

Mid Sussex Corporate Plan and Budget 2012 - 2013



Summary Document



THE CORPORATE PLAN AND BUDGET REPORT 2012/13

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1.0 Overall Summary

1.1 The financial outlook facing the Council in 2012/13 and beyond remains very challenging. The Chancellor's Autumn Statement on 29 November 2011 emphasised the difficulties in the national economy. For example, he set out projected growth rates for the economy that were significantly reduced from previous forecasts. He also indicated that the Coalition Government's unprecedented deficit reduction programme would now have to stretch at least a further two years and into the next Parliament.

1.2 This means the Council needs to continue the approach to its service and financial planning that it has adopted in recent years, namely to:

- Maintain a tight control over costs by critically examining all its services and expenditure to ensure the Council is getting value for money; and,
- 'Cut its cloth' to match the reduced levels of income it will be receiving during this period of austerity; while,
- Protecting, wherever possible, frontline services and especially those used by vulnerable people in our communities; and,
- Keeping council tax as low as possible.

1.3 This approach has yielded about £4.2 million of efficiency savings in the last five years and enabled the Council to continue to be a low spending, low council tax authority with services that perform well.

1.4 The Administration's Member Working Group on Service and Financial Planning met a number of times through the autumn and was chaired by the Leader of the Council. It considered the Council's financial outlook and reviewed all the proposals in this report.

1.5 The draft proposals were then presented to the Performance and Scrutiny Committee on 17 January 2012 where they received significant support. Cabinet similarly endorsed these proposals at its meeting on 6 February 2012.

1.6 In summary, the plans contained in this report offer a balanced budget for 2012/13 that:

- Allocates resources to the Council's priorities;
- Protects key frontline services and existing levels of grant to the voluntary sector;
- Identifies a number of areas where it is felt savings can be made, much of which are staff related;
- Takes opportunities to remove vacant posts and agree to requests for voluntary redundancy where this is possible, so as to minimise the need for compulsory redundancies;
- Proposes inflation-only rises in car parking and green waste charges;
- Continues to protect the Council's reserves position and funds the proposed capital programme; and,
- Freezes Council Tax for a second year (so it will remain at 2010/11 levels).

2.0 Key Factors Taken into Consideration

2.1 Corporate Priorities

- 2.1.1 The Corporate Plan and Budget for 2012/13 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

- 2.1.2 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.

2.2 Previous Actions and Initiatives

- 2.2.1 The plans set out in this report should also be seen in the light of the wide range of initiatives that have been implemented over the last five years. The Council has for example:

- Taken advantage of 'big ticket' opportunities such as going to fortnightly collections of household waste (making significant savings and enhancing our recycling services) and introducing alternative arrangements for managing our leisure centres and public halls (thereby saving central support costs and making NNDR savings);
- Significantly reduced senior management costs. The Management Team consists of half the number of posts compared to 5 years ago and the strategic director posts that many other councils still have, were removed. Last year, we took that further by deleting the Deputy Chief Executive post and reducing the salary of the Chief Executive post;

- Worked to ensure our shared service arrangements have been productive. As the lead council for housing benefits and revenues services in CenSus (a shared service between Mid Sussex, Horsham and Adur Councils), we have improved service performance whilst reducing costs. We have also put in place a number of less ambitious but important shared service arrangements (e.g. on emergency planning; treasury management; web development). On other occasions, such as with the building control service, we have assessed the opportunities and decided that the costs/risks outweighed the potential benefits;
- Borne down on central support costs. For example, in the past we have had a scrutiny team and a marketing team but neither exists now. In fact, when we have compared our support costs with our neighbouring councils we have tended to be the leanest operation;
- Ensured we always review whether in-year savings can be made permanent;
- Applied improved procurement approaches to reduce the cost of the full range of supplies and services we use, from print costs to stationary materials. The Council has also not been a regular user of consultants except when we have required specialist advice;
- Streamlined processes and used new technology. For example, the use of electronic document management has been central to the improvement in the housing benefits service and the system they use is being brought in by Development Management and being looked at by Environmental Health. We have encouraged people (where they wish to) to contact us through the e-forms on the Council's web site in recognition that it is cheaper for an organisation to manage electronic rather than telephone or face-to-face transactions. We have set up a successful customer contact centre to better manage routine calls and they are leading on reducing avoidable contact. We are applying process mapping to improve customer service and efficiency in Development Management and Building Control;
- Examined service levels. For example, this has led to the recent charges in the landscaping regime in our open spaces and the proposal agreed with SERCO on extending the expected life of their refuse freighters;
- Controlled staff costs. For example, we have removed unaffordable staff benefits, principally the enhanced component of the car allowance scheme; reduced head count by managing staff vacancies and encouraging voluntary redundancies (where the service can be re-shaped to cope with the deletion of the post); and, improved staff productivity through our talent management and related work;
- Sought opportunities to charge for discretionary services. In the past, this has included introducing new services such as the garden waste service and the street name and numbering service; charging for services that were previously free such as pre-application planning advice and rat treatments; and increasing charges for existing services where we thought the market could bear it such as leisure memberships and car parking; and,
- Members have contributed to these efforts by originally freezing their allowances and last year being nationally recognised for taking a 5% cut in their allowances.

2.2.2 Members should also be aware that each time we have proposed a service change or budget reduction, officers have assessed the potential impact on services and identified any necessary mitigating actions required to enable as smooth an introduction of the change as possible. This has been central to ensuring the Council has been intelligent in its service and financial planning and has not resorted to crude 'salami slicing' of budgets as we have seen in some other organisations. However, it also means that over this five year period, perhaps the more obvious and higher yielding initiatives have been implemented.

2.3 Service Pressures and Performance

2.3.1 The plans in this report are underpinned by the service plans that have been produced for each business unit. Members will be aware that in some cases, principally the provision of temporary accommodation for people who are homeless or at risk of being so, officers have seen increased demand for some services. The proposals take account of such situations. However, wherever possible, each service is expected to absorb any financial pressures within its existing budgets.

2.3.2 Similarly, the plans in this report have been developed on the assumption that existing levels of service performance are regarded as adequate and therefore the service is 'fit for purpose'. Members will be very familiar with the quarterly service performance statistics. These have shown for some time that the Council's services are generally performing well; that we do not have any failing services; and that there is a strong performance culture amongst the Business Unit Leaders to ensure that when performance levels are not as expected, remedial actions are quickly put in place.

2.4 Coalition Government Policy on the Future Funding of Local Government

2.4.1 Looking ahead, the Coalition Government is considering a range of initiatives which will have a significant impact on Local Government from 2013 and beyond, including:

- A fundamental restructure of how local government is funded. This centres on the proposal that local authorities will be able to retain a proportion of the business rates they collect and that this will effectively take over from and lead to the scrapping of Formula Grant. This proposal has unfortunately been misunderstood in the press who have not recognised that if it is introduced, a significant proportion of the business rates collected in Mid Sussex will still need to be distributed to the County Council and Sussex Police as they are currently funded centrally and do not collect business rates themselves.

The proposal itself remains under consideration as part of the Government's Resource Review, the results of which are not known at the time of writing. Preliminary analysis suggests that at best this proposal will have a neutral impact on the Council's finances in future years. It certainly seems unlikely, against a back drop of the deficit reduction measures, that councils such as Mid Sussex will receive additional resources.

- Another initiative being considered is the localisation of the council tax benefit system. Under the current situation, the Council administers the council tax benefits paid to eligible people across the District on behalf of central government. This proposal suggests that the Council will become responsible for the design and implementation of a local scheme but will only receive 90% of the funding it currently receives to pay the benefits. If the Council decided to introduce a scheme that kept council benefit levels where they currently are, there would be a budget pressure of about £85k pa from 2013/14. Again, the Council is monitoring the situation closely and will bring options forward for Members consideration over the next twelve months once the Government's intentions become clear.
- Finally, the Council has been a recipient of the Coalition Government's New Homes Bonus (NHB). Effectively, this is a scheme introduced about two years ago to incentivise councils to build new homes in their areas. Cabinet considered this matter on 7 November 2011 and recognised that the future of the New Homes Bonus is unclear. Specifically, many commentators are thinking that this funding stream will be absorbed into the changes in Formula Grant described in the first bullet point in this section. Given this uncertainty, Members have therefore acted prudently and agreed that the payments relating to housing delivery in the first year of the scheme (£720k, being the first instalment of £360k already paid plus the second instalment of £360k due) be allocated to top up the Affordable Housing Grant. These sums together with the monies that the Council already had set aside for this use would mean that MSDC should be able to support affordable housing schemes for the next five years. In addition, Members agreed that £300k of the payments relating to housing delivery in the second year of the New Homes Bonus scheme should be used to clear the deficit in the Disabled Facilities Grant budget (subject to the outcome of the Local Government Resource Review). For clarity, we are showing the full amount of NHB as transferred to reserves in 2012/13 and future years.

2.4.2 In each of the three cases set out above, the implications for the Council remain uncertain but could clearly be significant from 2013/14 and beyond. It is therefore imperative that the financial proposals set out for 2012/13 are mindful of them and where possible ensure the Council promotes self-sufficiency and places itself in the best position to address the implications of these policy changes if and when they are finalised.

3.0 Financial Outlook for 2012/13

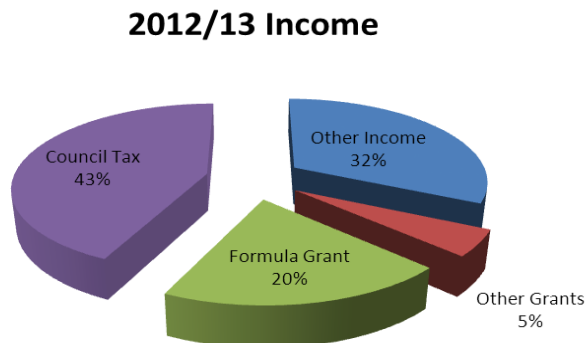
(a) Income

The Council has three principal sources of income. Taking each in turn:

3.1 Formula Grant

3.1.1 The Council is one of a number of district councils that has suffered the highest level of grant reductions in the Country over the 2 years of the current settlement with a 15.5% reduction this year and a further 15.1% reduction in 2012/13.

3.1.2 The Council will receive £4.085m of Formula Grant for 2012/13 (excluding Council Tax Freeze grant). As the chart below shows, this is equivalent to 20% of the Council's annual income and is down from 23% in the current year and 29% in 2010/11. This dramatic reduction means that the Council needs to find further savings on top of those very significant savings made over the last few years.



3.2 Income from Fees and Charges

3.2.1 The Council also generates substantial income from charging for a number of its own services. This is expected to represent about 32% of the Council's overall income i.e. a greater proportion than that received in Formula Grant. For 2012/13, assumptions have been made about the state of the local economy and in particular, the building related sectors that affect income from land charges, building control and development management. In these areas, we are assuming that the increased levels of income we have seen in 2011/12 will continue. We are not, however, budgeting increases beyond these levels. The levels of charges for car parking and the green waste service have had to be reviewed in paragraph 4 of this document.

3.3 Council Tax

3.3.1 As the pie chart shows, the income collected from Council Tax represents the highest proportion of the overall income received –equivalent to 43% in 2012/13. The Council froze Council Tax this year at 2010/11 levels by taking advantage of a four year subsidy offered by the Coalition Government. The subsidy corresponded to an increase in Council Tax of 2.5%. As a 1% increase or decrease on the Tax at Band D equates to some £85k increase or decrease in revenue, this represented a subsidy of about £215k for each of the four years.

