(244)
Change from 2010/11			
£'000 Change	0	0	0
% Change	(0%)		
Other Items 2011/12			
Capital Financing Costs	244	0	244
Capital Financing Income	0	0	0
Specific Items	0	0	0

CLEANSING SERVICES VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	70
Car allowance and mileage increase to N.J.C rates	1
Budget realignment - repairs & renewals (see contras in Property Services, Building & Asset Maintenance, Leisure Operations, Facility Management & Street-scene, & Parking	25
Pressure - additional properties	12
Pressure - additional contract inflation 2010/11	83
	<hr/>
Total	191
	<hr/>
Budget Changes - Decreasing	
Recharges	(7)
Budget realignment - staff restructure (see contras in Facility Management & Street-scene and Building & Asset Maintenance)	(20)
Additional garden waste income	(37)
Pension contribution rate reduction to 15.6%	(10)
Service redesign savings - extend life of freighter fleet	(20)
Service redesign savings - weather forecasts	(2)
	<hr/>
Total	(96)
	<hr/>
	<hr/>
Total Variation for Cleansing Services	95
	<hr/> <hr/>

CLEANSING SERVICES BUDGET 2011/12		Budget 2011/12 £'000	District Drainage £'000	Refuse Collection £'000	Recycling Bring Sites £'000	Highway Cleansing £'000	Highway Maintenance £'000
Gross Expenditure							
Employees	247	40	89	49	47	22	
Premises Related Expenditure	58	34	0	11	0	13	
Transport Related Expenditure	18	2	5	5	4	2	
Supplies and Services	39	1	22	15	1	0	
Third Party Payments	3,605	0	2,581	5	1,019	0	
Transfer Payments	0	0	0	0	0	0	
Support Services	252	26	77	80	63	6	
	4,219	103	2,774	165	1,134	43	
Gross Income							
Customer and Client Receipts	(675)	0	(675)	0	0	0	
Rents	0	0	0	0	0	0	
Government Grants	0	0	0	0	0	0	
Other Grants Reimburse/Contributions	(694)	0	(11)	(670)	(13)	0	
Recharges	0	0	0	0	0	0	
	(1,369)	0	(686)	(670)	(13)	0	
Net Expenditure	2,850	103	2,088	(505)	1,121	43	
Budget 2010/11	2,755	79	2,003	(481)	1,110	44	
Change from 2010/11							
£'000 Change	95	24	85	(24)	11	(1)	
% Change	3%						
Other Items 2011/12							
Capital Financing Costs	368	195	173	0	0	0	
Capital Financing Income	0	0	0	0	0	0	
Specific Items	0	0	0	0	0	0	

COMMUNITY SERVICES & CULTURE VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	4
Car allowance and mileage increase to N.J.C rates	1
Pressure - pension costs	13
Total	<u>18</u>
Budget Changes - Decreasing	
Salary adjustments *	(2)
Recharges	(18)
Pension contribution rate reduction to 15.6%	(19)
Concessionary fares removal of responsibility	(614)
Service redesign savings - deletion of a vacant post	(36)
Service redesign savings - removal of facilities grants	(50)
Service redesign savings - reduce operational budgets	(15)
Service redesign savings - discretionary concessionary travel	(22)
Service redesign savings - printing and design	(3)
Total	<u>(779)</u>
Total Variation for Community Services & Culture	<u><u>(761)</u></u>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

COMMUNITY SERVICES & CULTURE BUDGET 2011/12		Budget 2011/12 £'000	Grants to Organisations £'000	Concessionary Fares £'000	Sustainability Climate Change £'000	Community Leisure and Developmt £'000
Gross Expenditure						
Employees	315	46	29	20	220	
Premises Related Expenditure	1	0	0	0	1	
Transport Related Expenditure	17	2	1	1	13	
Supplies and Services	398	259	1	15	123	
Third Party Payments	0	0	0	0	0	
Transfer Payments	3	0	0	0	3	
Support Services	233	32	46	42	113	
	967	339	77	78	473	
Gross Income						
Customer and Client Receipts	(70)	0	0	0	(70)	
Rents	0	0	0	0	0	
Government Grants	0	0	0	0	0	
Other Grants Reimburse/Contribution	(43)	0	(31)	0	(12)	
Recharges	0	0	0	0	0	
	(113)	0	(31)	0	(82)	
Net Expenditure	854	339	46	78	391	
Budget 2010/11	1,615	385	686	103	441	
Change from 2010/11						
£'000 Change	(761)	(46)	(640)	(25)	(50)	
% Change	(47%)					
Other Items 2011/12						
Capital Financing Costs	0	0	0	0	0	
Capital Financing Income	0	0	0	0	0	
Specific Items	0	0	0	0	0	

FACILITY MANAGEMENT & STREET- SCENE VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	21
Car allowance and mileage increase to N.J.C rates	2
Realignment of budget for staff restructures (see contra in Organisational Development, Building & Asset Maintenance and Cleansing Services)	25
Realignment of budget (see contra in Development Management)	6
	<hr/>
Total	54
	<hr/>
Budget Changes - Decreasing	
Salary adjustments *	(2)
Recharges	(43)
Reduction in car allowances (year 2)	(2)
Ongoing 2009/10 savings - additional playgroup income	(8)
Ongoing 2009/10 savings - renegotiation of cleansing contract	(10)
Pension contribution rate reduction to 15.6%	(22)
Budget realignment - repairs & renewals (see contras in Property Services, Leisure Operations, Building & Asset Maintenance, Cleansing Services & Parking Services)	(96)
Savings - NNDR adjustment	(2)
Service redesign savings - soft landscaping	(40)
Service redesign savings - hard landscaping	(30)
Service redesign savings - partnership grants for towns	(18)
Service redesign savings - play areas	(32)
Service redesign savings - parish environmental initiatives /imps	(10)
Service redesign savings - energy efficiency	(6)
Service redesign savings - printing and design	(3)
	<hr/>
Total	(324)
	<hr/>
	<hr/>
Total Variation for Community Services & Culture	(270)
	<hr/> <hr/>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

**FACILITY MANAGEMENT & STREET-
SCENE
BUDGET 2011/12**

	Budget 2011/12 £'000	Outdoor Facilities £'000	Trust Fund Accounts £'000	Public Conveniences £'000
Gross Expenditure				
Employees	431	379	5	47
Premises Related Expenditure	1,429	1,200	160	69
Transport Related Expenditure	31	28	0	3
Supplies and Services	114	110	2	2
Third Party Payments	84	6	0	78
Transfer Payments	0	0	0	0
Support Services	252	213	0	39
	2,341	1,936	167	238
Gross Income				
Customer and Client Receipts	(219)	(172)	(47)	0
Rents	(106)	(31)	(75)	0
Government Grants	0	0	0	0
Other Grants Reimburse/Contributions	(1)	(1)	0	0
Recharges	0	0	0	0
	(326)	(204)	(122)	0
Net Expenditure	2,015	1,732	45	238
Budget 2010/11	2,285	1,990	50	245
Change from 2010/11				
£'000 Change	(270)	(258)	(5)	(7)
% Change	(12%)			
Other Items 2011/12				
Capital Financing Costs	153	133	0	20
Capital Financing Income	0	0	0	0
Specific Items	0	0	0	0

LEISURE OPERATIONS CLIENT VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Realignment of budget - repairs & renewals(see contra in Property Services, Building & Asset Maintenance, Cleansing, Parking Services and Facility Management & Street-scene)	84
Inflation	1
Total	85
Budget Changes - Decreasing	
Recharges	(44)
Salary adjustments *	(1)
Pension contribution rate reduction to 15.6%	(4)
Reduction in supplies and services	(5)
Reduction in repairs & renewals as for 2010/11 only	(56)
Total	(110)
Total Variation for Leisure Operations Client	(25)

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

LEISURE OPERATIONS CLIENT BUDGET 2011/12	Budget 2011/12 £'000	Leisure Centres £'000
Gross Expenditure		
Employees	137	137
Premises Related Expenditure	315	315
Transport Related Expenditure	3	3
Supplies and Services	563	563
Third Party Payments	92	92
Transfer Payments	0	0
Support Services	57	57
	<u>1,167</u>	<u>1,167</u>
Gross Income		
Customer and Client Receipts	0	0
Rents	(20)	(20)
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	0	0
	<u>(20)</u>	<u>(20)</u>
Net Expenditure	<u>1,147</u>	<u>1,147</u>
Budget 2010/11	1,172	1,172
Change from 2010/11		
£'000 Change	(25)	(25)
% Change	(2%)	
Other Items 2011/12		
Capital Financing Costs	1,412	1,412
Capital Financing Income	0	0
Specific Items	98	98

PARKING SERVICES VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Income pressure - change in VAT rate	40
Income pressure - car cleaning franchise	19
Pressure - NNDR adjustment	5
Recharges	7
	<hr/>
Total	71
	<hr/>
Budget Changes - Decreasing	
Inflation	2
Realignment of budget - repairs & renewals(see contra in Property Services, Building & Asset Maintenance, Cleansing, Leisure Operations and Facility Management & Street-scene)	(26)
Service redesign saving - printing and design	(1)
	<hr/>
Total	(25)
	<hr/>
Total Variation for Parking Services	46
	<hr/> <hr/>

PARKING SERVICES BUDGET 2011/12			
	Budget 2011/12	Car Parks	Parking Enforcement
	£'000	£'000	£'000
Gross Expenditure			
Employees	509	46	463
Premises Related Expenditure	350	350	0
Transport Related Expenditure	36	14	22
Supplies and Services	90	52	38
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	174	174	0
	1,159	636	523
Gross Income			
Customer and Client Receipts	(1,831)	(1,438)	(393)
Rents	0	0	0
Government Grants	0	0	0
Other Grants Reimburse/Contributions	(130)	0	(130)
Recharges	0	0	0
	(1,961)	(1,438)	(523)
Net Expenditure	(802)	(802)	0
Budget 2010/11	(848)	(848)	0
Change from 2010/11			
£'000 Change	46	46	0
% Change	(5%)		
Other Items 2011/12			
Capital Financing Costs	87	87	0
Capital Financing Income	0	0	0
Specific Items	0	0	0

Better Mid Sussex
Tim Barkley, Better Mid Sussex Planning Leader

The project reports on a regular basis to the Better Mid Sussex Advisory Group. During 2010/11, the project developed a number of work streams in consultation with Members and these will be progressed in 2011/12.

These include specific projects in Queens Walk - East Grinstead, Victoria Park – Haywards Heath, joint working with Solum Regeneration and environmental enhancements in Burgess Hill and Haywards Heath Town Centres. Some of this activity will require the Council to carry out a procurement exercise and to enter into development agreements. Other work streams are anticipated to emerge in 2011/12 in Burgess Hill and Haywards Heath Town Centres.

The overall aim of the project remains to revitalise the existing town centres and the transport hubs whilst, at the same time, contributing to the enhancement and management of the Council's assets. The outcome should be increased vitality of the centres to the benefit of our communities, improved economic well-being and support for our existing town centre businesses.

BETTER MID SUSSEX VARIATION TABLE	
Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget	
Description	<i>Variation</i> £'000
Budget Changes - Increasing	
Recharges	5
Inflation	1
Total	<u>6</u>
Budget Changes - Decreasing	
Salary adjustments *	(1)
Pension contribution rate reduction to 15.6%	(6)
Saving - supplies and services	(1)
Total	<u>(8)</u>
Total Variation for Better Mid Sussex	<u><u>(2)</u></u>
*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).	

BETTER MID SUSSEX BUDGET 2011/12		Budget 2011/12 £'000	Better Mid Sussex £'000
Gross Expenditure			
Employees		92	92
Premises Related Expenditure		0	0
Transport Related Expenditure		1	1
Supplies and Services		2	2
Third Party Payments		0	0
Transfer Payments		0	0
Support Services		42	42
		137	137
Gross Income			
Customer and Client Receipts		0	0
Rents		0	0
Government Grants		0	0
Other Grants Reimburse/Contributions		0	0
Recharges		0	0
		0	0
Net Expenditure		137	137
Budget 2010/11		139	139
Change from 2010/11			
£'000 Change		(2)	(2)
% Change		(1%)	
Other Items 2011/12			
Capital Financing Costs		0	0
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; a proportion of Head of Service costs (where the cost driver is the management of the authority rather than the allocation to services); and, the Council's share of the joint procurement service.

This area includes the majority of Corporate and Democratic Core costs. Conscious efforts have been made in recent years to reduce the overall cost in this area.

STRATEGIC CORE VARIATION TABLE

Analysis of changes in budget between 2010/11 original budget, and 2011/12 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	8
Salary adjustments *	19
Total	<u>27</u>
Budget Changes - Decreasing	
Recharges	(270)
Pension contribution rate reduction to 15.6%	(49)
Savings - general subscriptions	(2)
Service redesign savings - management team review	(165)
Total	<u>(486)</u>
Total Variation for Strategic Core	<u><u>(459)</u></u>

*Includes salary increments, removal of 2010/11 allowance for National Pay Award, voluntary severance savings and the removal of two days unpaid leave (2010/11 only).

STRATEGIC CORE BUDGET 2011/12	Budget 2011/12 £'000	Strategic Core £'000
Gross Expenditure		
Employees	1,170	1,170
Premises Related Expenditure	1	1
Transport Related Expenditure	13	13
Supplies and Services	(3)	(3)
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	1,134	1,134
	2,315	2,315
Gross Income		
Customer and Client Receipts	0	0
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(1,131)	(1,131)
	(1,131)	(1,131)
Net Expenditure	1,184	1,184
Budget 2010/11	1,643	1,643
Change from 2010/11		
£'000 Change	(459)	(459)
% Change	(28%)	
Other Items 2011/12		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

Forecast of Benefits Costs 2011/12

	2009/10 Accounts	2010/11 Budget	2010/11 Current	2011/12 Forecast	
Non HRA Rent Rebates					
	£'000	£'000	£'000	£'000	
gross expenditure	97	94	214	94	
net expenditure at standard subsidy					
effect of reduced subsidy	3	2	85	2	
effect of overpayments	(3)	(3)	(11)	(3)	
Total Rent Rebates	0	(1)	74	(1)	1
Rent Allowances					
	£'000	£'000	£'000	£'000	
gross expenditure	26,837	26,346	28,370	28,370	
net expenditure at standard subsidy	0	0	0	0	
effect of reduced subsidy	548	572	550	550	
effect of overpayments	(610)	(603)	(507)	(475)	2
Total Rent Allowances	(62)	(31)	43	75	
Council Tax Benefit					
	£'000	£'000	£'000	£'000	
gross expenditure	7,057	6,925	7,364	7,364	
net expenditure at standard subsidy	0	0	0	0	
effect of reduced subsidy	0	0	0	0	
effect of overpayments	(97)	(109)	(146)	(146)	3
Total Council Tax Benefit	(97)	(109)	(146)	(146)	
Discretionary Local Scheme					
Council Tax Benefit					
Rent Allowances	47	50	64	64	
Subsidy 75%	(35)	(37)	(48)	(48)	
Total Discretionary scheme	12	13	16	16	
Total Support	(147)	(128)	(13)	(56)	
Add : Previous Year Adjustment			156		4
Less : LA Error subsidy	(70)	(62)	(78)	(78)	5
Adjustment for 2007/08 claim	72	0	0	0	
Adjustment for 2008/09 claim	(17)		(2)		
(Less)/Add : Funding (from)/to Benefits Equalisation Reserve	(62)	40	(106)	41	6
Cost to MSDC	(224)	(150)	(43)	(93)	

- (1) Reduced subsidy in relation to Housing benefit payable for Board and Lodging Accommodation and those in Temporary Licenced Accommodation, has led to a pressure of £76,000 in 2010/11. However, this cost should be identified as a cost of homelessness and will therefore be reflected in Housing Services budget from 2011/12.
- (2) The introduction of the Local Housing Allowance in 2008/2009 was forecast to reduce overpayment collection rates. This was due to a change in the payment of Housing Benefits directly to Benefit recipients rather than the previous system of payments to Landlords. This gradual process involved approximately 20% of payments transferring to tenants each year. The forecast therefore includes a further reduction of £32,000 to allow for lower collection rates in 2011/12 as more benefits payments are made to tenants.
- (3) Overpayments which are not caused by LA error in relation to Council Tax attract 100% subsidy. This is an additional income as we are also able to reclaim the overpayment back from the recipient. The budgeted effect of overpayments has increased as a result of increasing volumes of overpayments.
- (4) Overpayment collection rates have reduced at a faster pace than was forecast in the budget in relation to the introduction of the Local Housing Allowance. It has therefore been necessary to increase the provision for bad debt.
- (5) LA error volumes for 2010/11 are higher than expected. This is due to the higher than budgeted overpayment volumes, resulting in a higher volume of LA error. As volumes are still below the lower threshold, full subsidy can be claimed.
- (6) The amount budgeted to be drawn from or transferred to the Benefits Equalisation Reserve is calculated to bring the final figure back to the required budget. The Benefits Equalisation reserve was set up from previous years surplus's. Due to a combination of reduced subsidy for Temporary Accommodation and lower than forecast collection rates from the introduction of the Local Housing Allowance, it will be necessary to draw on the balance of the equalisation reserve of £106,000 in 2010/11, with a further pressure of £107,000 reported to cabinet on 7th February 2011.

CAPITAL PROGRAMME 2010/14

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. Members should note that 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 2010/11;
 - A detailed list of the proposed projects for 2011/12 together with financing;

2.0 Capital Strategy

- 2.1 The current strategy for capital spending is outlined below for Members:
- 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 s106 agreements). Negotiations with 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 taxpayers.
- 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. The general principles of Capital spending are detailed below:

- 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 financed from S106s and there is no use of capital or revenue reserves for this purpose.
- 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.
- Council must approve the Capital Programme as part of the Corporate Plan and Budget exercise.

3.2 The adoption of the foregoing results in a modest capital programme for 2011/12, as detailed further in the paragraphs below.

4.0 Financial Position: Current and Medium Term

- 4.1 Members will recall that over the last year 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. Therefore, for 2011/12 the proposed Capital Programme is limited, reflecting the Council's continuing policy to protect its reserves position.
- 4.2 As was the case last year, Disabled Facilities Grants and the Major Capital Renewals continue to be financed from a revenue contribution, thus relieving the pressure on reserves. In addition, some elements of the programme are funded from s106 contributions.
- 4.3 As previously reported, windfall income including additional VAT windfall brought about by the 'Fleming case' retrospective claim continues to boost reserves which contributes to a more positive outlook for our reserves position in the future.
- 4.4 However, whilst the reserves table in Section 4 shows that the Council will have some £5m to £6m in unearmarked monies for the duration of the medium term, this is only achieved by adopting a capital programme that includes only essential asset maintenance and contains no major new leisure, housing or ICT projects. The Council will therefore have to look to alternative sources of funding if aspirational projects are to come about.

5.0 Proposed Projects for 2011/12

- 5.1 In light of the comments above, the capital projects that have come forward for 2011/12 are as follows:
- i) **Major Capital Renewals**
This is the cost of maintaining our assets and is detailed the table of proposed projects set out overleaf.
 - ii) **Affordable Housing**
This is the contribution to Registered Social Landlords to provide new affordable housing and is financed wholly from S106 contributions.
 - iii) **ICT**
There is now just two schemes identified here – a minimal PC replacement programme at £25k, and a contribution yet to be finalised by the CenSus Joint Committee, towards infrastructure needed to realise efficiency savings in future years.
 - iv) **Disabled Facility Grants**
As Members know, this is a mandatory scheme and is funded partly from Government grant and partly from a revenue contribution.
 - v) **Playground Improvements**
These are funded wholly from S106s .
 - vi) **Energy Efficiency Schemes**
This is included in the programme. However, it will be subject to a separate report to Members early in the year on an individual business case basis. Therefore, currently, no individual schemes have been identified.

- 5.2 The proposed capital projects to be included in the 2011/12 Capital Programme are set out below.

<i>Description</i>	<i>Project Cost</i>	<i>Project Cost</i>	<i>Revenue Implications</i>
Service Projects			
<i>ICT:</i>			
CenSus ICT Strategy	TBA		
PC Replacement Programme	25		
Total ICT:		25	
 <i>S106 Fully Funded Schemes:</i>			
Improvement works to play facilities, Balcombe Recreation Ground	10		
Improvement works Dolphin playground H Heath	9		
Extend skatepark facility, Kings Centre recreation ground, E Grinstead	78		
Improvement works to playground at Kings Centre E Grinstead	50		
Imps works to paddling pool Victoria Park H Heath	68		
Improvement works to playground at Queens Crescent, B Hill (part)	25		
King Street Public Convenience E Grinstead (part)	59		
Total S106 Schemes		299	
 <i>Other Schemes:</i>			
CenSus Revs & Bens EDRMS Project	36		
Content Management System	34		
Improvement works to playground at Queens Crescent B Hill (part)	29		
New Polling Booths	31		
King Street Public Convenience E Grinstead (part)	141		
Energy Efficiency schemes	TBA		
Total other schemes		271	
 Additional Funding			
<i>Major Capital Renewals (MCR):</i>			
Triangle Leisure Centre, Burgess Hill	110		
Martlets Hall, Burgess Hill	55		
Clair Hall, Haywards Heath	50		
Oaklands campus	90		
Car Parks	35		
Facilities Management	60		
Total Major Capital Renewals (MCR)		400	
 Housing			
Disabled Facility Grants	700		
Affordable Housing	502		
		1,200	
Total proposed capital projects for 2011/12		2,195	

- 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:

	<i>£'000</i>	<i>£'000</i>
Capital Grants		
(re. Disabled Facilities Grants 60% financed from central government)		325
S106 Agreements		299
S106s Housing		500
Capital Receipts		29
General Reserve		231
Met from Revenue Contributions		811
		<hr/>
Total Capital Spending 2011/12		2,195 <hr/>

Background Papers

Report to Performance and Scrutiny Committee on 18th January 2011.