3.3.2 The Coalition Government have offered a grant to enable councils to freeze Council Tax levels. However the grant available is for only one year. The Council, being mindful of the financial pressure on the local residents and especially those on low or fixed incomes, has agreed to freeze Council Tax for a further year in 2012/13. This action compares favourably with the current rate of inflation, which was at 3.6% (i.e. Consumer Price Index (CPI)) in January 2012.

(b) Expenditure

In preparing the proposals for 2012/13, the following aspects of expenditure have been accounted for:

3.4 Inflation

3.4.1 In total, inflation relating to contracts and other expenditure is expected to be £229k in 2012/13. The principal increases are in contracts (£84k), maintenance (£40k) and fuel (£25k).

3.5 Staff Salaries

3.5.1 The Medium Term Financial Plan currently assumes no pay increase for staff in 2012/13. That will be the third year without an increase. In the Autumn Statement, the Chancellor recommended no more than a 1% increase in pay for civil servants in 2013/14 and 2014/15. However, local government has its own national pay bargaining arrangement, so the final position on staff salaries will not be known until this process is complete.

3.6 Pensions

3.6.1 There are no changes to the Employer's contribution this year, although the sum payable with respect to the on-going deficit reduction has increased to £753k. This was highlighted in last year's Corporate Plan and is part of the strategy to increase the funding level of the Mid Sussex element of the WSCC pension fund.

3.7 Severance costs

3.7.1 Severance costs associated with all the staffing changes described in this report have or will be met from the Council's Job Evaluation and Redundancy Reserve or from in-year salary savings which means the savings can take effect from the start of the 2012/13 financial year. At present, no provision is made for any costs arising from the job evaluation process currently being undertaken jointly with Unison. Once the process has reached a suitable point, Members will be informed of the short and longer term financial implications.

3.8 Collection Fund Deficit

3.8.1 Officers are currently forecasting a **£58k** deficit on the Collection Fund. This can be caused by a multitude of factors including a lower than expected collection rate, an increasing number of discounts being awarded or banding reductions sought, or by demolition of existing properties.

3.9 Cost of Temporary Accommodation

- 3.9.1 Officers have been carefully tracking the impact of the changes to housing benefit (and benefits more generally) for some time and we have been briefing the relevant portfolio holders. Since April 2011, we have seen a 62% increase in the numbers of people we are placing in temporary accommodation (guest houses) because they are either homeless or awaiting the Council's decision on whether we have a duty to house them as homeless.
- 3.9.2 As a result of these changes we are currently overspending against our budget for this area. The pressure is currently £32k. Therefore analysing the trend and anticipating the impact of further welfare reform next year, it is recommended that the budget assumes an increase in costs in this service of **£100k** for 2012/13.
- 3.9.3 The Council's Housing Needs Team is very effective and for many years has successfully supported those in housing need and this Council's homelessness acceptances have traditionally been low. However the national changes in welfare and benefits do seem to be having a very adverse effect on this work. We are working with Affinity Sutton to negotiate access to more temporary accommodation in their ownership which should help move families out of expensive and inappropriate guest house accommodation. An increase in costs of £100k is our best estimate at this time but we will need to keep this area under very close review during 2012/13.

3.10 Disability Facilities Grant

- 3.10.1 Whilst the demand for Disabled Facilities Grants in any one year is estimated at £750k, the Council is currently carrying forward each year approximately £300k of demand which it has been unable to meet in-year. In November 2011, Cabinet agreed, in principle, to use £300k of the New Homes Bonus (NHB) to clear the backlog of applications for Disabled Facilities Grants, to enable these to be delivered in a timely way.

3.11 Tax Base

- 3.11.1 The tax base for the year was set at Council on the 14 December 2011 at a figure of 57,707.3 which is an increase of 0.57% over the previous year. This increase largely reflects new homes being added to the database in Lindfield and Hassocks and a slight reduction in empty homes in the district.

3.12 Balance Unallocated

- 3.12.1 This forms a contingency for the year and has been kept low for the last few years. In effect, we accurately balance the budget by appropriately varying this figure by small amounts, and for 2012/13 we need to increase it by £19k from the figure projected, to £45k.

3.13 Capital Programme and Reserves

- 3.13.1 The Capital Programme for the next few years is more significant than of recent years but oriented more towards asset replacement than expanding the property portfolio.

- 3.13.2 Affordable housing will be funded through commuted sums and through the allocation of New Homes Bonus as set out in paragraph 2.4, together totalling £1.078m, with the aim of helping to fund the delivery of approximately 100 new units over the next 5 years. Four playgrounds will also be upgraded with new equipment and materials. Census ICT will deliver a small range of new projects and the telephone switch will be updated and new software installed in the Customer Contact Centre.
- 3.13.3 The most significant additions to the programme are centred on developments at Bridge Road, Haywards Heath. Two schemes are proposed here; a replacement depot from which Serco could operate the refuse and recycling contract, and a small starter unit development partly funded by WSCC. Members should note that these schemes have yet to come before them for a final decision but adding them to the Programme at this stage earmarks the funding subject to Council agreement and circumstances at the time.

3.14 The Four Year Position

- 3.14.1 The financial outlook for the Council over the next four years is summarised in the Medium Term Financial Plan (MTFP) in Section 5. It is always prudent to treat such projections with caution as circumstances can change quickly and the assumptions underpinning the figures might become out-of-date. This is particularly relevant this time given the uncertainty created by the Coalition Government's Local Government Resource Review. As previously described in paragraph 2.4 above, it is quite possible that significant changes in the way the Council is financed may be brought in from 2013 and an accurate impact of that is impossible to predict at this stage.
- 3.14.2 However, it is still useful to see the overall picture and as the results of the Resource Review emerges, the MTFP will be amended and Members briefed. Suffice to say, at this point, it is estimated that the Council will need to find cost savings/efficiency reductions and/or generate additional income in future years as follows:

Year 1	2012/13	£987k*
Year 2	2013/14	£371k
Year 3	2014/15	£494k
Year 4	2015/16	£300k

4.0 Plans for Service Redesign in 2012/13

- 4.1 The plans described below have been carefully developed so as to minimise as far as possible the impact on residents and service users. The aim has been to protect frontline services and ensure performance levels are maintained.
- 4.2 There is a planned reduction in headcount of about 6% or 23 posts. While every effort has been taken to find non-staff savings, manage vacancies and examine requests for voluntary redundancy, the plans involve two compulsory redundancies. This work has been conducted in line with the requirements of employment legislation and in formal consultation with Unison, the affected staff and their representatives.

- 4.3 The service changes described below are a mixture of:
- Making in-year savings permanent;
 - Further reducing management costs;
 - Implementing the second phase of initiatives started in the 2011/12 budget;
 - Making changes in service provision and reducing headcount; and,
 - Generating additional income where the market can bear it.

4.4 CenSus Revenues and Benefits

- 4.4.1 The CenSus shared service for Revenues (council tax collection) and Benefits (housing benefit administration) was one of the first genuine shared services to be created in the Country. The partner authorities are Adur, Horsham and Mid Sussex councils. The service has one senior team which runs the services across the three council areas. Mid Sussex is the lead Council and employs all the staff within the shared service.
- 4.4.2 In previous years, the shared service has achieved savings for its constituent partners combined of £450k while significantly improving the performance of the service. For 2012/13, the service redesign proposals comprise:
- A restructure reducing the number of posts in the Visiting and Fraud teams and amongst the Team Leaders;
 - A move to consolidate onto two sites (Horsham and Mid Sussex) following the decision by Adur District Council to sell the Civic Centre in Shoreham; and,
 - Development of “centres of excellence” with Revenues processing being concentrated in Horsham and Benefits processing in Mid Sussex.
- 4.4.3 It should be noted that the number of assessment and processing posts will not be reduced beyond those currently in post. The intention is to protect key front line services.
- 4.4.4 MSDC’s partner councils confirmed their support for the proposals. The restructure has been progressed through the appropriate formal consultation process with Unison, affected staff and their representatives. Throughout this process, voluntary redundancy and the use of vacancies have been used to help off-set the need for compulsory redundancies. However, two compulsory redundancies will still occur in this service. In total, 19 posts will be removed from the service and the changes will deliver total savings in excess of £600k pa of which Mid Sussex’s share will be **£231k pa**.

4.5 Community Services and Culture

- 4.5.1 This business unit reduced its costs significantly as part of setting last year’s budget. However, a further reduction is possible for 2012/13 through a voluntary redundancy. The post holder has already left and roles adjusted. This means savings of **£25k pa** have been secured for 2012/13.

4.6 Development Management

- 4.6.1 The recent restructure involving changes to the team leader arrangements will save **£34k pa** for next year and beyond. It does not involve any job losses but recognises changes in working hours by staff.

- 4.6.2 In addition, a small saving from use of consultants is planned. Their use is limited to areas of specialism where we do not have in-house expertise. For 2012/13, **£15k** will be saved by officers from Planning Policy undertaking some planning appeal work. This would be when the intensive work associated with developing our District Plan and Community Infrastructure Levy has been completed.
- 4.6.3 Finally, in this service area, a planned change to the document management system used within Development Management will achieve revenue savings of **£35k pa** from next year. This roll out of Info@work has the potential to make further savings in the future. The system has been tried and tested in the CenSus Revenues and Benefits service.

4.7 Landscapes

- 4.7.1 Options to move, where possible, to lower maintenance planting regimes together with reduced spending on hard landscaping features have been developed. This includes small changes to the inspection regime for play areas (involving use of our own staff instead of contractors). These changes are essentially the second phase of changes introduced this year. If implemented these options would save **£44k pa** from 2012/13.
- 4.7.2 In the longer term we are looking at options to co-ordinate the re-letting of our contracts for grounds maintenance to enable a shared procurement process with Horsham. The aim will be to protect the quality of the service while securing a better price and share procurement costs.

4.8 Finance

- 4.8.1 Options to re-shape elements of the service to reflect changing business needs have been developed. One voluntary redundancy has recently been agreed which will deliver the majority of the target savings of **£71k pa** from 2012/13.

4.9 Waste and Recycling

- 4.9.1 The second year of the Council's work with Serco to extend the life of our freighter fleet from seven to ten and half years is expected to save a further **£20k pa** in 2012/13. The proposals have been developed jointly with Serco and the first phase was successfully implemented this year.
- 4.9.2 The Council's Green Waste Service continues to be popular and has seen increased take up resulting in higher than projected income this year. Officers are confident that this can be projected forward to 2012/13 and should bring in an extra **£73k pa**.
- 4.9.3 In addition, it is felt that the cost of participating in the Council's Green Waste Service should be increased by £5 to £60 per year. The service is currently near full capacity with 13,450 customers and satisfaction rates are good. It is recognised that the current charge of £55pa is towards the upper end of charging amongst those local councils that provide the service. However, the service continues to attract new customers and marketing activity will recommence in the New Year. It should be noted that, from the start of the service in 2007, our customer base has increased every year.

- 4.9.4 The current year is the second and final year of a price freeze previously agreed by Members. Applying an inflationary rise to the current charge over this period would give a price of just over £60 pa. In the light of this, an increase from April 2012 of £5 pa would produce additional income of **£60k** in 2012/13 (after allowing £6k for marketing) and will be in line with inflation.
- 4.9.5 In developing this forecast, officers have assumed costs associated with notifying existing customers about a price change but have not assumed any growth in the service beyond current customer levels. This is a prudent assumption.

4.10 Building and Asset Management

- 4.10.1 Continuing work on energy efficiency should secure savings of around **£12k** next year. Again this work builds on that implemented in the current year and is part of the Council's commitment to energy efficiency and reducing CO2 emissions. Our work was developed with support from the Carbon Trust.
- 4.10.2 In addition, a planned retirement provides an opportunity to provide an aspect of the service under contract. This together with a voluntary redundancy that has already been agreed saves a further **£30k pa** from this service area.