Budget Report and Council Tax 2011/12

Budget working papers

**Capital Programme 2010/11 - 2014/15
Programming Summary**

Total Costs £'000	Scheme Description	Payments* to 31/3/2010 £'000	Payments*				
			2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000
3,171	Service Programme						
1,253	Schemes in Progress	315	2,856	0	0	0	0
	Starts List	0	0	995	133	74	51
4,424		315	2,856	995	133	74	51
1,200	Additional Funding						
	Unallocated Funding - Future Projects	0	0	0	400	400	400
1,200		0	0	0	400	400	400
5,624	Total Service Programme	315	2,856	995	533	474	451
			----- £5,309,000 ----->				
7,622	Housing Services Programme						
2,167	Housing Renewal Assistance	4,092	730	700	700	700	700
	Affordable Housing	1,294	169	500	204	0	0
9,789	Total Housing Services Programme	5,386	899	1,200	904	700	700
			----- £4,403,000 ----->				
15,413	Total Programme	5,701	3,755	2,195	1,437	1,174	1,151
			----- £9,712,000 ----->				

Capital Programme 2010/11 - 2014/15 Financing Schedule

<i>Description</i>	<i>Notes</i>	<i>2010/11</i> <i>£'000</i>	<i>2011/12</i> <i>£'000</i>	<i>2012/13</i> <i>£'000</i>	<i>2013/14</i> <i>£'000</i>	<i>2014/15</i> <i>£'000</i>
Capital Grants - Disabled Facility Grants (D.F.G)	1	325	325	325	325	325
S106s Housing	2	169	500	204	0	0
S106s/ Capital Receipts	3	229	328	108	49	26
Loan	4	1,874				
Contribution from Third Party	5	82				
Use of General Reserves / Revenue Contributions	6	1,076	1,042	800	800	800
Total Programme		3,755	2,195	1,437	1,174	1,151

Notes:

- 1 Government grant received for Disabled Facility Grants.
- 2 S106 monies, which may be used for affordable Housing capital expenditure.
- 3 Capital contributions from partners / capital receipts from asset disposals.
- 4 Amounts borrowed in the short term to finance The Brow Burgess Hill.
- 5 West Sussex County Council Playbuilder funding and remaining Capital element of Housing and Planning Delivery Grant (i.e. 25% of total grant awarded).
- 6 Financing from General Reserve including the use of revenue contributions.

Capital Programme 2010/11 - 2014/15

<i>Scheme Description</i>	<i>Total</i> £'000	<i>Pre 1/4/2010</i> £'000	<i>2010/2011</i> £'000	<i>2011/2012</i> £'000	<i>2012/2013</i> £'000	<i>2013/2014</i> £'000	<i>2014/2015</i> £'000
Performance & Scrutiny, Partnerships, Customer Services & Communications							
Content Management system	34	0		34			
<i>Total Performance & Scrutiny, Partnerships, Customer Ser & Comms</i>	34	0	0	34	0	0	0
Economic Promotion and Planning							
S106 monitoring software	12	0	12				
<i>Total Economic Promotion and Planning</i>	12	0	12	0	0	0	0
Leisure & Sustainability							
Informal youth facility, Lingfield Rd recreation ground, East Grinstead	30	1	29				
Bolnore woodland S106	23	14	9				
Imps to Victoria Park skatepark Haywards Heath	32	22	10				
Imps to Haywards Heath rec ground playground	75	66	9				
Bolnore Leisure Site	50	0	50				
Imps to Burners Close playground B Hill	56	0	56				
Further path & access works on the Green Crescent	30	8	22				
Imps to playground at London Road Hassocks	11	0	11				
Imps to playground at Lingfield Rd recreation ground East Grinstead	78	0	78				
Imps to paddling pool at Victoria Park Haywards Heath	68	0		68			
Imps to playground at Queens Crescent Burgess Hill	54	0		54			
Imps to play facilities at Balcombe recreation ground	10	0		10			
Imps to playground at the Dolphin Haywards Heath	9	0		9			
Imps to playground at Kings centre East Grinstead	50	0		50			
Extend skatepark at Kings centre recreation ground East Grinstead	78	0		78			
King street public conveniences East Grinstead	200	0		200			

Capital Programme 2010/11 - 2014/15

<i>Scheme Description</i>	<i>Total</i> £'000	<i>Pre 1/4/2010</i> £'000	<i>2010/2011</i> £'000	<i>2011/2012</i> £'000	<i>2012/2013</i> £'000	<i>2013/2014</i> £'000	<i>2014/2015</i> £'000
<i>Leisure & Sustainability Contd</i>							
Imps to playground at Court Bushes Hurstpierpoint	9	0			9		
Imps to playground at Beech Hurst Gardens	6	0			6		
Imps to playground at Forest Fields Haywards Heath	16	0			16		
Imps to playground at Mt Noddy East Grinstead	42	0			42		
Imps to playground at Orchard Way East Grinstead	20	0			20		
Imps to playground at St Johns Park Burgess Hill	15	0			15		
Imps to playground at Cuckfield recreation ground	14	0				14	
Imps to playground at East Court East Grinstead	13	0				13	
Imps to playground at Imberhorne Lane rec ground East Grinstead	7	0				7	
Imps to playground at Wyvern Close Burgess Hill	15	0				15	
Imps to playground at Hollands Way East Grinstead	0	0					18
Imps to playground at Barn Close Pease Pottage	0	0					8
Energy Efficiency Schemes	0	0		TBA			
<i>Total Leisure & Sustainability</i>	1,011	111	274	469	108	49	26
<i>Finance, CenSus (ICT, Revenues & Benefits) and HR</i>							
Intelligent scanning	22	0	22				
EDRMS (CenSus Revs & Bens)	98	62	36				
EDRMS (CenSus Revs & Bens)	36	0		36			
PC replacement programme	25	0	25				
PC replacement programme	100	0		25	25	25	25
CenSus ICT strategy	45	0	45				
CenSus ICT strategy	0	0		TBA			
<i>Total Finance, CenSus (ICT, Revenues & Benefits) and HR</i>	326	62	128	61	25	25	25

Capital Programme 2010/11 - 2014/15

Scheme Description	Total £'000	Pre 1/4/2010 £'000	2010/2011 £'000	2011/2012 £'000	2012/2013 £'000	2013/2014 £'000	2014/2015 £'000
Legal Services, Member Support, Elections, Property and Land Charges							
Computerisation of Land Charges	108	79	29				
The Brow Site Burgess Hill	1,874	0	1,874				
Polling booths	31	0		31			
Total Legal, Member Support, Elections, Property and Land Charges	2,013	79	1,903	31	0	0	0
Total schemes	3,396	252	2,317	595	133	74	51
Major Capital Renewals(MCR)							
Dolphin - Haywards Heath	130	35	95				
Kings - East Grinstead	89	0	89				
Triangle - Burgess Hill	70	0	70				
Whitemans Green pavilion	38	9	29				
Streams & watercourses - culvert Hurstpierpoint	77	11	66				
Clair Hall	113	0	113				
Oaklands campus - roof works & boilers	85	8	77				

Capital Programme 2010/11 - 2014/15

<i>Scheme Description</i>	<i>Total</i> £'000	<i>Pre 1/4/2010</i> £'000	<i>2010/2011</i> £'000	<i>2011/2012</i> £'000	<i>2012/2013</i> £'000	<i>2013/2014</i> £'000	<i>2014/2015</i> £'000
<i>Major Capital Renewals(MCR) Contd</i>							
Triangle - Burgess Hill	110	0		110			
Martlets Hall	55	0		55			
Clair Hall	50	0		50			
Oaklands campus - roof works	90	0		90			
Vicarage car park - East Grinstead	35			35			
Berrylands recreation ground - car park and access road improvements	25			25			
Haywards Heath recreation ground - footpath improvements	20			20			
Playground fencing improvements - various sites	15			15			
Major Capital Renewals unallocated funding	1,200	0			400	400	400
<i>Total Major Capital Renewals (MCR)</i>	2,202	63	539	400	400	400	400
<i>Total Service Programme</i>	5,598	315	2,856	995	533	474	451
<i>Housing Services</i>							
<i>SHG Programme</i>							
Disabled Facility Grants (D.F.G)	7,622	4,092	730	700	700	700	700
Affordable Housing	2,167	1,294	169	500	204		
<i>Total Housing Services Programme</i>	9,789	5,386	899	1,200	904	700	700
<i>Grand Total</i>	15,387	5,701	3,755	2,195	1,437	1,174	1,151

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 4-5 years.

This project forms part of the ongoing 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.

Total Amount : £25,000

Capitalised Salaries included in the project total :£0

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 4-5 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 via either the CBC or OGC contract routes.

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 PC's a rolling replacement programme is the most appropriate way forward.

Business Unit/Service: ICT Services

Head of Service: Peter Stuart

Project Manager: Graham Crossingham

Graham is trained in PRINCE Lite.

CenSus ICT operates projects under PRINCE Lite methodology.

Over all CenSus ICT Strategy is managed by the CenSus Programme Management Board.

Cabinet Members: Cllr Jonathan Ash-Edwards

Ward Members: Not applicable

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

- 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:.

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

Risk Analysis:

The main risks for this project are:

- a) Sufficient resources not being made available
- b) Change of PC specification by Supplier / Manufacturer / MSDC

The likelihood, severity, financial impact (rated low, medium, high)

- a) Medium, low, low
- b) Medium, low, low

Mitigation actions:

- a) Slip project completion in to next FY
- b) Slip project, while new hardware \ software image built and tested.

Project justification details

Improvement Works to play facilities at Balcombe Recreation Ground in 2011/12

Purpose of project:

To upgrade and add to the equipped play facilities at Balcombe Recreation Ground, Balcombe so as to make the site a more enjoyable, challenging, yet safe place to visit. Some of the potential play-related facilities may lay outside of the fenced equipped play area and all work would be in full consultation with the Parish Council.