4.11 Customer Service and Communications

- 4.11.1 The trend agreed in last year's budget, to reduce the amount of printed and designed media produced by the Council, will continue where appropriate. However, it will be mitigated by increasing use of web based and other means of providing information to the public. There will be no impact from these changes on the Council's magazine, the annual 'A-Z of Services' booklet or graphic design support to the planning policy and economic development work the Council does.
- 4.11.2 This change has also been through the appropriate formal consultation process with Unison, the affected staff and their representatives during the autumn. It has resulted in one redundancy in the Council's communications team, providing a saving of **£47k pa**.

4.12 CenSus ICT

- 4.12.1 The Council has secured a reduction in our costs following the decision by Worthing Borough Council to join the ICT element of the CenSus partnership. This will achieve a saving of **£27k pa** from 2012/13 onwards or about 5% of our costs in this area.

4.13 Senior Management

- 4.13.1 A voluntary redundancy already agreed, together with a restructuring of the support team will deliver savings of **£17k pa** from next year.
- 4.13.2 Members will be aware of the planned retirement of the BMS Planning Leader. We have recruited his replacement and have combined the new role with an existing vacancy and re-structuring in the building and asset management and property teams. As a result, the Council will be able to save **£71k pa** from 2012/13.

4.13.3 The Head of Organisational Development left the Council last year. Following her departure, her duties were reallocated to existing members of Management Team on a trial basis. Given the pressing need to achieve savings, the proposal is to permanently delete the post. However, a proportion of the saving will need to be retained for specialist employment advice but **£40k pa** of savings will be available for 2012/13.

4.14 Car Parking

4.14.1 The current fee structure in the Council's car parks is:

Stay	Up to 1 hour	1 to 2 hour	2 to 3 hour	3 to 4 hour	Over 4 hour
Long term	60p	£1.00	£2.00	£3.00	£4.00
Short term	60p	£1.00	£2.00	£4.00	£6.00

4.14.2 Short stay charges have not been increased since 2003 although longer stay charges were increased in 2009. The merits of a wide variety of options for generating additional income from car parking charges have been examined by the Administration's Member Working Group taking the Council's Parking Strategy as their starting point.

4.14.3 The agreed option increases prices in the first two time bands by 20p but freezes the charges for all the other time bands at 2011 rates. This is set out in the table below.

4.14.4 It should be noted that if inflation was applied to the 'up to 1 hour' tariff from the last time it was changed in 2003, it would produce a fee of about 81p. In this way, the proposed change is in line with an inflation increase over this time period.

Stay	Up to 1 hour	1 to 2 hour	2 to 3 hour	3 to 4 hour	Over 4 hour
Long term	80p	£1.20	£2.00	£3.00	£4.00
Short term	80p	£1.20	£2.00	£4.00	£6.00

4.14.5 It has been estimated that this proposal could generate up to £246k pa. However, this calculation assumes that there would be no changes to the current pattern of parking movements or any temporary fall in usage of the car parks across the District. It also assumes that the changes would be implemented from the 1 April 2012, i.e. for the full year.

4.14.6 However, the impact of increasing car parking charges is very difficult to predict and so some sensitivity analysis has been applied to this proposal to achieve a more accurate and prudent projection of the likely income the change in fees would generate.

4.14.7 This suggests that if 20% of those people currently paying for the 1 to 2 hour time band were to move into the up to 1 hour slot, the proposal would generate a smaller financial benefit of up to £202k pa. At the other end of the scale, if we were to assume that 50% of the users of the 1 to 2 hour time band were to move into the up to 1 hour slot, the income generated would fall to only £136k pa.

- 4.14.8 It is also possible that we may see an adverse reaction to any price rise at all; and this may affect the 0 to 1 hour band worst. If we lost 2% to 3% of parking customers in this band, on top of the movement described above, we would generate £100k approximately in the first year of the prices introduction.
- 4.14.9 This proposal has the advantage of concentrating the price rises in the shorter stay periods which the consultants who were used in developing the Parking Strategy advised would be less price sensitive. Unlike the other options considered, this would also freeze charges for people who wanted to stay in the towns for over 2 hours a stay thereby encouraging dwell time in the town centres.
- 4.14.10 As any change in parking fees has to be advertised for a period of 16 weeks from the time Council agreed it, these changes would be brought in from 1 July 2012. This would mean they would have a 9 month rather than full year effect on the 2012/13 budget.
- 4.14.11 After taking the sensitivity analysis and the revised introduction date into account, this proposal would generate **£75k** in 2012/13.

4.15 Savings from 2012/13 Budget Working Papers and other minor changes

- 4.15.1 Whilst preparing the draft service budgets for next year and reviewing existing financial commitments from previous decisions made by the Council, officers have identified an additional net saving of **£75k pa**. This includes a £60k saving from reducing the provision for scheduled maintenance closures of our leisure centres.

4.16 In-year savings from 2010/11

- 4.16.1 Further work has established that more savings achieved last year could be made permanent for 2012/13 and beyond. These total **£86k** and are comprised as follows:

	Savings in 2011/12
	£'000
Building & Asset Maintenance	
- water sampling contract –on-going 10/11 savings	(13)
Facilities Management, Street scene and Landscapes	
- water sampling contract –on-going 10/11 savings	(23)
Facilities income –on-going 10/11 savings	(2)
CCTV repairs –on-going 10/11 savings	(5)
Accountancy supplies and services –on-going 10/11 savings	(1)
Planning Policy consultants	(16)
Pavilion/PC deep clean as met from reserve in 12/13 only	(26)
	<hr/>
	(86)
	<hr/>

The sum total of all these changes means that the Council is able to set a balanced budget as it is required to, and this is set out in Section 2 of the report.

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 2012/13 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 previous years where Budget Management reports have continually adjusted the budget to ensure spending remains broadly on target.

6.0 Risk Analysis

6.1 The annual budget is the plan of how the Council will manage its finances in the next year. Approving the budget is the first step in managing the financial risks in the following year. However, in approving the budget, there are a number of key risks that need to be acknowledged. For 2012/13, the risks of adverse variances can be considered minimised because of the number of minor changes proposed to service budgets and the early implementation of the savings package. We have once again spread the risk around the budget and also achieved most of our savings in advance of the start of the financial year.

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

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. 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 are now embedded with the budget and present no risk. This is an improvement on last year where some individuals had not yet made their position clear when the new year had started.

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 2012/13 prudent assumptions are made, particularly around areas such as land charges, development management and building control income, where we have used the 2011/12 budgets as the base figure. Monitoring shows that we are very close to achieving these budgets on a like for like basis.

There are two areas of income where some fluctuation can be expected; car parking and green waste collection.

The car parking proposal is explained fully elsewhere and involves an inflationary price increase to the lowest band. There is a risk of some customer reaction to this increase, which was modelled as described earlier, and the budget takes account of this. There is also the risk, conversely, that there is little price elasticity in this service and that we significantly exceed our income projections. The situation will be closely monitored upon the introduction of the charge increase, due to take effect in July 2012.

The Green Waste service is also contributing extra income with a £5 price rise. Thus far, the service has proved price inelastic and previous increases have not led to any real cancellations in customer numbers. Whilst we have allowed for some 'churn' in the customer base, we also have a number of households on the waiting list so we are confident that the overall numbers of customers (and therefore income) can be maintained. It is considered therefore that this increase represents a very minor risk to the overall budget.

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 2012/13 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 of some £137,000, 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 1 April 2012 are estimated to be £5,338k and at 1 April 2013 £5,441k. The financial strategy includes that the target for the minimum level of total un-earmarked 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 whilst allowing the council the scope to invest 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 no reliance on capital receipts being received in the year in which they are used for financing the programme.

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SUMMARY OF REVENUE BUDGET 2012/13

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 2012 / 13 Summary

Notes	Budget 2012/13 £'000	Original Budget 2011/12 £'000
1 Council Service Net Expenditure	12,617	13,210
Capital Schemes financed from revenue	50	50
Contribution to Disabled Facility Grants	425	375
Council tax freeze grant (2.5% increase)	(218)	(215)
Total Revenue Spending	12,874	13,420
2 Capital Charges	2,200	2,657
3 Specific Items	422	345

Notes :

1. The total of net expenditure which is the responsibility of the individual Business Unit Leaders and Heads of Service.
2. 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.
3. 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 2012/13 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 2012/13 and a budget summary including analyses by type of spending. The summary shows data for 2010/11 outturn, original budget 2011/12 and budget 2012/13. Also included are figures to show the amount and percentage change between 2011/12 and 2012/13. (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 2012/13
SUMMARY**

Actual 2010/11 £'000		Budget 2012/13 £'000	Budget 2011/12 £'000	Change From 2011/12	
				£'000	%
(27)	Customer Services & Communications	0	(116)	116	(100%)
434	Performance & Scrutiny & Partnerships	626	619	7	1%
587	Development Management	702	737	(35)	(5%)
854	Planning Policy	596	668	(72)	(11%)
0	Planning Services Support	0	0	0	
(97)	Finance Accountancy	(29)	(29)	0	(0%)
539	Finance Corporate	1,201	1,115	86	8%
30	Personnel & Payroll	0	(5)	5	(100%)
(182)	CenSus I C T	(141)	(206)	65	(31%)
1,374	CenSus Revenues & Benefits	1,177	1,409	(232)	(16%)
721	Housing	888	814	74	9%
1,051	Environmental Health	951	969	(18)	(2%)
194	Building Control	220	217	3	2%
1,534	Community Services & Culture	766	854	(88)	(10%)
1,153	Leisure Operations Client	1,105	1,147	(42)	(4%)
(797)	Parking Services	(955)	(802)	(153)	19%
2,607	Cleansing Services	2,733	2,850	(117)	(4%)
2,217	Facility Management & Street-scene	1,962	2,015	(53)	(3%)
(7)	Legal Services	0	0	0	
(1,199)	Property and Asset Management	(1,146)	(1,072)	(74)	7%
776	Member Support Services & Elections	792	792	(0)	(0%)
60	Land Charges	73	84	(11)	(13%)
1,491	Strategic Core	1,131	1,184	(53)	(5%)
(53)	Benefits	(93)	(93)	0	
13	Drainage Levies	13	12	1	4%
0	Balance Unallocated	45	47	(2)	(5%)
13,273	Council Net Expenditure	12,617	13,210	(593)	
	Capital schemes financed from revenue	50	50	0	
	Contribution to Disabled Facility Grants	425	375	50	13%
	Council tax freeze grant	(218)	(215)	(3)	1%
	Total Revenue Spending	12,874	13,420	(546)	

GROSS EXPENDITURE & INCOME SUMMARY BUDGET 2012/13

Actual 2010/11 £'000		Budget 2012/13 £'000	Budget 2011/12 £'000	Change From 2011/12	
				£'000	%
Gross Expenditure					
12,037	Employees	11,354	12,206	(852)	(7%)
2,751	Premises Related Expenditure	2,524	2,616	(92)	(4%)
456	Transport Related Expenditure	457	416	41	10%
4,585	Supplies and Services	4,513	4,413	100	2%
5,243	Third Party Payments	4,526	4,424	102	2%
37,955	Transfer Payments	38,010	36,094	1,916	5%
6,501	Support Services	5,421	5,995	(574)	(10%)
<u>69,528</u>		<u>66,805</u>	<u>66,164</u>	<u>641</u>	<u>1%</u>
Gross Income					
(5,109)	Customer and Client Receipts	(5,368)	(5,077)	(291)	6%
(1,430)	Rents	(1,471)	(1,451)	(20)	1%
(1,212)	Government Grants	(1,023)	(1,087)	64	(6%)
(42,003)	Other Grants Reimburse Cont	(40,648)	(39,041)	(1,607)	4%
(6,501)	Recharges	(5,421)	(6,088)	667	(11%)
<u>(56,255)</u>		<u>(53,931)</u>	<u>(52,744)</u>	<u>(1,187)</u>	<u>2%</u>
<u>13,273</u>	Total Revenue Spending	<u>12,874</u>	<u>13,420</u>	(546)	