Amount: £9,555

S106 available:

P35/376 £9,555

Total £9,555

Capitalised Salaries included in the project total :: None included

Revenue Implications : expect reduction in revenue costs of c.£200 pa for first 3 years)

Value For Money Assessment:

This will reduce future maintenance costs and provide a safer and more exciting play experience for children. It could also save on potential accident claims

Business Unit/Service: Leisure and Sustainability

Head of Service: Mark Fisher

Project Manager: Rupert Browning

Attended MSDC one day project management course

Cabinet Member: Cllr P. Moore

Ward Members: Cll. Garry Marsh, Cll A MacNaughton

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: Cll. 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 recreation ground.

Risk Analysis:

The project is not likely to involve any undue 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 and most probably the whole site will be fenced off for the duration of the works.

Project justification details

Improvement Works to Dolphin Playground Haywards Heath in 2011/12

Purpose of project:

To upgrade the equipped playground at Dolphin Centre Open Space, H. Heath so as to make the play area a more enjoyable, challenging, yet safe place to visit.

Amount: £8,828

S106 available:

- | | | | |
|----|---------|---|--------|
| 1. | P35/338 | - | £1,585 |
| 2. | P35/351 | - | £368 |
| 3. | P35/362 | - | £2,971 |
| 4. | P35/496 | - | £3,904 |

Total **£8,828**

Capitalised Salaries included in the project total :: None included

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

Value For Money Assessment:

This will reduce future maintenance costs and provide a safer and more exciting play experience for children. It could also save on potential accident claims

Business Unit/Service: Leisure and Sustainability

Head of Service: Mark Fisher

Project Manager: Rupert Browning

Attended MSDC one day project management course

Cabinet Member: Cll. P Moore

Ward Member (Lucastes): Cll. John Belsey, Cll. Jane Keel

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: Cll. 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 undue 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 and most probably the whole site will be fenced off for the duration of the works.

Project justification details

Expand existing skatepark facility at King Georges Field E Grinstead in 011/12

Purpose of project:

To develop and extend the existing skatepark facility at King Georges Field to better satisfy the public demand for such facilities in the town.

Amount: £ 77,590

The following formal sport S106 contributions have been identified:

P35/478	£3,986
P35/667	£17,825
P35/485	£7,556
P35/535	£2,835
P35/588	£27,390
P35/608	£2,970
P35/642B	£15,028
Total of	£ 77,590

Capitalised Salaries included in the project total :: None included

Revenue Implications : c. £250 pa

Value For Money Assessment:

The skate facility will provide a much needed extension to the existing facility in the town. By providing such a facility it has been shown elsewhere in the District and Country that there are marked positive knock-on effects in terms of the reduction in anti-social behaviour and vandalism. The costs saved are hidden but nonetheless very real.

Business Unit/Service: Leisure and Sustainability

Head of Service: Mark Fisher

Project Manager: Rupert Browning

Attended MSDC one day project management course

Cabinet Member: Cllr Pru Moore

Ward Member (Town): Cll. E Mathews, Cll. J Joyce-Nelson

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: Cll. Pru Moore is supportive of the need for additional skatepark facilities in the town and believes this site is the right one to support such a facility, having considered the alternative site at Imberhome Lane Recreation Ground.

Risk Analysis:

The project is not likely to involve significant risk to the Council. The Contractors utilised will provide full method statements and risk assessments to ensure all work is done in as risk-free a way as possible and will fence off as necessary during the works.

Project justification details

Improvement Works to Playground at Kings Centre, East Grinstead in 2011/12	
Purpose of project:	
To upgrade the equipped playground in Kings Centre, East Grinstead so as to make the play area a more enjoyable, challenging, yet safe place to visit.	
Amount: £50,453	
S106 available:	
P35/470	- £26,891
P35/568	- £4,752
P35/581	- £10,362
P35/410	- £986
P35/519	- £7,462
Total	£50,453
<i>Capitalised Salaries included in the project total: None included</i>	
<i>Revenue Implications: expect reduction in revenue costs of c.£200 pa for first 3 years)</i>	
Value For Money Assessment:	
This will reduce future maintenance costs and provide a safer and more exciting play experience for children. It could also save on potential accident claims	
Business Unit/Service: Leisure and Sustainability	
Head of Service: Mark Fisher	
Project Manager: Rupert Browning	
Attended MSDC one day project management course	
Cabinet Member: Cll. P Moore	
Ward Members: Cll. James Joyce-Nelson, Cll. Edward Mathews	
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: Cll. 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 recreation ground	
Risk Analysis:	
The project is not likely to involve any undue 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 and most probably the whole site will be fenced off for the duration of the works.	
Should the site be thought surplus to requirements due to need to provide an updated leisure centre for East Grinstead then this project money would be re-allocated elsewhere.	

Project justification details

Improvement Works to Playground at Victoria Park, Haywards Heath

Purpose of project:

To upgrade the equipped playground at Playground at Victoria Park, Haywards Heath in 2011/12 so as to make the play area a more enjoyable, challenging, yet safe place to visit. The scheme will include for a new design for the paddling pool that may include a 'splashpad' element, subject to public consultation.

Amount: £67,887

S106 available:

5.	P35/277	-	£12,324
6.	P35/504	-	£9,673
7.	P35/592B	-	£2,134
8.	P35/542	-	£39,689
9.	P35/585	-	£4,067

Total **£67,887**

Capitalised Salaries included in the project total :: None included

Revenue Implications : expect reduction in revenue costs of c.£500 pa for first 3 years)

Value For Money Assessment:

This will reduce future maintenance costs and provide a safer and more exciting play experience for children. It could also save on potential accident claims

Business Unit/Service: Leisure and Sustainability

Head of Service: Mark Fisher

Project Manager: Rupert Browning

Attended MSDC one day project management course

Cabinet Member: Cllr P Moore

Ward Members: Cll. Ash-Edwards, Cll Baker

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: Cll. 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 undue 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 and most probably the whole site will be fenced off for the duration of the works.

Project justification details

Improvement Works to Playground at Queens Crescent Burgess Hill 2011/12	
Purpose of project:	
To upgrade the equipped playground in Queens Crescent, Burgess Hill following the loss of a small playground close by in Chanctonbury road so as to make the play area a more enjoyable, challenging, yet safe place to visit.	
Amount: £54,463	
S106 available: £25,463	
P35/571	- £2,592
P35/373	- £493
P35/660	- £14,161 (awaiting payment)
P35/692	- £8,217 (awaiting payment)
Plus: Capital receipt from disposal of land off Chanctonbury Road - £29,000	
Total	£54,463
<i>Capitalised Salaries included in the project total: None included</i>	
<i>Revenue Implications: expect reduction in revenue costs of c.£200 pa for first 3 years)</i>	
Value For Money Assessment:	
This will reduce future maintenance costs and provide a safer and more exciting play experience for children. It could also save on potential accident claims	
Business Unit/Service: Leisure and Sustainability	
Head of Service: Mark Fisher	
Project Manager: Rupert Browning	
Attended MSDC one day project management course	
Cabinet Member: Cll. P Moore	
Ward Members: Cll. Patrick Cutler, Cll. Kathleen Dumbovic	
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: Cll. 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 undue 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 and most probably the whole site will be fenced off for the duration of the works.	

Project justification details

Replacement public toilets at Kings Street, East Grinstead

Purpose of project:

To replace the temporary toilet unit at Kings Street, East Grinstead with a permanent primary town centre public toilet with full DDA compliant facilities. The building is then to be transferred to East Grinstead Town Council, subject to Council agreement on the transfer terms.

Amount: £200,000

Part funded by Section 106 local community infrastructure contributions :

P35/642B	£6,196
P35/624	£7,882
P35/637	£6,318
P35/623B	£5,123
P35/664	£2,250
P35/705	£8,125
P35/667	£9,145
P35/652B	£13,469

Total £58,508

Earmarked reserve funding previously allocated for Demolition/Decommissioning of Public Conveniences £89,000

Capitalised Salaries included in the project total: None included

Revenue Implications: Should members agree to lease the new toilet facility to East Grinstead Town Council to operate , it will produce ongoing revenue savings. These are referred to in the financial implications paragraph of this report. There will be a one off loss of income from 5 car parking spaces during the building construction of circa £5k.

Value For Money Assessment :

This project will replace the existing temporary Kings Street facility with a permanent solution, and as part of the toilet strategy review / service redesign, will reduce future service costs in respect of running costs and asset maintenance.

Business Unit/Service : Leisure and Sustainability

Head of Service : Mark Fisher

Project Manager : Andy Mighall (construction) / David Harper (site management)

Advisors: Tim Honess, Levan Thomas Chris Coppens, Tim Barkley, Stuart Brown,

Cabinet Member : Cllr Pru Moore

Ward Members : Cllr. Edward Matthews , Cllr. James Joyce-Nelson (East Grinstead Town Ward)

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.

Project justification details

EDRMS for CenSus Revenues & Benefits

Purpose of project

The purpose of this project is to procure and implement the Electronic Document Management System 'Information@Work' (formerly known as 'Anite@Work') in to CenSus Revenues and Benefits. The key for the proposed CenSus Revenues & Benefits business model is effective information sharing between the CenSus R&B services at each of the three Councils to allow them to work as a joined up service.

The present system in place is not 'fit for purpose'.

An alternative system is not only cheaper in the longer term but has the required functionality.

A Business Case, a 'decision' document (detailing why the specific alternative product was chosen) and a PID have all been completed.

Total Total Amount : £135,000 (£45k per authority) split over three years as follows:

2009/ 2009/10 £63,000 (£21k per authority)

2010/ 2010/11 £36,000 (£12k per authority)

2011/ 2011/12 £36,000 (£12k per authority)

Revenue Implications Total £45,000 (£15k per authority) split over three years as follows:

2009/10 £9,000 (£3k per authority)

2010/11 £18,000 (£6k per authority)

2011/12 £18,000 ongoing (£6k per authority)

Annual payments required for support and maintenance of the Northgate software plus licensing etc of the technical infrastructure will cost each partner £5,918.00 per annum from year two onwards.

Breakdown (per authority):

Technical Infrastructure	Hardware & software required to host and deploy the system to users, plus backups and year 1 maintenance. This must be paid upfront to enable the project to commence. This total cost is £29,034 therefore £9,678 per Council	£9,678
Northgate Software	Supply and implementation of 'Information@Work' system (Year 1 payment only @ £11,633 per Council	£11,633.
	Total capital cost (per Council) Year 1	£21,311
Northgate Software	Supply and implementation of 'Information@Work' system (Year 2 payment only @ £11,633 per Council	£11,633
	Total capital cost (per Council) Year 2	£11,633
Northgate Software	Supply and implementation of 'Information@Work' system (Year 3 payment only @ £11,633 per Council	£11,633
	Total capital cost (per Council) Year 3	£11,633
	<i>Overall Total Capital Cost per CenSus Partner</i>	£44,577

Value For Money Assessment:

Detail is given in the Business case but –

- The current system requires between £60k and £70K of development work just to enable it to be used across all 3 Authorities.
- The architecture of the new system will allow changes to be made 'in house'. The present system requires the supplier to write the changes at a cost of £1k per day and may take up to 5 days to complete. A rough assessment of changes that will be required over the next two years to develop the service is a minimum of 40.
- Functionality that is built into the new system would have to be developed from scratch for the current system. Given the cost of developing basic functionality in the current system, as set out above it is reasonable to assume that costs running to £200k plus could be expected.