**REVENUE BUDGET 2012/13
SUMMARY**

Details of Specific Items per Service Area	Budget 2012/13 £'000	Budget 2011/12 £'000
Planning Policy and Economic Development	209	79
Development Management	0	25
Finance Accountancy	5	
Finance Corporate	9	26
Personnel & Payroll	2	6
Housing	13	
Community Services & Culture	105	
Leisure Operations - Clients	50	98
Facilities Management & Streetscene	26	
Member Support Services & Elections	3	111
	422	345

Details of Capital Charges per Service Area	Budget 2012/13 £'000	Orginal Estimate 2011/12 £'000
Performance Scrutiny & Partnerships	9	0
Planning Policy and Economic Development	23	36
Development Management	16	24
Finance Accountancy	29	29
Personnel & Payroll	0	5
CenSus ICT	141	206
CenSus Revenues and Benefits	19	5
Leisure Operations Client	1,027	1,412
Parking Services	84	87
Cleansing Services	356	368
Facility Management & Street-scene	214	153
Property & Asset Maintenance	253	309
Member Support & Elections	3	0
Land Charges	26	23
	2,200	2,657

Performance & Scrutiny, Partnerships, Customer Services & Communications
Richard Hodson, Assistant Chief Executive

Customer Service and Communications

The team will continue to provide the Council's 'front of house' services. Over the coming year, greater use will be made of the Customer Contact Centre by channelling more phone calls through this route. This will improve efficiency in the 'back office' whilst ensuring consistency high levels of service to the customer.

The team will be continuing to provide press and media activity to promote the Council's services. This will include Mid Sussex Matters (3 issues per year) and the annual A-Z of services leaflet. Initiatives will be implemented to reduce the quantity of printed and designed material where this does not provide value for money. Advantage will be taken of other forms of communication such as the town and parish council newsletter and social media (subject to evaluation of a pilot scheme).

Performance and Partnerships

A number of existing staff working across the two Business Units, will be working together to support service redesign activities across the Council in order to achieve improved efficiency and enhanced customer service. One of the significant work areas will be the introduction of Electronic Document Records Management Systems (EDRMS) in relevant services, to increase efficiency in service processes and to improve data storage, security and retention practice across the Council.

We will be working in the coming year to increase the functionality, accessibility and usefulness of the website, to enable customers to find what they need more easily and to undertake a greater range of transactions (including payments and bookings) electronically.

The team will help other services across the council to make best use of socio-economic and customer insight data about the district for the future planning of their services. We will also support the Mid Sussex Partnership to enable them to take a more problem solving approach to shared strategic issues and so maximise the benefits of partnership working. We will also support community engagement activities across the council in line with the new Statement of Community Involvement.

We will ensure that the Council puts in place necessary mechanisms to address the new powers and duties included in the Localism Act, in line with any agreed recommendations arising from the scrutiny review of the Big Society and once detailed guidance is published. In response to the forthcoming election of a local Police Crime Commissioner, we will ensure that local community safety partnership working maintains its focus and continues to maintain crime, disorder and anti-social behaviour at a low level across the district.

Following the review of Anti-social Behaviour (ASB) services across the Council, we will be overseeing the changes that need to be made to improve the service provided to victims of ASB. Closely related to this we will ensure that the newly established family intervention service (funded through the Mid Sussex Partnership) continues to support families in particular need, reducing pressure on other services.

CUSTOMER SERVICES & COMMUNICATIONS VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	1
Recharges	175
	176
Budget Changes - Decreasing	
Salary adjustments*	(2)
Budget for AXESS contribution moved to Performance and Partnerships	(10)
Savings - minor variation	(1)
	(13)
	163

* Includes salary increments and variations to National Insurance calculations

CUSTOMER SERVICES AND COMMUNICATIONS BUDGET 2012/13	Budget 2012/13 £'000	Customer Service and Comms £'000
Gross Expenditure		
Employees	323	323
Premises Related Expenditure	0	0
Transport Related Expenditure	0	0
Supplies and Services	80	80
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	150	150
	<u>553</u>	<u>553</u>
Gross Income		
Customer and Client Receipts	0	0
Rents	(6)	(6)
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(547)	(547)
	<u>(553)</u>	<u>(553)</u>
Net Expenditure	<u>0</u>	<u>0</u>
Budget 2011/12	(116)	(116)
Change from 2011/12		
£'000 Change	116	116
% Change	(100%)	
Other Items 2012/13		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

PERFORMANCE & PARTNERSHIPS VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments *	3
Inflation	3
Budget for staff moved from Member Support	24
Budget for AXESS contribution moved from Customer Services and Communications	10
Website software	11
	<hr/>
Total	51
	<hr/>
Budget Changes - Decreasing	
Recharges	(25)
Ongoing 2010/11 savings - CCTV repairs	(5)
Service redesign savings - market research	(7)
Service redesign savings - software	(7)
	<hr/>
Total	(44)
	<hr/>
Total Variation for Performance and Partnerships	7
	<hr/> <hr/>

* Includes salary increments and variations to National Insurance calculations

PERFORMANCE SCRUTINY & PARTNERSHIPS BUDGET 2012/13	Budget 2012/13 £'000	Community Services £'000	Partnership Funding £'000	Corporate Improvement £'000
Gross Expenditure				
Employees	314	11	0	303
Premises Related Expenditure	13	12	0	1
Transport Related Expenditure	5	1	0	4
Supplies and Services	95	5	0	90
Third Party Payments	0	0	0	0
Transfer Payments	0	0	0	0
Support Services	200	64	8	128
	627	93	8	526
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	626	92	8	526
Budget 2011/12	619	241	0	378
Change from 2011/12				
£'000 Change	7	(149)	8	148
% Change	1%			
Other Items 2012/13				
Capital Financing Costs	9	0	0	9
Capital Financing Income	0	0	0	0
Specific Items	0	0	0	0

Economic Promotion and Planning
Claire Tester, Head of Economic Promotion & Planning

Planning Policy and Economic Development

The Economic Promotion and Planning Service will be seeking to achieve sustainable development across Mid Sussex to meet the needs and aspirations of individual communities, in line with the principles of the Localism Act and the emerging District Plan and Neighbourhood Plans.

Promoting economic vitality is a key objective of the Mid Sussex Sustainable Communities Strategy, and is the work of the whole Council, not any one division within it. The Planning Policy and Economic Development team supports the Portfolio Holder's leadership of this work and coordinates the efforts of other divisions in seeking to maximise our impact on the economic health of Mid Sussex.

The District Council can rarely achieve results alone, and relies on partnership working to develop and implement solutions to the challenges of the current economic climate. Members and officers will be working closely with the business community and through wider partnerships, such as the Coast to Capital Local Economic Partnership and the Gatwick Diamond Initiative, to ensure that we make the most of the opportunities available to promote Mid Sussex as a good place to do business.

The economic agenda is carried through into the other main priority of this team, which is to deliver the District Plan and Community Infrastructure Levy Charging Schedule. The District Plan seeks to increase the self-sufficiency of communities in Mid Sussex and reduce their dependence on other areas for employment and other facilities. The Plan encourages the increased provision of business space to enable more people to work close to home, and thereby reduce commuting. The Levy will provide a mechanism to collect developer contributions to provide necessary infrastructure to support such communities, but will be set at a level which will not inhibit necessary economic growth. The approved timetable sees these documents being given final approval by the District Council in the spring of 2012 and submitted to Government for examination later this year.

The District Plan is being prepared within the context of the Localism Act, and in partnership with Town and Parish Councils, which will be responsible for much of the delivery of development through their Neighbourhood Plans. The team will continue to work with the Town and Parish Councils to advise on the content of these plans, handle the examination and assist the elections team with the referendum stage of their preparation.

Development Management

Economic growth and the creation of sustainable communities cannot happen without development, and the purpose of the Development Management team is to manage this growth to ensure that it is well located and designed and does not damage those characteristics which make Mid Sussex such a highly valued place to live, work and play.

The team will continue to work in a collaborative way with partners to achieve these aims, particularly by:

- Involving Members, and other partners where appropriate, in pre-application discussions about 'major' planning applications;
- Improving the relationship with the Highway Authority including the use of the 'RAG' (Red, Amber, Green) procedure to highlight the community view on those applications where its resources need to be focussed;
- Embedding and developing the Planning Implementation and Enforcement Team to aid proactive enforcement of breaches of planning control and compliance with 'major' planning permissions;
- Working with the South Downs National Park Authority to manage planning applications within the Park area under the delegation agreement; and
- Highlighting the quality of developments permitted by the Council through the Mid Sussex Design Awards.

Planning & Building Control Support Services

This team was formed from existing resources to provide administrative and technical support across Planning and Building Control. The team creates greater resilience for these services by developing administrative staff through skill sharing. It also includes a Business Systems team to support the ICT applications that enable the large amount of information about property and development applications to be stored and, where appropriate, made available for public viewing. There are close links between this team and the Land Charges and Environmental Health business units, which share the same ICT systems and information.

The Business Systems team is presently working on several projects to improve the efficiency of how we hold information and make it available to the public. The main projects are:

1. The Corporate Modernisation of Data Project, covering Planning, Building Control, Local Land Charges, Enforcement, Tree Preservation Orders, and the Competent Persons Register. This involves making sure that this information is held electronically and accurately to meet our legal obligations, save retrieval time and storage space;
2. The move from the present document management system (which supports the Online Planning Register) to a new, more efficient and user friendly system, Information @ Work, in partnership with Horsham District Council;
3. Implementation of year 2 systems set up for the administration of planning applications within the South Downs National Park.