A detailed comparison between the current system and the two market leaders has been carried out.

Business Unit/Service CenSus Revenues & Benefits

Head of Service Tim Delany

Project Manager: David Bowles has been selected as Project Manager. David is an external contractor with formal project management training who was used to implement an EDRM system at Adur District Council. This role then led him to taking on the overall lead of EDRMS Project Manager at Adur, Horsham and Mid Sussex District Councils and implemented systems in to the Planning & Building Control services at all three Councils. David will manage the project using the PRINCE2 methodology.

Cabinet Member: Cllr Jonathan Ash-Edwards

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

BS 2.1 - Efficient and effective Services

Summary of discussions with Cabinet Member:

This scheme has been discussed with Cllr Ash-Edwards who is content for these proposals to be put forward.

Risk Analysis:

There are minimal risks associated with this project:

1. The cost is to be met from Revenues and Benefits savings (exceeded target in 08/09)
2. The new product is well established and provided by one of the 2 major players in the field
3. The project will be run by an experienced project manager using prince 2 methodology
4. The project is supported by the Census Joint Steering group
5. There are no legal implications in withdrawing from our contract with our present suppliers.

Project justification details

Content Management System 2011/12

Purpose of project:

New Content Management Software (CMS) for MSDC website

Total Amount: £34,000 (£14k for two licences and up to £20k for data migration)

Capitalised Salaries included in the project total: None included

Revenue Implications: None as one-off payments and future maintenance costs will be covered by existing annual maintenance costs.

Value For Money Assessment:

The current CMS cannot be sustained and adopting 'Red Dot', and working with Horsham District Council, is a better way of working, both for costs (as part of the CenSus partnership) as well as reducing risks by having more officers able to manage it.

Business Unit/Service: Customer Services and Communications BU

Head of Service: Richard Hodson

Project Manager: Jo Carr/Sheila Harris

Cabinet Member: Cllr Ash-Edwards

Ward Members: N/A

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

The Council needs a website for communication, self-service and many other electronic activities (e-forms/e-bookings/e-payment/e-advertising,) so the need for the new CMS to keep the website going is paramount for achieving numerous tasks, as set out in the Corporate Plan by the difference services across the council.

Summary of discussions with Cabinet Member:

Cllr Ash-Edwards commented « *I support the capital bid to ensure the functionality of the MSDC website can be sustained*»

Risk Analysis:

To not purchase a new CMS would lead to the current one (Nimoi) 'collapsing' and MSDC would not have a website. The number of risks of purchasing new software are reduced as Horsham District Council already has experience of the new CMS meaning that many lessons have been learned and there will be the opportunity for greater joint working in the future.

Project justification details

New Polling Booths
<p>Purpose of project:</p> <p>To replace the Council's current stock of wooden polling booths, many of which date back to 1974, which are in a poor state of repair and are no longer fit for purpose. The replacement booths would be lighter, easier to store, carry and maintain.</p> <p>Amount: £31,200</p> <p><i>Capitalised Salaries included in the project total: none</i></p> <p><i>Revenue Implications: none</i></p> <p>Value For Money Assessment:</p> <p>Mid Sussex District Council currently uses a variety of single, double and disabled wooden polling booths. Booths have been replaced sporadically, with most being between 15 and 25 years old. Following health and safety concerns and delivery and pick up concerns raised by Presiding Officers and Election staff at both the 2009 European/County Election and 2010 Parliamentary Election the ERO investigated the possibility of purchasing new booths.</p> <p>After consulting other authorities, experienced Presiding Officers and undertaking a trial of a number of models it became obvious that there is currently only one model on the market that would address the health and safety and transport concerns.</p> <p>The preferred model is the Pakflatt P.234/502/V4 model. It is the only model on the market at present that is lightweight and collapsible to a size that can be transported in a normal sized car. It is worth noting that this is an extremely limited market with only 2 major suppliers in the UK.</p> <p>This model would eliminate issues that have arisen with transport and delivery and also address health and safety concerns. All other models would require delivery and are substantially heavier than the preferred Pakflatt model.</p> <p>Business Unit/Service: Member Support and Partnerships – Elections Service</p> <p>Head of Service: Tom Clark</p> <p>Project Manager: Belinda Purcell</p> <p>Advisors: David Peake</p> <p>Cabinet Member: Cllr Jonathan Ash Edwards</p> <p>Ward Members: N/A</p> <p>This project contributes to achieving the Corporate Plan in the following ways :</p> <p>Better Services – strong community leadership. The electoral process is central to this.</p> <p>Summary of discussions with Cabinet Member:</p> <p>Cllr Ash Edwards is aware of the situation with the current polling booths and is supportive of the need to replace them.</p> <p>Risk Analysis:</p> <p>It is important that the new booths are ordered in good time to ensure they are ready in time for the district elections in May 2011. The existing booths are in a poor state of repair since the last election, and would not be fit for purpose.</p>

RESERVES AND OTHER BALANCES

1. This part of the report considers the Council's 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 2010 were £12.301m and, with the estimated changes, the current expectation is that some £16.046m will be held at 31st March 2015. 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 0.9% for 2010/11, rising to 1.067% for the period 2011/12; 1.646% in 2012/13, 2.838% in 2013/14, and 3.897% in 2014/15. Members will appreciate that, as was the case last year, these rates will result in relatively low levels of interest receipts, which continues to limit our ability to finance anything other than a modest capital programme in future years.
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. This is a stand-alone report that will be considered by Council on 23rd March 2011.
5. This Council classifies its reserves as follows:
 - **General Reserve** includes amounts earmarked for the Capital Programme. It also includes the non-earmarked element.
 - **Earmarked Specific Reserve** contains amounts for particular purposes and for which Member authorisation has been obtained as to how these may be applied.
 - **Capital reserves** comprising:
 - **Usable capital receipts** from the sale of assets
 - **Capital Grants** with no conditions to repay e.g. unapplied Housing and Planning Delivery Grant.
 - **Unapplied grants and contributions** comprise S106s contributions from developers, which may be used for capital expenditure purposes.

Table 1: Reserves and other Balances for Council 23rd February 2011							
		Balance	Balance	Balance	Balance	Balance	Balance
		01/04/2010	31/03/2011	31/03/2012	31/03/2013	31/03/2014	31/03/2015
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Reserves							
Non-Earmarked General Reserve	1	4,870	5,277	5,204	5,515	5,995	6,635
Total Earmarked General Reserve	2	31	31	31	31	31	31
General Reserve Total		4,901	5,308	5,235	5,546	6,026	6,666
Specific Reserve :							
Member support services & Elections		43	77	6	4	3	3
Development Management		125	100	75	50	25	0
Planning Policy		309	415	336	107	29	(0)
Finance Corporate		267	358	437	437	437	437
Revenues & Benefits		228	254	254	254	254	254
Housing		48	47	47	47	47	47
Environmental Health		1	1	1	1	1	1
Community Services and Culture		213	95	95	95	95	95
Leisure Operations		105	0	0	0	0	0
Leisure Operations Client		44	91	91	91	91	91
Personnel & Payroll		3	3	3	3	3	3
Organisational Development		3	3	3	3	3	3
Better Mid Sussex		129	10	10	10	10	10
Specific Reserve Total	3	1,517	1,453	1,356	1,101	998	944
Capital Reserves							
Usable Capital Receipts		148	317	2,354	2,359	2,364	2,370
Capital Grants (Housing & Planning Delivery Grant)		48	12	12	12	12	12
Total Capital Reserves	4	196	329	2,366	2,371	2,376	2,382
Total Unapplied Grant & Contributions (Section 106s)	5	5,687	5,840	5,391	5,429	5,730	6,054
Total Reserves		12,301	12,929	14,348	14,447	15,130	16,046
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 capital expenditure. Included in this total are planned paybacks to reserves from revenue, windfall income received in 2010/11, amounts received from developers in respect of land adoptions in lieu of maintenance (e.g. culvert commuted sums) and interest receipts forecast for the period.
2. This includes an amount set aside to lend to owners of historic buildings to assist in keeping properties in good repair. £7k also relates to 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 after the repayment of long term loans, and capital grants with no conditions to repay e.g. unapplied Housing and Planning Delivery Grant.
5. S106 contributions received from developers for which there are agreements defining the purpose for which the sums are to be applied, and which may only be used for capital expenditure.

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 February 2010 as part of the Corporate Plan. A feature of that position was the ongoing recession that made setting a strategy a difficult task.
- 1.3 This year, the Coalition Government announced its commitment to substantially reduce the level of public debt over the next four years. This will be mainly through significant reductions in public spending rather than increases in taxes. This approach by Central Government has again made setting a strategy for MSDC extremely challenging, especially with the significant reductions in the Formula Grant we have experienced for 2011/12.
- 1.4 Officers have therefore been working throughout 2010 to update the four-year financial plan as set out at the end of Section 5. Enquiries concentrated on the major factors that influence the Council's financial position such as inflation, pensions, the financial settlement etc but also examined the effect that changing level of reserves has on the day to day running of the council.
- 1.5 Over the next year, Members will again be invited to familiarise themselves with the financial outlook for the authority and offer views on its associated direction of travel.

2.0 FINANCIAL STRATEGY 2011/12 – 2014/15

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 Budget Requirement which will, in the main be financed by the council tax 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 Every effort will be made to explore sources of alternative financing with the aim of releasing existing resources to be applied to other priorities.

2.2.9 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.

2.2.10 The Medium Term Financial Plan will show the difference between projected net spending and income from the council tax and government grant 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 Net Revenue Budget 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 Policy and Strategy Statement 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 2011/12 to 2014/15. 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 Formula Grant are based on a two-year settlement, with further decreases estimated in the third and fourth years as set out in the Comprehensive Spending Review on 20th October 2010.
- Increases in council tax base are a prudent view to reflect the increase in properties in the district.

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 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.

3.8 Interest

- Projected interest rates used in estimating interest receipts are a combination of rates averaging 0.9% for 2010/11 rising to 1.067% for the period 2011/12; 1.646% in 2012/13, 2.838% in 2013/14, and 3.897% in 2014/15.

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 23rd February 2011

<i>Revenue Spending</i>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>
	2010/11	2011/12	2012/13	2013/14	2014/15
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>Base Net Expenditure</i>	14,705	13,244	13,382	13,514	13,684
Benefits	(150)	(93)	(93)	(93)	(93)
Drainage levies	13	12	13	13	13
Base Revenue Spending	14,568	13,163	13,302	13,434	13,604
Balance Unallocated	31	47	26	26	26
Council Net Expenditure	14,599	13,210	13,328	13,460	13,630
Better Mid Sussex capitalised salaries	(150)	-	-	-	-
Payback to general reserve for voluntary severances	64	-	-	-	-
Capital schemes to be financed from revenue	50	50	50	50	50
Contribution to Disabled Facility Grants	405	375	375	375	375
Council Tax Freeze Grant for 11/12 and future years	-	(215)	(215)	(215)	(215)
Net General inflation with pay at 0% for 12/13	-	-	150	393	636
Proposed Service Redesign savings 12/13	-	-	(664)	(664)	(664)
Proposed Service Redesign savings 13/14	-	-	-	(389)	(389)
Proposed Service Redesign savings 14/15	-	-	-	-	(23)
Total Revenue Spending / Budget requirement	14,968	13,420	13,024	13,010	13,400
Formula Grant	(6,468)	(4,812)	(4,085)	(4,036)	(3,729)
Council tax income @ 0% in 2011/12 & 2.5% future yrs:	(8,551)	(8,582)	(8,835)	(9,103)	(9,388)
Collection Fund deficit / (surplus)	51	(26)	-	-	-
Balance deficit / (surplus)	0	0	104	(129)	283

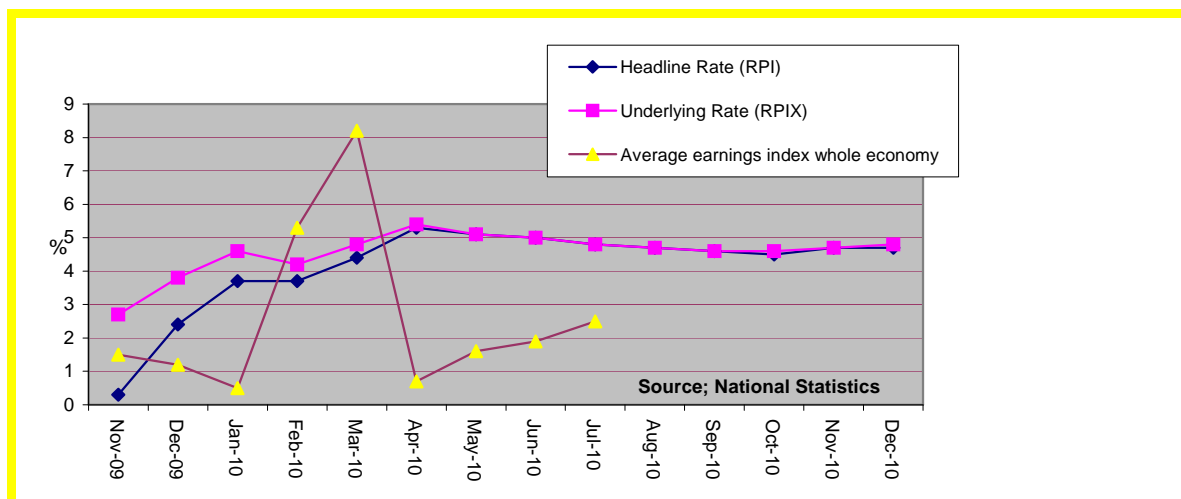
Financing the Budget Requirement

	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>
2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Council Taxbase	56,855	57,165.8	57,377	57,607	57,895
Change in Taxbase		0.55%	0.37%	0.40%	0.50%
		0.60%			
Budget Requirement	14,968	13,420	13,024	13,010	13,400
% change in Formula Grant	0.5%	-25.6%	-15.1%	-1.2%	-7.6%
Formula Grant	(6,468)	(4,812)	(4,085)	(4,036)	(3,729)
Council Tax Income	(8,551)	(8,582)	(8,835)	(9,103)	(9,388)
Collection Fund deficit / (surplus)	51	(26)	-	-	-
Total Financing	(14,968)	(13,420)	(12,920)	(13,139)	(13,117)
Balance (deficit) / surplus		0	(104)	129	(283)
	(14,968)	(13,420)	(13,024)	(13,010)	(13,400)
Council Tax at Band D	£149.58	£149.58	£153.36	£157.23	£161.19
Change from previous year	2.5%	0.0%	2.5%	2.5%	2.5%

Medium Term Financial Plan as at Council 23rd February 2011							
Capital Spending							
		Year 1	Year 2	Year 3	Year 4	Year 5	
	Total	2010/11	2011/12	2012/13	2012/13	2014/15	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Service projects							
Schemes in Progress	2,856	2,856	-	-	-	-	-
New Projects	1,253	-	995	133	74	51	
	4,109	2,856	995	133	74	51	
Additional funding							
Unallocated Funding -future projects	1,200	-	-	400	400	400	
	5,309	2,856	995	533	474	451	
Housing Services							
Disabled Facility Grants	3,530	730	700	700	700	700	
Affordable Housing	873	169	500	204	-		
	4,403	899	1,200	904	700	700	
Total Programme	9,712	3,755	2,195	1,437	1,174	1,151	
Receipts and Contributions							
		Year 1	Year 2	Year 3	Year 4	Year 5	
	Total	2010/11	2011/12	2012/13	2013/14	2014/15	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Disabled Facility Grants	1,648	348	325	325	325	325	
Capital Receipts & Capital Grants	9,824	329	2,366	2,371	2,376	2,382	
Other Contributions (including S106s)	1,951	551	350	350	350	350	
Total	13,423	1,228	3,041	3,046	3,051	3,057	
Interest							
		Year 1	Year 2	Year 3	Year 4	Year 5	
	Total	2010/11	2011/12	2012/13	2012/13	2014/15	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Interest	1,730	182	201	270	459	618	
Reserves & Other Balances							
	Base						
	31.03.10	31.3.11	31.3.12	31.3.13	31.3.14	31.3.15	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Reserve	4,901	5,308	5,235	5,546	6,026	6,666	
Specific Reserve	1,517	1,453	1,356	1,101	998	944	
Capital Reserves	196	329	2,366	2,371	2,376	2,382	
Unapplied grants & S106s	5,687	5,840	5,391	5,429	5,730	6,054	
Total	12,301	12,929	14,348	14,447	15,130	16,046	
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 following year. The net inflation allowance set out in the Budget Forecast for 2011/12 in the Medium Term Financial Plan to Council on 24th February 2010 was £214,000. It is now proposed that this figure is reduced slightly in the new financial year.
- 4.2. As background information, inflation for the whole economy for the past year has been running as illustrated in the graph below:



- 4.3 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 at £212,000. The table below shows the suggested inflation rate to be applied to each element of the budget. It is important to note that no increase has been allowed for employees as 2011/12 is the second year of the two-year pay freeze; although this is being contested by the Unions..

Inflation calculation for 2011/12 Budget		
<i>Item</i>	<i>Inflation %</i>	<i>£'000 age</i>
<i>Employees</i>		
Pay The net effect of the 1% increase in N I contribution rates as agreed by Central Government. This includes the recovery of this increase from our CenSus partners for their appropriate share.	-	58
Other employee costs Estimated inflation of 1.0%	1	2
<i>Buildings and Premises</i>		
Maintenance A part of maintenance expenditure is tied to specific contracts which provide a formula for indexation for payments to contractors. In the main these formulae are in two parts, 60% derived from the average earnings index and 40% from RPI.	1.0	10
Fuel The majority of our fuel supplies are arranged through the Kent CC administered Laser arrangement. There are a variety of contracts, different contract anniversary dates and prices within this arrangement that depend on site consumption.	3.1	5
Water An estimate of the inflation increase for both metered water and sewerage for 2011/12 is 3.1%.	3.1	1
<i>Transport</i>		
Car Allowances Increases follow nationally agreed National Joint Council (NJC) figures – a 1% increase has been allowed.	1	2
<i>Supplies and Services</i>		
Postage An estimate of the likely increase for 2011/12 (based on 2 nd class postage)	12.5	17
Telephones An estimate of the likely increase for 2011/12	3.1	2

<i>Supplies and Services Contd.</i>	<i>Inflation % age £'000</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%).	1.9	68
Insurance		
An early indication suggests that premiums could increase by 1.5% in 2011/12.	1.5	3
Grants		
Grants for CAB etc	0	0
Other Supplies and Services		
A 'basket' of items which will increase, remain static or, in some cases, fall in price.	3	50
 <i>Fees and Charges</i> 		
Discretionary charges		
From 1st April 1999 the Building (Local Authority Charges) Regulations have been in operation. These give LA's the power to set their own charges, within a LGA framework. The fee earning account is expected to break-even in 2011/2012 and there is no need to increase charges.	0	0
Mandatory Charges		
No further increases have been announced.	0	0
 <i>Rents</i> 		
Increases in rents are dependent on the review of individual leases.	0	0
 <i>Government Grants</i> 		
Subsidies	0	0
Total		<hr/> 212 <hr/>

COLLECTION FUND

1. The latest Collection Fund estimates are shown below:

Collection Fund				
	<i>2010/11 Original Estimate £'000</i>	<i>2010/11 Revised Estimate £'000</i>	<i>2011/12 Original Estimate £'000</i>	<i>Note</i>
Income				
Council Taxpayers	(79,578)	(80,181)	(79,458)	
Council Tax Benefit	(6,925)	(6,248)	(7,364)	
	<hr/>	<hr/>	<hr/>	
Total Council Tax	(86,503)	(86,429)	(86,822)	<i>a</i>
Business Ratepayers	(38,569)	(38,569)	(38,233)	<i>b & c</i>
Contribution to estimated CF (deficit)/surplus for previous year	(373)	(373)	190	<i>Para 2</i>
	<hr/>	<hr/>	<hr/>	
	(125,445)	(125,371)	(124,865)	
Expenditure				
West Sussex County Council	66,426	66,426	66,672	
Sussex Police Authority	7,913	7,913	7,942	
Mid Sussex District Council	11,689	11,689	11,734	
	<hr/>	<hr/>	<hr/>	
Total "precepts"	86,028	86,028	86,348	
Contribution to NNDR Pool	38,398	38,398	38,061	<i>b</i>
Cost of collection (NNDR)	171	171	172	
Prov. for Bad & Doubtful Debts - Council Tax	475	352	474	
	<hr/>	<hr/>	<hr/>	
	125,072	124,949	125,055	
	<hr/>	<hr/>	<hr/>	
Movement on Fund Balance	(373)	(422)	190	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	
Collection Fund Balance				
At the beginning of the year	373	232	(190)	
Movement on Fund Balance	(373)	(422)	190	
	<hr/>	<hr/>	<hr/>	
Deficit/(Surplus) at Year End	0	(190)	0	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

Notes:

- a. For 2011/12, total Council Tax, less provision for bad debts of 0.6%, totals £86,348m - the amount required to meet the "precepts" of WSCC, Sussex Police Authority, MSDC and the parish/town councils.
- b. The revised estimate includes changes in income due from ratepayers, resulting in a corresponding change in the amount of the contribution to be paid to the National Non-Domestic Rate Pool.
- c. For 2011/12, the amounts are taken from CLG NNDR1 return. These are derived from the number of hereditaments 3,871, and the total rateable value of £106m as at 31st December 2010. An allowance of 0.7% for losses on collection has been specified by the CLG.