PLANNING POLICY & ECONOMIC DEVELOPMENT VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments *	5
	<hr/>
Total	5
	<hr/>
Budget Changes - Decreasing	
Recharges	(57)
Savings - minor variations	(4)
Ongoing savings 2010/11 - consultants	(16)
	<hr/>
Total	(77)
	<hr/>
Total Variation for Planning Policy & Economic Development	(72)
	<hr/> <hr/>

* Includes salary increments and variations to National Insurance calculations

PLANNING POLICY & ECONOMIC DEVELOPMENT BUDGET 2012/13	Budget 2012/13 £'000	Planning Policy £'000	Economic Development Promotion £'000
Gross Expenditure			
Employees	294	280	14
Premises Related Expenditure	1	1	0
Transport Related Expenditure	14	13	1
Supplies and Services	80	48	32
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	218	191	27
	607	533	74
Gross Income			
Customer and Client Receipts	(11)	(11)	0
Rents	0	0	0
Government Grants	0	0	0
Other Grants Reimburse/Contributions	0	0	0
Recharges	0	0	0
	(11)	(11)	0
Net Expenditure	596	522	74
Budget 2011/12	668	578	90
Change from 2011/12			
£'000 Change	(72)	(56)	(16)
% Change	(11%)		
Other Items 2012/13			
Capital Financing Costs	23	23	0
Capital Financing Income	0	0	0
Specific Items	209	209	0

DEVELOPMENT MANAGEMENT VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments *	1
Inflation	5
Recharges	261
Budget for staff moved from Building Control	16
	283
Budget Changes - Decreasing	
Budget for staff moved to Planning Services Support	(265)
Reduction in car allowances (year 3)	(4)
Service redesign savings - staffing restructure	(34)
Service redesign savings - planning appeal costs	(15)
	(318)
	(35)

* Includes salary increments and variations to National Insurance calculations

DEVELOPMENT MANAGEMENT BUDGET 2012/13	Budget 2012/13 £'000	Development Management £'000
Gross Expenditure		
Employees	798	798
Premises Related Expenditure	1	1
Transport Related Expenditure	51	51
Supplies and Services	165	165
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	404	404
	<u>1,419</u>	<u>1,419</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>702</u>	<u>702</u>
Budget 2011/12	737	737
Change from 2011/12		
£'000 Change	(35)	(35)
% Change	(5%)	
Other Items 2012/13		
Capital Financing Costs	16	16
Capital Financing Income	0	0
Specific Items	0	0

PLANNING SERVICE SUPPORT VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Budget for staff moved from Development Management	286
Total	<u>286</u>
Budget Changes - Decreasing	
Recharges	(286)
Total	<u>(286)</u>
Total Variation for Planning Service Support	<u><u>0</u></u>

Planning Service Support Budget 2012/13	Budget 2012/13 £'000	Planning Services Support £'000
Gross Expenditure		
Employees	0	0
Premises Related Expenditure	0	0
Transport Related Expenditure	0	0
Supplies and Services	0	0
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	0	0
	<u>0</u>	<u>0</u>
Gross Income		
Customer and Client Receipts	0	0
Rents	0	0
Government Grants	0	0
Other Grants Reimburse Contributions	0	0
Recharges	0	0
	<u>0</u>	<u>0</u>
Net Expenditure	<u>0</u>	<u>0</u>
Budget 2011/12	0	0
Change from 2011/12		
£'000 Change	0	0
% Change		
Other Items 2012/13		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

**Finance, Personnel & Payroll and CenSus (ICT, Revenues and Benefits)
Peter Stuart, Head of Finance & ICT**

Finance

The focus of the year will be twofold: firstly, to increase the efficiency of the business unit by taking advantage of the manufacturer's development of the Financial Management System to give a better and more intuitive interface for all users, and by introducing a revised web-based BACS payment system to aid internal users of the existing paper-based authorisation systems.

Secondly, we will be taking the opportunity to review the debtors function (the system by which we send out invoices for goods and services), and restructure our Cash Office function to take account of recent staffing changes.

Day to day functions to deliver a combined service plan and budget and monitor on a regular basis against that budget will continue in order to ensure the best possible financial information is available to Officers and Members.

Personnel & Payroll

2012/13 will see the implementation of a number of modules of the HR Personnel and Payroll system 'Resource Link' (Aurora Web View, P11D, Web Expenses, On-Line Timesheets, Annual leave and Appraisal). The aim to ensure that all users (employees) of the system, will benefit by taking more control of personnel data related to them. This means that the Council can continue to expand reporting of personal data and performance.

The Business Unit Leader will aim to progress some elements of a shared service in order to drive down costs and increase resilience of these services.

Census ICT

The year will see some further consolidation of services and servers to enable the more efficient working of all the partner councils. Specific projects are detailed within the papers presented to the Census Joint Committee in September 2011. Work carries on in providing a new Storage Area Network to provide the all-council corporate document management system now being implemented by Development Management and potentially, other services.

Other projects include implementing a Disaster Recovery solution, Email Archiving software, network switch replacement and the continued move of hardware to the Horsham server suit.

Census Revenues and Benefits

The service is operating in a time of some considerable change. The main ones that will be dealt with and implemented are; developing and introducing plans for localisation of support for council tax by March 2013, introducing e-billing for all customers, developing SMS contact with customers, introducing self-service via the CenSus web site.

For Benefits we also need to plan for the introduction of Universal credits in Oct 2013, and gauge the extent to which we as a local authority will be involved in its implementation. For new claims under the current system we will introduce risk assessment and other changes to better target resources to reduce fraud and error in the caseload. When we do find fraud however, we need to keep up our good performance in recovering overpayments.

We will also be training staff in both their current work and the changes being implemented. A trained workforce that is up to date in their professional development makes a significant impact in a customer service organisation such as CenSus.

FINANCE ACCOUNTANCY VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Recharges	55
Inflation	4
Pressure - financial system upgrade	9
Pressure - financial software maintenance	11
Salary adjustments *	1
Total	<u><u>80</u></u>
Budget Changes - Decreasing	
Ongoing 2010/11 savings - minor variations	(1)
Payback to reserve - fully repaid	(4)
Service redesign savings - reduction in headcount	(75)
Total	<u><u>(80)</u></u>
Total Variation for Finance Accountancy	<u><u><u>0</u></u></u>

* Includes salary increments and variations to National Insurance calculations

FINANCE ACCOUNTANCY BUDGET 2012/13	Budget 2012/13 £'000	Accountancy Support £'000
Gross Expenditure		
Employees	464	464
Premises Related Expenditure	0	0
Transport Related Expenditure	0	0
Supplies and Services	104	104
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	118	118
	686	686
Gross Income		
Customer and Client Receipts	0	0
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(715)	(715)
	(715)	(715)
Net Expenditure	(29)	(29)
Budget 2011/12	(29)	(29)
Change from 2011/12		
£'000 Change	(0)	(0)
% Change	0%	
Other Items 2012/13		
Capital Financing Costs	29	29
Capital Financing Income	0	0
Specific Items	5	5

FINANCE CORPORATE VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	3
Lump sum payment to pension fund	118
Pressure - Insurance premium increase	5
	<hr/>
Total	126
	<hr/>
Budget Changes - Decreasing	
Recharges	(39)
Savings - mortgage software	(1)
	<hr/>
Total	(40)
	<hr/>
	<hr/>
Total Variation for Finance Corporate	86
	<hr/> <hr/>

* Includes salary increments and variations to National Insurance calculations

FINANCE CORPORATE BUDGET 2012/13		Other Corp and Democratic Core	Non Distributed Costs	Insurance	Finance Control Support
	Budget 2012/13				
	£'000	£'000	£'000	£'000	£'000
Gross Expenditure					
Employees	977	0	988	(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	36	20	0	4	12
	1,298	213	988	0	97
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	(97)	0	0	0	(97)
	(97)	0	0	0	(97)
Net Expenditure	1,201	213	988	0	0
Budget 2011/12	1,115	244	870	0	0
Change from 2011/12					
£'000 Change	86	(31)	118	0	0
% Change	8%				
Other Items 2012/13					
Capital Financing Costs	0	0	0	0	0
Capital Financing Income	0	0	0	0	0
Specific Items	9	9	0	0	0

PERSONNEL AND PAYROLL VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments *	1
Inflation	4
Budget for staff moved from Strategic Core	40
	<hr/>
Total	45
	<hr/>
Budget Changes - Decreasing	
Recharges	(37)
Savings - minor variations	(3)
	<hr/>
Total	(40)
	<hr/>
Total Variation for Personnel and Payroll	5
	<hr/>

* Includes salary increments and variations to National Insurance calculations

PERSONNEL & PAYROLL BUDGET 2012/13			
	Budget 2012/13	Personnel and Payroll	Corporate Org Development
	£'000	£'000	£'000
Gross Expenditure			
Employees	329	325	4
Premises Related Expenditure	0	0	0
Transport Related Expenditure	4	4	0
Supplies and Services	55	55	0
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	100	100	0
	488	484	4
Gross Income			
Customer and Client Receipts	0	0	0
Rents	0	0	0
Government Grants	0	0	0
Other Grants Reimburse/Contributions	(4)	(4)	0
Recharges	(484)	(393)	(91)
	(488)	(397)	(91)
Net Expenditure	0	87	(87)
Budget 2011/12	(5)	81	(86)
Change from 2011/12			
£'000 Change	5	6	(1)
% Change	(100%)		
Other Items 2012/13			
Capital Financing Costs	0	0	0
Capital Financing Income	0	0	0
Specific Items	2	2	0

CENSUS ICT VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	18
Recharges	107
Total	<u>125</u>
Budget Changes - Decreasing	
Service redesign savings	(60)
Total	<u>(60)</u>
Total Variation for CenSus ICT	<u><u>65</u></u>

* Includes salary increments and variations to National Insurance calculations

ICT BUDGET 2012/13	Budget 2012/13 £'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	548	0	548	0
Transfer Payments	0	0	0	0
Support Services	190	186	0	4
	933	196	737	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	(1,074)	(337)	(737)	0
	(1,074)	(337)	(737)	0
Net Expenditure	(141)	(141)	0	0
Budget 2011/12	(206)	(206)	0	0
Change from 2011/12				
£'000 Change	65	65	0	0
% Change	(31%)			
Other Items 2012/13				
Capital Financing Costs	141	141	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 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	11
Administration Subsidy reduction	56
Pressure - discretionary rate relief	10
Total	<u>77</u>
Budget Changes - Decreasing	
Salary adjustments*	(6)
Reduction in car allowances (year 3)	(2)
Recharges	(70)
Service redesign savings	(231)
Total	<u>(309)</u>
Total Variation for Census Revenues & Benefits	<u><u>(232)</u></u>

* Includes salary increments and variations to National Insurance calculations

REVENUES & BENEFITS BUDGET 2012/13		Census Benefits Administration	Census Revenue Collection	Benefits Administration	Revenue Collection
	Budget 2012/13	£'000	£'000	£'000	£'000
Gross Expenditure					
Employees	2,645	1,413	1,196	20	16
Premises Related Expenditure	0	0	0	0	0
Transport Related Expenditure	109	80	29	0	0
Supplies and Services	702	422	238	13	29
Third Party Payments	0	0	0	0	0
Transfer Payments	87	0	0	0	87
Support Services	711	0	0	408	303
	4,254	1,915	1,463	441	435
Gross Income					
Customer and Client Receipts	(586)	(14)	(572)	0	0
Rents	0	0	0	0	0
Other Grants Reimburse/Contributions	(1,771)	(1,206)	(565)	0	0
Government Grants	(720)	0	0	(549)	(171)
Recharges	0	0	0	0	0
	(3,077)	(1,220)	(1,137)	(549)	(171)
Net Expenditure	1,177	695	326	(108)	264
Budget 2011/12	1,409	686	562	(134)	295
Change from 2011/12					
£'000 Change	(232)	9	(236)	26	(31)
% Change	(16%)				
Other Items 2012/13					
Capital Financing Costs	19	0	0	0	19
Capital Financing Income	0	0	0	0	0
Specific Items	0	0	0	0	0

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

Housing

2012-13 will be a year of increasing change and challenge for housing services. The impact of welfare reforms will increase as existing private sector tenants are hit by the overall reduction in housing benefit, and single people under 35 are hit by the reduction in their entitlement to the rate for a single room. These changes are likely to make it more difficult to access or retain private rented housing, and will thus increase homelessness and the need for housing advice, placing pressure on our services and budgets, and increasing the number of people we expect to have to place in temporary accommodation. To address this we will continue with our homeless prevention work, in particular working with colleagues in West Sussex County Council to ensure appropriate support is provided to help vulnerable people retain their homes, and helping young single people access home sharing or mediation opportunities. We are also working with Affinity Sutton to increase the amount of temporary accommodation available, and have increased the budget for temporary accommodation by £100K.

The way affordable housing is funded is also changing, with the introduction of higher rents and fixed term tenancies for some tenants, leading to a wide and potentially confusing range of options. We will be publishing our tenancy strategy to help guide our Registered Provider partners to ensure we continue to meet the needs of local people on low incomes, make sure that fixed term tenancies do not increase homelessness further, and that we all provide our customers with clear advice. Our revised housing allocation scheme will be implemented and its impact kept under review, in particular in light of the impact of the new affordable rent regime.

Environmental Health

The focus in Environmental Health will be on maintaining service standards whilst increasing efficiency through the introduction of Electronic Document Management System. As part of this we will analyse existing systems and processes to identify areas for improvement. Subject to the outcome of the Local Government Resource Review, we will look to use some of the New Homes Bonus to clear the backlog of Disabled Facility Grant applications, so that disabled people can have the necessary adaptations done in a timely manner. Other key areas include developing an action plan in response to our declaration of an Air Quality Management Area at Stonepound crossroads in Hassocks, and continuing to work with those food businesses whose hygiene ratings fall below the desired standard.

Building Control

Building Control is very much influenced by the economy, and specifically by the housing market. The challenge here will be to maintain business and income levels. Given the economic outlook, we are not anticipating any increase in fee income. We cannot influence the overall quantum of business, but to ensure we retain our share of it we will be asking existing clients for their views on our service, so that if required we can better tailor it to their needs. We are turning work around much more quickly than previously to help our clients, and have set ourselves a more ambitious target of 95% of site inspections within 24 hours. We will be investigating the potential for EDRMS to increase efficiency, with a view to its being introduced in 2013-14.

HOUSING VARIATION TABLE	
Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget	
Description	Variation £'000
Budget Changes - Increasing	
Inflation	5
Pressure - Temporary Accommodation	100
Pressure - discontinued shared service with Crawley BC	19
Total	<u>124</u>
Budget Changes - Decreasing	
Salary adjustments *	(3)
Recharges	(34)
Savings - minor variations	(13)
Total	<u>(50)</u>
Total Variation for Housing	<u><u>74</u></u>
* Includes salary increments and variations to National Insurance calculations	

HOUSING BUDGET 2012/13	Budget 2012/13 £'000	Housing Needs £'000	Housing Needs Grant £'000	Housing Enabling £'000
Gross Expenditure				
Employees	353	248	0	105
Premises Related Expenditure	0	0	0	0
Transport Related Expenditure	17	12	0	5
Supplies and Services	207	179	23	5
Third Party Payments	0	0	0	0
Transfer Payments	392	392	0	0
Support Services	175	90	3	82
	1,144	921	26	197
Gross Income				
Customer and Client Receipts	(9)	0	(9)	0
Rents	0	0	0	0
Government Grants	(85)	(85)	0	0
Other Grants Reimburse/Contributions	(162)	(157)	(5)	0
Recharges	0	0	0	0
	(256)	(242)	(14)	0
Net Expenditure	888	679	12	197
Budget 2011/12	814	601	14	199
Change from 2011/12				
£'000 Change	74	78	(2)	(2)
% Change	9%			
Other Items 2012/13				
Capital Financing Costs	0	0	0	0
Capital Financing Income	0	0	0	0
Specific Items	13	13	0	0

ENVIRONMENTAL HEALTH VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments *	23
Pressure - loss of Tandridge DC dog contract	30
	<hr/>
Total	53
	<hr/>
Budget Changes - Decreasing	
Recharges	(31)
Reduction in car allowances (year 3)	(4)
Inflation	(6)
Saving - staff reduction in hours	(18)
Saving - minor variations	(12)
	<hr/>
Total	(71)
	<hr/>
Total Variation for Environmental Health	(18)
	<hr/> <hr/>

* Includes salary increments and variations to National Insurance calculations

ENVIRONMENTAL HEALTH BUDGET 2012/13		Contaminated Land	Housing Standards	Safety and Licensing	Environmental Protection
	Budget 2012/13	£'000	£'000	£'000	£'000
Gross Expenditure					
Employees	802	30	142	419	211
Premises Related Expenditure	0	0	0	0	0
Transport Related Expenditure	58	2	7	23	26
Supplies and Services	84	3	3	35	43
Third Party Payments	5	0	0	0	5
Transfer Payments	1	0	0	0	1
Support Services	328	9	26	131	162
	1,278	44	178	608	448
Gross Income					
Customer and Client Receipts	(327)	(1)	(1)	(260)	(65)
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
	(327)	(1)	(1)	(260)	(65)
Net Expenditure	951	43	177	348	383
Budget 2011/12	969	44	192	357	376
Change from 2011/12					
£'000 Change	(18)	(1)	(15)	(9)	7
% Change	(2%)				
Other Items 2012/13					
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 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Recharges	42
Total	<u>42</u>
Budget Changes - Decreasing	
Reduction in car allowances (year 3)	(2)
Budget for staff moved to Planning Services Support	(21)
Budget for staff moved to Development Management	(16)
Total	<u>(39)</u>
Total Variation for Building Control	<u><u>3</u></u>

BUILDING CONTROL BUDGET 2012/13	Budget 2012/13 £'000	Building Control £'000
Gross Expenditure		
Employees	513	513
Premises Related Expenditure	0	0
Transport Related Expenditure	32	32
Supplies and Services	28	28
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	133	133
	<u>706</u>	<u>706</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>220</u>	<u>220</u>
Budget 2011/12	217	217
Change from 2011/12		
£'000 Change	3	3
% Change	2%	
Other Items 2012/13		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

Leisure & Sustainability
Mark Fisher, Head of Leisure & Sustainability

Community Services and Culture

We will continue to work with third sector organisations and community groups to provide efficient and effective local community services including delivery of Legacy events as part of the London 2012 Olympics.

The team will continue to work on both embedding sustainability and climate change initiatives within the Council's operations and working with our communities to reduce carbon emissions. Key projects for the team include the delivery of the new community facilities at the Bolnore recreation site, implementation of the first full year of the Wellbeing Hub service, along with the commissioning of prevention and wellbeing projects to improve the health of residents and the production of a playing pitch strategy for the District.

Leisure Operations

The procurement process for a new leisure management contract will commence. Work will also be undertaken regarding the potential re-provision of Martlets Hall.

Parking Services

The team will continue working on the options developed in the 10 year Parking Strategy. In particular reviews of parking payment options, together with a review of short and long-stay parking splits in the dual function car parks. The underutilised car parks will be investigated for possible disposal, partial disposal, alternative management or alternative use. It is proposed that car parking charges in the up to one hour and the one to two hours bands will be increased by 20p. All other time bands will remain at 2011 rates.

Cleansing Services

The team will work with SERCO, to expand the garden waste collection service by an additional 600 subscribers, and to include additional Saturday collections. It is proposed that the charge levied for garden waste will be increased by £5 from April 2012. Progress will be made regarding the re-provision of the Council's waste and recycling depot at Bridge Road, Haywards Heath, which is occupied and managed by SERCO, the Council's service provider. The Council will also be working with the West Sussex waste collection and disposal authorities to tackle a shared problem of poor quality recycling in parts of our communities. The team will be looking to achieve improved customer satisfaction levels in street sweeping of 80.5% and refuse collections of 79.5%.

Facility Management and Street Scene

The team is looking to conclude the land disposal arrangements with East Grinstead Town Council, following the completion of the new public toilets at Kings Street, East Grinstead. The initial implementation of the community toilets scheme will be reviewed with a further push towards expansion to each town as an alternative to secondary toilets.

Landscapes

Procurement efficiencies will be delivered through the re-tendered arboriculture contract and the revised grounds maintenance contract. Work will commence on achieving further efficiencies through revised specifications for a combined tender exercise with adjacent local authorities for the main grounds maintenance works in the District. Options that continue the work we began last year to move, where possible, to lower maintenance regimes together with reduced spending on hard landscaping features will be developed. The team will seek to retain the Green Flag Award for Beech Hurst as well as delivering a further range of play related improvement projects across the District. [NB the financial information for this service is included within the table for facility management and street scene].

COMMUNITY SERVICES & CULTURE VARIATION TABLE	
Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget	
Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments *	4
Pressure - concessionary fares - statutory	17
Pressure - concessionary fares - discretionary	6
Total	<u>27</u>
Budget Changes - Decreasing	
Recharges	(37)
Contingency for concessionary fares	(50)
Payback to reserves - fully repaid	(3)
Service redesign savings	(25)
Total	<u>(115)</u>
Total Variation for Community Services & Culture	<u><u>(88)</u></u>
* Includes salary increments and variations to National Insurance calculations	

COMMUNITY SERVICES & CULTURE BUDGET 2012/13		Budget 2012/13 £'000	Grants to Organisations £'000	Concessionary Fares £'000	Sustainability Climate Change £'000	Community Leisure and Developmt £'000
Gross Expenditure						
Employees	322	38	23	18	243	
Premises Related Expenditure	0	0	0	0	0	
Transport Related Expenditure	19	1	1	1	16	
Supplies and Services	388	259	2	13	114	
Third Party Payments	87	0	87	0	0	
Transfer Payments	3	0	0	0	3	
Support Services	198	28	37	27	106	
	1,017	326	150	59	482	
Gross Income						
Customer and Client Receipts	(100)	0	0	0	(100)	
Rents	0	0	0	0	0	
Government Grants	0	0	0	0	0	
Other Grants Reimburse/Contribution	(151)	0	(145)	0	(6)	
Recharges	0	0	0	0	0	
	(251)	0	(145)	0	(106)	
Net Expenditure	766	326	5	59	376	
Budget 2011/12	854	340	46	79	389	
Change from 2011/12						
£'000 Change	(88)	(14)	(41)	(20)	(13)	
% Change	(10%)					
Other Items 2012/13						
Capital Financing Costs	0	0	0	0	0	
Capital Financing Income	0	0	0	0	0	
Specific Items	105	98	7	0	0	

LEISURE OPERATIONS CLIENT VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	5
Budget for Martlets Hall library rent moved from Property	15
Total	<u>20</u>
Budget Changes - Decreasing	
Salary adjustments *	(1)
Recharges	(13)
Savings - reduction in provision for planned maintenance closures	(48)
Total	<u>(62)</u>
Total Variation for Leisure Operations Client	<u>(42)</u>

* Includes salary increments and variations to National Insurance calculations

LEISURE OPERATIONS CLIENT BUDGET 2011/12	Budget 2012/13 £'000	Leisure Centres £'000
Gross Expenditure		
Employees	121	121
Premises Related Expenditure	320	320
Transport Related Expenditure	3	3
Supplies and Services	560	560
Third Party Payments	44	44
Transfer Payments	0	0
Support Services	57	57
	<u>1,105</u>	<u>1,105</u>
Gross Income		
Customer and Client Receipts	0	0
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	0	0
	<u>0</u>	<u>0</u>
Net Expenditure	<u>1,105</u>	<u>1,105</u>
Budget 2011/12	1,147	1,147
Change from 2011/12		
£'000 Change	(42)	(42)
% Change	(4%)	
Other Items 2012/13		
Capital Financing Costs	1,027	1,027
Capital Financing Income	0	0
Specific Items	50	50

PARKING SERVICES VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	17
Total	<u>17</u>
Budget Changes - Decreasing	
Salary adjustments *	(5)
Recharges	(32)
Savings - fuel	(3)
Savings - season tickets additional income	(47)
Savings - additional licence income	(6)
Service redesign savings - reduction in staffing	(2)
Service redesign savings - car park charges increase	(75)
Total	<u>(170)</u>
Total Variation for Parking Services	<u><u>(153)</u></u>