2. In accordance with legislation, the estimated balance as at 31st March 2011 on the Collection Fund is £190,000 surplus and both the County Council and Police Authority have been notified. This surplus is added to the contribution from each of these principal authorities in proportion to their Council Tax for the current year.

	%	£
West Sussex CC	77.21	146,710
Sussex Police Authority	9.20	17,480
MSDC	13.59	25,810
	<hr/>	<hr/>
	100.00	190,000
	<hr/>	<hr/>

COUNCIL TAX LEVELS

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

Table 1: Council Tax Calculation		
	£	£
Budget Requirement		
Mid Sussex District Council	13,420,314	
Parish/Town Council precepts	3,151,860	
		16,572,174
National Non-Domestic Rates	(3,675,760)	
Revenue Support Grant	(1,136,188)	
Collection Fund Surplus	(25,810)	
		(4,837,758)
Collection Fund Requirement		11,734,416
Divided by 57,377.7 (tax base)		204.51

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 Budget 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 2003.
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 2010 (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 2011/12 (i.e. changes from 1st December 2010 to 31st March 2012) 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 2011/12 the rate has been set at 99.4%.
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 2011/12 - 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*	1,914.00	5,840.00	12,410.25	15,799.29	10,212.00	7,566.00	4,050.00	334.00	58,125.54
Exemptions (various classes)	-153.00	-273.00	-333.00	-260.00	-152.00	-95.00	-49.00	-5.00	-1,320.00
Disabled reductions	13.00	22.00	37.00	-20.00	-13.00	-4.00	-17.00	-18.00	0.00
Chargeable	1,774.00	5,589.00	12,114.25	15,519.29	10,047.00	7,467.00	3,984.00	311.00	56,805.54
Single discounts	1,041.00	3,467.00	4,675.00	4,456.00	2,265.00	1,170.00	496.00	29.00	17,599.00
Two discounts	1.00	6.00	8.00	6.00	4.00	22.00	22.00	5.00	74.00
10% discounts	34.00	38.00	60.00	51.00	51.00	36.00	25.00	10.00	305.00
Net chargeable	1,509.85	4,715.45	10,935.50	14,397.19	9,473.65	7,159.90	3,846.50	300.25	52,338.29
<i>Ratio to Band D</i>	<i>6/9ths</i>	<i>7/9ths</i>	<i>8/9ths</i>	<i>9/9ths</i>	<i>11/9ths</i>	<i>13/9ths</i>	<i>15/9ths</i>	<i>18/9ths</i>	
Band D equivalent	1,006.57	3,667.57	9,720.44	14,397.19	11,578.91	10,342.08	6,410.83	600.50	57,724.1
Total multiplied by Collection Rate of 99.4%									57,377.7

* Includes estimates of new dwellings and other changes to the valuation list.

7. The 2011/12 tax base so calculated for the whole district is 57,377.7 which represents an increase of 211.9 (+0.37%) on the tax base for the current year. The effect at parish area level ranges from a decrease of -35.8 to an increase of 88.1 and in percentage terms from -1.31% to +3.77%.

Table 3: Mid Sussex Tax Base 2011/12 - Analysed by Parish Area

Parish area	band A	band B	band C	band D	band E	band F	band G	band H	Total
Albourne	3.0	9.3	34.9	70.8	26.4	38.0	91.5	9.5	283.4
Ansty & Staplefield	15.9	16.2	68.4	124.2	131.6	143.9	239.8	47.5	787.5
Ardingly	14.8	30.0	82.8	191.5	140.1	144.6	91.0	19.4	714.2
Ashurst Wood	8.6	19.8	89.5	197.3	150.2	140.0	154.5	2.0	761.9
Balcombe	14.7	46.6	81.3	147.0	118.2	216.2	182.2	19.7	825.9
Bolney	13.0	20.1	19.9	87.5	79.9	141.8	214.0	45.6	621.8
Burgess Hill	153.7	770.8	2,803.6	3,480.8	2,383.2	1,422.1	552.8	16.9	11,583.9
Cuckfield	37.8	55.7	197.6	225.9	362.2	277.8	417.9	31.8	1,606.7
East Grinstead	229.0	644.1	1,961.0	2,438.6	2,436.5	2,210.7	884.8	39.1	10,843.8
Fulking	2.5	6.0	16.0	17.6	32.3	15.1	45.6	12.7	147.8
Hassocks	30.8	243.1	399.3	917.2	959.4	401.7	280.4	19.9	3,251.8
Haywards Heath	171.8	1,111.1	2,349.3	2,878.5	1,450.1	1,947.5	1,019.8	28.8	10,956.9
Horsted Keynes	5.6	20.9	89.4	129.4	104.4	149.5	188.3	26.8	714.3
Hurstpierpoint and Sayers Common	50.3	140.9	408.0	721.5	751.2	384.8	405.9	35.3	2,897.9
Lindfield	7.7	164.1	212.6	556.8	465.9	741.1	550.1	41.1	2,739.4
Lindfield Rural	12.6	33.5	87.5	223.5	256.4	350.5	173.4	47.7	1,185.1
Newtimber	0.5	6.2	13.3	3.5	4.9	1.4	9.5	2.0	41.3
Poynings	4.0	15.3	30.9	13.2	19.7	15.8	33.5	3.0	135.4
Pyecombe	1.2	4.5	8.4	23.9	14.9	24.1	26.5	0.0	103.5
Slaugham	25.0	119.7	218.4	256.8	153.9	169.6	124.1	43.0	1,110.5
Turners Hill	146.4	36.3	116.6	113.6	72.0	78.3	61.7	9.7	634.6
Twineham	2.8	2.5	11.7	24.3	23.7	17.2	38.9	13.4	134.5
West Hoathly	26.6	22.2	117.0	185.0	216.1	172.7	157.9	43.2	940.7
Worth	22.3	106.7	244.6	1,282.4	1,156.3	1,075.6	428.2	38.8	4,354.9
Total	1,000.6	3,645.6	9,662.0	14,310.8	11,509.5	10,280.0	6,372.3	596.9	57,377.7

Table 4: Basic Tax

Parish area	Tax base	Precept £	Precept band D £	MSDC band D £	Basic Tax £
Albourne	283.4	14,500	51.16	149.58	200.74
Ansty & Staplefield	787.5	35,271	44.79	149.58	194.37
Ardingly	714.2	78,169	109.45	149.58	259.03
Ashurst Wood	761.9	49,500	64.97	149.58	214.55
Balcombe	825.9	60,000	72.65	149.58	222.23
Bolney	621.8	20,000	32.16	149.58	181.74
Burgess Hill	11,583.9	736,504	63.58	149.58	213.16
Cuckfield	1,606.7	134,820	83.91	149.58	233.49
East Grinstead	10,843.8	691,600	63.78	149.58	213.36
Fulking	147.8	6,144	41.57	149.58	191.15
Hassocks	3,251.8	168,295	51.75	149.58	201.33
Haywards Heath	10,956.9	439,371	40.10	149.58	189.68
Horsted Keynes	714.3	27,155	38.02	149.58	187.60
Hurstpierpoint & Sayers Common	2,897.9	174,425	60.19	149.58	209.77
Lindfield	2,739.4	158,000	57.68	149.58	207.26
Lindfield Rural	1,185.1	50,242	42.39	149.58	191.97
Newtimber	41.3	200	4.84	149.58	154.42
Poynings	135.4	3,054	22.56	149.58	172.14
Pyecombe	103.5	4,385	42.37	149.58	191.95
Slaugham	1,110.5	65,000	58.53	149.58	208.11
Turners Hill	634.6	57,425	90.49	149.58	240.07
Twineham	134.5	3,300	24.54	149.58	174.12
West Hoathly	940.7	36,500	38.80	149.58	188.38
Worth	4,354.9	138,000	31.69	149.58	181.27
Total	57,377.7	3,151,860	54.93	149.58	204.51

8. 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 8(i).

9. The Council Tax amounts to be set for 2011/12 are determined by adding to the amounts calculated for District, Parish and Town Council requirements, the amounts calculated by West Sussex County Council and Sussex Police Authority in respect of their precepts for the year.
10. For illustrative purposes *average* Council Tax figures for each valuation band are shown below:

	WSSC	SPA	MSDC	Parish/ Town Councils	Total
	£	£	£	£	£
band A	774.66	92.28	99.72	36.62	1,003.28
band B	903.77	107.66	116.34	42.72	1,170.49
band C	1,032.88	123.04	132.96	48.83	1,337.71
band D	1,161.99	138.42	149.58	54.93	1,504.92
band E	1,420.21	169.18	182.82	67.14	1,839.35
band F	1,678.43	199.94	216.06	79.34	2,173.77
band G	1,936.65	230.70	249.30	91.55	2,508.20
band H	2,323.98	276.84	299.16	109.86	3,009.84

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

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

Parish	Council Tax
	£
Newtimber (minimum)	1,454.83
Ardingly (maximum)	1,559.44

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

Parish	Increase/(Decrease)
	on 2010/11
	%
Hassocks (decrease)	(0.2)
Bolney (increase)	0.3

Analysis of Council Tax set for 2011/12 in each parish area (bands A to D)