* Includes salary increments and variations to National Insurance calculations

PARKING SERVICES BUDGET 2012/13			
	Budget 2012/13	Car Parks	Parking Enforcement
	£'000	£'000	£'000
Gross Expenditure			
Employees	497	39	458
Premises Related Expenditure	365	365	0
Transport Related Expenditure	41	10	31
Supplies and Services	88	47	41
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	149	149	0
	1,140	610	530
Gross Income			
Customer and Client Receipts	(1,908)	(1,565)	(343)
Rents	0	0	0
Government Grants	0	0	0
Other Grants Reimburse/Contributions	(187)	0	(187)
Recharges	0	0	0
	(2,095)	(1,565)	(530)
Net Expenditure	(955)	(955)	0
Budget 2011/12	(802)	(802)	0
Change from 2011/12			
£'000 Change	(153)	(153)	0
% Change	19%		
Other Items 2012/13			
Capital Financing Costs	84	84	0
Capital Financing Income	0	0	0
Specific Items	0	0	0

CLEANSING SERVICES VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	84
Refuse Collection - additional properties	16
Total	100
Budget Changes - Decreasing	
Recharges	(11)
Payback to reserves - fully repaid	(12)
Reduction in car allowances (year 3)	(1)
Savings - additional recycling credit income	(40)
Service redesign savings - extend life of freighters	(20)
Service redesign savings - increase garden waste customers	(73)
Service redesign savings - garden waste price increase	(60)
Total	(217)
Total Variation for Cleansing Services	(117)

* Includes salary increments and variations to National Insurance calculations

CLEANSING SERVICES BUDGET 2012/13		Budget 2012/13 £'000	District Drainage £'000	Refuse Collection £'000	Recycling Bring Sites £'000	Highway Cleansing £'000	Highway Maintenance £'000
Gross Expenditure							
Employees	233	37	77	49	48	22	
Premises Related Expenditure	55	30	1	10	0	14	
Transport Related Expenditure	18	2	5	5	4	2	
Supplies and Services	64	1	40	22	1	0	
Third Party Payments	3,668	0	2,626	0	1,042	0	
Transfer Payments	0	0	0	0	0	0	
Support Services	240	22	124	66	22	6	
	4,278	92	2,873	152	1,117	44	
Gross Income							
Customer and Client Receipts	(802)	0	(802)	0	0	0	
Rents	0	0	0	0	0	0	
Government Grants	0	0	0	0	0	0	
Other Grants Reimburse/Contributions	(743)	0	(18)	(708)	(17)	0	
Recharges	0	0	0	0	0	0	
	(1,545)	0	(820)	(708)	(17)	0	
Net Expenditure	2,733	92	2,053	(556)	1,100	44	
Budget 2011/12	2,850	103	2,086	(504)	1,122	43	
Change from 2011/12							
£'000 Change	(117)	(11)	(33)	(52)	(22)	1	
% Change	(4%)						
Other Items 2012/13							
Capital Financing Costs	356	197	159	0	0	0	
Capital Financing Income	0	0	0	0	0	0	
Specific Items	0	0	0	0	0	0	

FACILITY MANAGEMENT & STREET - SCENE VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments*	15
Inflation	44
Total	59
Budget Changes - Decreasing	
Recharges	(14)
Ongoing 2010/11 savings - fixed plant procurement	(23)
Ongoing 2010/11 savings - facilities income	(2)
Ongoing 2010/11 savings - pavilion/public conveniences deep clean one year only	(26)
Reduction in car allowances (year 3)	(3)
Service redesign savings - reduction of soft landscaping	(25)
Service redesign savings - reduction of hard landscaping	(10)
Service redesign savings - removal of partnership grants to towns	(1)
Service Redesign savings - play areas	(8)
Total	(112)
Total Variation for Facilities Management & Street - Scene	(53)

* Includes salary increments and variations to National Insurance calculations

**FACILITY MANAGEMENT & STREET-
SCENE
BUDGET 2012/13**

	Budget 2012/13 £'000	Outdoor Facilities £'000	Trust Fund Accounts £'000	Public Conveniences £'000
Gross Expenditure				
Employees	439	392	5	42
Premises Related Expenditure	1,384	1,246	84	54
Transport Related Expenditure	29	26	0	3
Supplies and Services	112	108	2	2
Third Party Payments	85	7	0	78
Transfer Payments	0	0	0	0
Support Services	246	212	2	32
	2,295	1,991	93	211
Gross Income				
Customer and Client Receipts	(218)	(210)	(8)	0
Rents	(114)	(32)	(82)	0
Government Grants	0	0	0	0
Other Grants Reimburse/Contributions	(1)	(1)	0	0
Recharges	0	0	0	0
	(333)	(243)	(90)	0
Net Expenditure	1,962	1,748	3	211
Budget 2011/12	2,015	1,787	(9)	237
Change from 2011/12				
£'000 Change	(53)	(39)	12	(26)
% Change	(3%)			
Other Items 2012/13				
Capital Financing Costs	214	195	0	20
Capital Financing Income	0	0	0	0
Specific Items	26	26	0	0

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

Legal

The legal section has retained its Lexcel accreditation following a full re-inspection in October 2011 and it will continue to work to these performance standards. Additional work is expected in 2012/13 in connection with planning obligations with the District Plan heading towards the Planning Inspectorate which should help with meeting income targets. We also expect to have a number of acquisitions and disposals of land to deal with to raise funds to maintain existing assets. There are likely to be changes in licensing guidance but we expect the level of hearings to remain steady at about 24 per year. Legal input into the delivery of community projects continues to be an important element of the work of the section. This workload will be delivered within existing resources.

Property and Asset Management

The property team have maintained a high level of rental receipts and a high level of property occupancy and therefore income in difficult times. While the market is not conducive to any large property disposals there are particular purchasers willing to pay acceptable sums to buy particular landholdings or the freehold of their property or extend their lease period to enable them to finance further investment in their business. Any receipts received will help support the essential capital programme for repairs and improvements to Council property. The Council does not have funds for any general property investment but may wish to make some strategic investments in this favourable acquisition market. The Building and Asset Maintenance Team have recently combined with the Property Team, forming a new Business Unit which will also be responsible for supporting the Better Mid Sussex work which should see planning applications in all 3 towns in 2012 for retail enhancements alongside improved stations at East Grinstead, Haywards Heath, Wivelsfield and Hassocks. There will also be property agreements to consider in two of our three town centres.

Member Support Services & Elections

The Elections team will deliver the police commissioner election in November 2012 and any by-elections that are required through the year. They will also be working towards individual voter registration and be dealing with 3 town/parish reviews. They will continue to try to get voters to register to vote via telephone and e-mail to reduce postal costs.

With the co-operation of Members the Member Services team will work towards fewer hard copies and less material being posted to achieve the savings agreed in 2010/11. They will progress the "paperless" project through use of electronic systems.

Land Charges

In 2009 and 2010 the service has made a loss with the rapid downturn in activity in the property market from September 2007 onwards. However in 2011 the number of full searches has picked up against a fall in personal searches and the service will make a small profit in 2011/12. There are no longer any charges for personal searches and litigation continues against the Government and most Local Authorities by the personal search companies about such fees paid in earlier years.

LEGAL SERVICES VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments *	4
	<hr/>
Total	4
	<hr/>
Budget Changes - Decreasing	
Saving - minor variations	(4)
	<hr/>
Total	(4)
	<hr/>
Total Variation for Legal Services	0
	<hr/> <hr/>

* Includes salary increments and variations to National Insurance calculations

LEGAL SERVICES BUDGET 2012/13	Budget 2012/13 £'000	Legal Support Costs £'000
Gross Expenditure		
Employees	263	263
Premises Related Expenditure	0	0
Transport Related Expenditure	1	1
Supplies and Services	29	29
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	116	116
	409	409
Gross Income		
Customer and Client Receipts	(62)	(62)
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(347)	(347)
	(409)	(409)
Net Expenditure	0	0
Budget 2011/12	0	0
Change from 2011/12		
£'000 Change	0	0
% Change		
Other Items 2012/13		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

PROPERTY AND ASSET MANAGEMENT	
Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget	
Description	Variation £'000
Budget Changes - Increasing	
Recharges	54
Inflation	28
Salary adjustments *	13
Total	<u>95</u>
Budget Changes - Decreasing	
Budget for Martlets Hall Library rent moved from Leisure Operations	(15)
Ongoing 2010/11 savings - fixed plant procurement	(13)
Reduction in car allowances (year 3)	(1)
Martlets (Market Place) car park deed of variation	(5)
Savings - increased income	(2)
Savings - Emergency Planning	(20)
Service redesign savings - staff reduction	(101)
Service redesign savings - energy efficiency	(12)
Total	<u>(169)</u>
Total Variation for Property and Asset Management	<u><u>(74)</u></u>

**PROPERTY AND ASSET
MANAGEMENT
BUDGET 2012/13**

	Budget 2012/13 £'000	Property Operational £'000	Investment Property £'000	Contracts £'000	Oaklands £'000	Personnel and Payroll £'000	Corporate Org Development £'000	Emergency Planning £'000	Better Mid Sussex £'000
Gross Expenditure									
Employees	289	0	119	0	106	0	27	19	18
Premises Related Expenditure	379	14	4	0	361	0	0	0	0
Transport Related Expenditure	26	0	4	12	6	0	2	1	1
Supplies and Services	85	10	12	19	34	0	2	7	1
Third Party Payments	78	0	0	0	78	0	0	0	0
Transfer Payments	0	0	0	0	0	0	0	0	0
Support Services	330	11	128	71	49	0	23	15	33
	1,187	35	267	102	634	0	54	42	53
Gross Income									
Customer and Client Receipts	(4)	0	(3)	0	(1)	0	0	0	0
Rents	(1,351)	(86)	(1,265)	0	0	0	0	0	0
Government Grants	0	0	0	0	0	0	0	0	0
Other Grants Reimburse/Contribution:	(9)	0	0	0	(9)	0	0	0	0
Recharges	(969)	0	0	(102)	(813)	0	(54)	0	0
	(2,333)	(86)	(1,268)	(102)	(823)	0	(54)	0	0
Net Expenditure	(1,146)	(51)	(1,001)	0	(189)	0	0	42	53
Budget 2011/12	(1,072)	(53)	(976)	0	(244)	86	(86)	64	137
Change from 2011/12									
£'000 Change	(74)	2	(25)	0	55	(86)	86	(22)	(84)
% Change	7%								
Other Items 2012/13									
Capital Financing Costs	253	64	0	0	189	0	0	0	0
Capital Financing Income	0	0	0	0	0	0	0	0	0
Specific Items	0	0	0	0	0	0	0	0	0

MEMBER SUPPORT SERVICES & ELECTIONS VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Inflation	2
Salary adjustments *	4
Pressure - Member Allowances correction of budget	6
Pressure - elections staff costs	10
Pressure - committee printing partial non achievement 2011/12 saving	6
	<hr/>
Total	28
	<hr/>
Budget Changes - Decreasing	
Recharges	(4)
Budget for staff moved to Performance and Partnerships	(24)
	<hr/>
Total	(28)
	<hr/>
Total Variation for Member Support Services & Elections	0
	<hr/> <hr/>

* Includes salary increments and variations to National Insurance calculations

MEMBER SUPPORT SERVICES & ELECTIONS BUDGET 2012/13	Budget 2012/13 £'000	Elections and Registration £'000	Members Services £'000
Gross Expenditure			
Employees	188	74	114
Premises Related Expenditure	2	0	2
Transport Related Expenditure	16	0	16
Supplies and Services	574	136	438
Third Party Payments	0	0	0
Transfer Payments	0	0	0
Support Services	180	88	92
	960	298	662
Gross Income			
Customer and Client Receipts	(9)	(2)	(7)
Rents	0	0	0
Government Grants	0	0	0
Other Grants Reimburse/Contributions	0	0	0
Recharges	(159)	0	(159)
	(168)	(2)	(166)
Net Expenditure	792	296	496
Budget 2011/12	792	304	488
Change from 2011/12			
£'000 Change	0	(8)	8
% Change			
Other Items 2012/13			
Capital Financing Costs	3	3	0
Capital Financing Income	0	0	0
Specific Items	3	3	0