Parish area		band A		band B		band C		band D	
		£	£	£	£	£	£	£	£
Albourne	parish	34.11		39.79		45.48		51.16	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,000.77	1,011.43	1,167.56	1,155.92	1,334.36	1,300.41	1,501.15
Ansty & Staplefield	parish	29.86		34.84		39.81		44.79	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	996.52	1,011.43	1,162.61	1,155.92	1,328.69	1,300.41	1,494.78
Ardingly	parish	72.97		85.13		97.29		109.45	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,039.63	1,011.43	1,212.90	1,155.92	1,386.17	1,300.41	1,559.44
Ashurst Wood	parish	43.31		50.53		57.75		64.97	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,009.97	1,011.43	1,178.30	1,155.92	1,346.63	1,300.41	1,514.96
Balcombe	parish	48.43		56.51		64.58		72.65	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,015.09	1,011.43	1,184.28	1,155.92	1,353.46	1,300.41	1,522.64
Bolney	parish	21.44		25.01		28.59		32.16	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	988.10	1,011.43	1,152.78	1,155.92	1,317.47	1,300.41	1,482.15
Burgess Hill	town	42.39		49.45		56.52		63.58	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,009.05	1,011.43	1,177.22	1,155.92	1,345.40	1,300.41	1,513.57
Cuckfield	parish	55.94		65.26		74.59		83.91	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,022.60	1,011.43	1,193.03	1,155.92	1,363.47	1,300.41	1,533.90
East Grinstead	town	42.52		49.61		56.69		63.78	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,009.18	1,011.43	1,177.38	1,155.92	1,345.57	1,300.41	1,513.77
Fulking	parish	27.71		32.33		36.95		41.57	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	994.37	1,011.43	1,160.10	1,155.92	1,325.83	1,300.41	1,491.56
Hassocks	parish	34.50		40.25		46.00		51.75	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,001.16	1,011.43	1,168.02	1,155.92	1,334.88	1,300.41	1,501.74
Haywards Heath	town	26.73		31.19		35.64		40.10	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	993.39	1,011.43	1,158.96	1,155.92	1,324.52	1,300.41	1,490.09
Horsted Keynes	parish	25.35		29.57		33.80		38.02	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	992.01	1,011.43	1,157.34	1,155.92	1,322.68	1,300.41	1,488.01
Hurstpierpoint & Sayers Common	parish	40.13		46.81		53.50		60.19	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,006.79	1,011.43	1,174.58	1,155.92	1,342.38	1,300.41	1,510.18
Lindfield	parish	38.45		44.86		51.27		57.68	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,005.11	1,011.43	1,172.63	1,155.92	1,340.15	1,300.41	1,507.67
Lindfield Rural	parish	28.26		32.97		37.68		42.39	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	994.92	1,011.43	1,160.74	1,155.92	1,326.56	1,300.41	1,492.38
Newtimber	parish	3.23		3.76		4.30		4.84	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	969.89	1,011.43	1,131.53	1,155.92	1,293.18	1,300.41	1,454.83
Poynings	parish	15.04		17.55		20.05		22.56	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	981.70	1,011.43	1,145.32	1,155.92	1,308.93	1,300.41	1,472.55
Pyecombe	parish	28.25		32.95		37.66		42.37	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	994.91	1,011.43	1,160.72	1,155.92	1,326.54	1,300.41	1,492.36
Slaugham	parish	39.02		45.52		52.03		58.53	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,005.68	1,011.43	1,173.29	1,155.92	1,340.91	1,300.41	1,508.52
Turners Hill	parish	60.33		70.38		80.44		90.49	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,026.99	1,011.43	1,198.15	1,155.92	1,369.32	1,300.41	1,540.48
Twineham	parish	16.36		19.09		21.81		24.54	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	983.02	1,011.43	1,146.86	1,155.92	1,310.69	1,300.41	1,474.53
West Hoathly	parish	25.87		30.18		34.49		38.80	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	992.53	1,011.43	1,157.95	1,155.92	1,323.37	1,300.41	1,488.79
Worth	parish	21.13		24.65		28.17		31.69	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	987.79	1,011.43	1,152.42	1,155.92	1,317.05	1,300.41	1,481.68

Analysis of Council Tax set for 2011/12 in each parish area (bands E to H)

band E		band G				band H		Parish area
£	£	band F		£	£	£	£	
		£	£					
62.53		73.90		85.27		102.32		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,834.74	1,878.37	2,168.33	2,167.35	2,501.92	2,600.82	3,002.30	wsccl/spa
54.74		64.70		74.65		89.58		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,826.95	1,878.37	2,159.13	2,167.35	2,491.30	2,600.82	2,989.56	wsccl/spa
133.77		158.09		182.42		218.90		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,905.98	1,878.37	2,252.52	2,167.35	2,599.07	2,600.82	3,118.88	wsccl/spa
79.41		93.85		108.28		129.94		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,851.62	1,878.37	2,188.28	2,167.35	2,524.93	2,600.82	3,029.92	wsccl/spa
88.79		104.94		121.08		145.30		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,861.00	1,878.37	2,199.37	2,167.35	2,537.73	2,600.82	3,045.28	wsccl/spa
39.31		46.45		53.60		64.32		town
182.82		216.06		249.30		299.16		district
1,589.39	1,811.52	1,878.37	2,140.88	2,167.35	2,470.25	2,600.82	2,964.30	wsccl/spa
77.71		91.84		105.97		127.16		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,849.92	1,878.37	2,186.27	2,167.35	2,522.62	2,600.82	3,027.14	wsccl/spa
102.56		121.20		139.85		167.82		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,874.77	1,878.37	2,215.63	2,167.35	2,556.50	2,600.82	3,067.80	wsccl/spa
77.95		92.13		106.30		127.56		town
182.82		216.06		249.30		299.16		district
1,589.39	1,850.16	1,878.37	2,186.56	2,167.35	2,522.95	2,600.82	3,027.54	wsccl/spa
50.81		60.05		69.28		83.14		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,823.02	1,878.37	2,154.48	2,167.35	2,485.93	2,600.82	2,983.12	wsccl/spa
63.25		74.75		86.25		103.50		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,835.46	1,878.37	2,169.18	2,167.35	2,502.90	2,600.82	3,003.48	wsccl/spa
49.01		57.92		66.83		80.20		town
182.82		216.06		249.30		299.16		district
1,589.39	1,821.22	1,878.37	2,152.35	2,167.35	2,483.48	2,600.82	2,980.18	wsccl/spa
46.47		54.92		63.37		76.04		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,818.68	1,878.37	2,149.35	2,167.35	2,480.02	2,600.82	2,976.02	wsccl/spa
73.57		86.94		100.32		120.38		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,845.78	1,878.37	2,181.37	2,167.35	2,516.97	2,600.82	3,020.36	wsccl/spa
70.50		83.32		96.13		115.36		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,842.71	1,878.37	2,177.75	2,167.35	2,512.78	2,600.82	3,015.34	wsccl/spa
51.81		61.23		70.65		84.78		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,824.02	1,878.37	2,155.66	2,167.35	2,487.30	2,600.82	2,984.76	wsccl/spa
5.92		6.99		8.07		9.68		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,778.13	1,878.37	2,101.42	2,167.35	2,424.72	2,600.82	2,909.66	wsccl/spa
27.57		32.59		37.60		45.12		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,799.78	1,878.37	2,127.02	2,167.35	2,454.25	2,600.82	2,945.10	wsccl/spa
51.79		61.20		70.62		84.74		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,824.00	1,878.37	2,155.63	2,167.35	2,487.27	2,600.82	2,984.72	wsccl/spa
71.54		84.54		97.55		117.06		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,843.75	1,878.37	2,178.97	2,167.35	2,514.20	2,600.82	3,017.04	wsccl/spa
110.60		130.71		150.82		180.98		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,882.81	1,878.37	2,225.14	2,167.35	2,567.47	2,600.82	3,080.96	wsccl/spa
29.99		35.45		40.90		49.08		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,802.20	1,878.37	2,129.88	2,167.35	2,457.55	2,600.82	2,949.06	wsccl/spa
47.42		56.04		64.67		77.60		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,819.63	1,878.37	2,150.47	2,167.35	2,481.32	2,600.82	2,977.58	wsccl/spa
38.73		45.77		52.82		63.38		parish
182.82		216.06		249.30		299.16		district
1,589.39	1,810.94	1,878.37	2,140.20	2,167.35	2,469.47	2,600.82	2,963.36	wsccl/spa

GLOSSARY OF TERMS

AONB – Area of outstanding 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.

Benefits - Council Tax Benefit plus 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.

Budget Requirement - sum of money including parish and town council precepts required to be met from local taxpayers, revenue support grant, redistributed NNDR and any share of the estimated collection fund balance.

Business Rates - see National Non-Domestic Rates.

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 capital charges.

Capital Charges - charges to service revenue accounts to reflect the cost of fixed assets used in the provision of services.

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 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 with no conditions to repay e.g. unapplied Housing and Planning Delivery Grant.

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 (w.e.f. 1st April 2011)

CenSus Revenues and Benefits – 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. Members of the Institute are entitled to use the letters CPFA after their names, and membership is by examination. CIPFA is an entirely privately funded body.

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 - the local tax payable on most residential properties in a local authority's area. 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 - an allowance to persons on low income (or none) to meet in whole or part their Council Tax. 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.

Council Tax Freeze Grant - where the authority sets its basic amount of council tax for 2011-12 at a level which is no more than its basic amount of council tax for 2010-11, it will be eligible to receive a grant equivalent to a 2.5% increase in its 2010-11 basic amount of council tax *multiplied* by the authority's tax base for 2011-12 (rounded to the nearest pound)

DEFRA – Department for Environment, Food and Rural Affairs

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.

Distributable Amount - this is the estimated total amount in the business rate pool that is available to be distributed to local authorities. The business rates are collected by local authorities and paid into a national pool and then redistributed to all authorities.

Fees and Charges - income arising from the provision of services, e.g. leisure facilities, car parks.

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.

Floors and ceilings - a method by which stability in funding is protected through limiting the effect of wide variations in grant increase. A floor guarantees a fixed level of increase in grant and a ceiling results in no authority getting more than a certain level of increase. The grant increases of authorities who are neither at the floor or the ceiling are scaled back by a fixed proportion to help pay for the floor.

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

Formula Grant – comprises Revenue Support Grant and redistributed business rates, being the total support provided by the Department for Communities and Local Government for local authorities' revenue spending. The total is fixed as part of the Local Government Finance Settlement notified to Local Authorities each year.

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, and targeted grant such as the Neighbourhood Renewal Fund.

General Reserve - referred to under Reserves and other Balances section of this report. It is this Council's reserve that is not earmarked for any specific purpose.

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 - the Local Government Finance Settlement is the annual determination of formula grant distribution as made by the Government and debated by Parliament. It includes:

- the totals of formula grant;
- how that grant will be distributed between local authorities; and
- the support given to certain other local government bodies.

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. The proceeds are pooled nationally and redistributed as a fixed amount per head of resident population.

Net Expenditure (gross expenditure less income) - the term used by MSDC to describe net revenue expenditure for all Services less Capital Charges and Specific Items and excluding Benefits and revenue projects in the Programme of Revenue and Capital Projects.

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.

PCT - Primary Care Trust

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, police authority, 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, replaces the complex regulatory frameworks that have governed local authority capital expenditure. The new system 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.

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.

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 unapplied capital grants with outstanding conditions attached.

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.

SPA– Sussex Police Authority

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. house renovation grants. Local authorities must apply a special accounting treatment to these grants.

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.

Unallocated Funding - The term used by MSDC to denote a part of the Programme of Revenue and Capital Projects, 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.

WSCC – West Sussex County Council

Virement - the permission to spend more on one budget head when this is matched by a corresponding reduction on some other budget head, i.e. a switch of resources between budget heads.