LAND CHARGES VARIATION TABLE

Analysis of changes in budget between 2011/12 original budget, and 2012/13 budget

Description	Variation £'000
Budget Changes - Increasing	
Salary adjustments *	2
Total	<u>2</u>
Budget Changes - Decreasing	
Recharges	(4)
Savings - electronic searches	(5)
Savings - additional income	(4)
Total	<u>(13)</u>
Total Variation for Land Charges	<u><u>(11)</u></u>

* Includes salary increments and variations to National Insurance calculations

LAND CHARGES BUDGET 2012/13	Budget 2012/13 £'000	Local Land Charges £'000
Gross Expenditure		
Employees	102	102
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	97	97
	<u>202</u>	<u>202</u>
Gross Income		
Customer and Client Receipts	(129)	(129)
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	0	0
	<u>(129)</u>	<u>(129)</u>
Net Expenditure	<u>73</u>	<u>73</u>
Budget 2011/12	84	84
Change from 2011/12		
£'000 Change	(11)	(11)
% Change	(13%)	
Other Items 2012/13		
Capital Financing Costs	26	26
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 2011/12 original budget, and 2012/13 budget	
Description	Variation £'000
Budget Changes - Increasing	
Inflation	1
Salary adjustments *	17
Pressure - procurement service	26
Total	<u>44</u>
Budget Changes - Decreasing	
Budget for staff moved to Personnel & Payroll	(40)
Service redesign savings - staff reduction	(57)
Total	<u>(97)</u>
Total Variation for Strategic Core	<u><u>(53)</u></u>
* Includes salary increments and variations to National Insurance calculations	

STRATEGIC CORE BUDGET 2011/12	Budget 2012/13 £'000	Strategic Core £'000
Gross Expenditure		
Employees	1,081	1,081
Premises Related Expenditure	1	1
Transport Related Expenditure	12	12
Supplies and Services	18	18
Third Party Payments	0	0
Transfer Payments	0	0
Support Services	1,046	1,046
	2,158	2,158
Gross Income		
Customer and Client Receipts	0	0
Rents	0	0
Government Grants	0	0
Other Grants Reimburse/Contributions	0	0
Recharges	(1,027)	(1,027)
	(1,027)	(1,027)
Net Expenditure	1,131	1,131
Budget 2011/12	1,184	1,184
Change from 2011/12		
£'000 Change	(53)	(53)
% Change	(5%)	
Other Items 2012/13		
Capital Financing Costs	0	0
Capital Financing Income	0	0
Specific Items	0	0

Forecast of Benefits Costs 2012/13

	2010/11 Accounts	2011/12 Budget	2011/12 Forecast	2012/13 Estimate	
Non HRA Rent Rebates					
	£'000	£'000	£'000	£'000	
gross expenditure	233	94	148	148	
net expenditure at standard subsidy					
effect of reduced subsidy	103	2	11	11	
effect of overpayments	(8)	(3)	(12)	(12)	
Total Rent Rebates	95	(1)	(1)	(1)	
Rent Allowances					
	£'000	£'000	£'000	£'000	
gross expenditure	28,849	28,370	29,927	29,927	
net expenditure at standard subsidy	0	0	0	0	
effect of reduced subsidy	613	550	531	531	
effect of overpayments	(623)	(475)	(462)	(462)	1
Total Rent Allowances	(10)	75	69	69	
Council Tax Benefit					
	£'000	£'000	£'000	£'000	
gross expenditure	7,574	7,364	7,441	7,441	
net expenditure at standard subsidy	0	0	0	0	
effect of reduced subsidy	0	0	0	0	
effect of overpayments	(130)	(146)	(104)	(104)	2
Total Council Tax Benefit	(130)	(146)	(104)	(104)	
Discretionary Local Scheme					
Council Tax Benefit					
Rent Allowances	53	64	36	36	
Subsidy 75%	(40)	(48)	(27)	(27)	
Total Discretionary scheme	13	16	9	9	
Total Support	(32)	(56)	(27)	(27)	
Add : Previous Year Adjustment					
Less : LA Error subsidy	(83)	(78)	(76)	(76)	3
Adjustment for 2007/08 claim	(2)	0	0	0	
Adjustment for 2008/09 claim			0		
Transfer to Benefits Equalisation Reserve	0	0	0	0	
(Less)/Add : Funding (from)/to Benefits Equalisation Reserve	64	41	10	10	4
Cost to MSDC	(53)	(93)	(93)	(93)	

(1) The introduction of Local Housing Allowance in 2008/2009 was forecast to reduce overpayment collection rates. This was due to the payment of Housing Benefits directly to Benefit recipients rather than the previous system of payments to Landlords. This involves a gradual process of transfer to tenants over a number of years and should result in a long term reduction in collection rates already included within the forecast.

(2) Overpayments which are not caused by LA error in relation to Council Tax attract 40% 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 reduced due to decreasing volumes of overpayments.

(3) LA error volumes for 2011/12 are lower than expected. This is due to the lower than budgeted overpayment volumes, resulting in lower volumes of LA error.

(4) The amount to be drawn from or transferred to the Benefits Equalisation reserve is calculated to bring the final cost to MSDC back to required budget. The Benefits equalisation reserve was set up from previous years surplus's. Due to the lower overpayment volumes forecast and the resulting adverse effect, a lower payment to the equalisation reserve is budgeted in order to preserve the Revenue budget.

CAPITAL PROGRAMME 2011/12 - 2015/16

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 2011/12;
 - A detailed list of the proposed projects for 2012/13 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 firstly financed from S106s and topped up by New Homes Bonus until 2013/14.
- 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 2012/13, as detailed further in the paragraphs below.

4.0 Financial Position: Current and Medium Term

4.1 Members will recall that over the last few years work has continued to protect and where possible increase the level of reserves. Part of our strategy was to reduce the overall expenditure on capital projects. Therefore, for 2012/13 the proposed Capital Programme continues to be 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 at least some £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. There are two projects in the programme for building a depot and nursery units at Bridge Road, Haywards Heath, shown as funded from capital receipts loan/contributions respectively. The proposed financing of these projects is not concluded and will be reported to Council when the schemes are ready to start.

5.0 Proposed Projects for 2012/13

- 5.1 In light of the comments above, the capital projects that have come forward 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 and New Homes Bonus.
 - iii) **ICT**
There are now just two schemes identified here – a minimal PC replacement programme at £25k, and a contribution of £48k 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. Cabinet also agreed in principle to use some New Homes Bonus subject to clarification on the LG Resource Review.
 - v) **Playground Improvements**
These are funded wholly from S106s .
 - vi) **Other schemes**
There are a small number of projects to replace and renew equipment and software used in the functions of the authority, which are detailed in the following pages. The largest of these, the replacement depot at Bridge Road, will be the subject of a further report to Cabinet at the appropriate time.
- 5.2 The proposed capital projects to be included in the 2012/13 Capital Programme are set out on the next page.

<i>Description</i>	<i>Project Cost £'000</i>	<i>Project Cost £'000</i>	<i>Revenue Implications</i>
Service Projects			
<i>ICT:</i>			
CenSus ICT Strategy	48		
PC Replacement Programme	25		
Total ICT:		73	
<i>S106 Fully Funded Schemes:</i>			
Improvements to playground at Court Bushes, Hurstpierpoint	9		
Improvements to playground at Forest Fields, Haywards Heath	16		
Improvements to playground at Mt Noddy, East Grinstead	42		
Improvements to playground at Orchard Way, East Grinstead	20		
Total S106 Schemes		87	
<i>Other Schemes:</i>			
Footpath works at Beech Hurst Gardens	15		
BACs Software upgrade	17		
Telephony System upgrade	100		
Replacement Refuse and Recycling Depot	1,500		
Total other schemes		1,632	
Additional Funding			
<i>Major Capital Renewals (MCR):</i>			
Dolphin Leisure Centre, Haywards Heath	43		
Kings Leisure Centre, East Grinstead	60		
Triangle Leisure Centre, Burgess Hill	150		
Oaklands – Air conditioning to ICT server room	12		
Heath Rd Car Park Haywards Heath improvements	25		
King Street Car Park, East Grinstead improvements	35		
East Court, East Grinstead – access road	25		
Bolney Pavilion – toilet and kitchen works	30		
Heating improvements at St Johns, Janes Lane and Whitemans Green Pavilions	20		
Total Major Capital Renewals (MCR)		400	
Housing			
Disabled Facilities Grants	1,000		
Affordable Housing	714		
		1,714	
Total proposed capital projects for 2012/13		3,906	

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

	£'000	£'000
Capital Grants		
(re. Disabled Facilities Grants 60% financed from central government)		348
Capital Grants & Contributions- Receipts in Advance :		
: S106 – Time Limited		71
: S106 – Housing – Time Limited		319
Capital Grants & Contributions Reserve		
: - S106 Contributions – Non Time Limited		16
: - S106 Contributions – Housing – Non Time Limited		35
Capital Receipts		1,500
New Home Bonus		610
General Reserve		205
Met from Revenue Contributions		802
Total Capital Spending 2012/13		3,906

Background Papers

Report to Performance and Scrutiny Committee on 17th January 2012.

Budget Report and Council Tax 2012/13

Budget working papers

**Capital Programme 2011/12 - 2015/16
Programming Summary**

Total Costs £'000	Scheme Description	Payments* to 31/3/2011 £'000					
			2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000
	Service Programme						
2,507	Schemes in Progress	455	1,845	207	0	0	
4,370	New Projects	0	0	2,192	2,014	89	75
<hr/>		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
6,877		455	1,845	2,399	2,014	89	75
<hr/>		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	Additional Funding						
1,200	Unallocated Funding - Future Projects	0	0	0	400	400	400
<hr/>		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
1,200		0	0	0	400	400	400
<hr/>		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
8,077	Total Service Programme	455	1,845	2,399	2,414	489	475
<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
			<----- £7,622,000 ----->				
	Housing Services Programme						
8,933	Disabled Facility Grants	4,843	840	1,000 *	750	750	750
2,887	Affordable Housing	1,393	267	714 *	513 *	0	
<hr/>		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
11,820	Total Housing Services Programme	6,236	1,107	1,714	1,263	750	750
<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
			<----- £5,584,000 ----->				
<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
19,897	Total Programme	6,691	2,952	4,113	3,677	1,239	1,225
<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
			<----- £13,206,000 ----->				

* This includes provisional allocation of New Homes Bonus monies see report to Cabinet 7th November 2011

Capital Programme 2011/12 - 2015/16 Financing Schedule

<i>Description</i>	<i>Notes</i>	<i>2011/12 £'000</i>	<i>2012/13 £'000</i>	<i>2013/14 £'000</i>	<i>2014/15 £'000</i>	<i>2015/16 £'000</i>
Capital Grants - Disabled Facility Grants	1	388	348	348	348	348
Capital Receipts	2	30	1,500	0	0	0
Capital Grants & Contributions Reserve :	3					
: - Capital Contributions		30		600		
: - S106 Contributions -non time limited		127	16	43	42	14
: - S106 Contributions - Housing -non time limited		70	35	153		
Capital Grants & Contributions - Receipts in Advance :	4					
: - S106 Contributions -time limited		243	71	40	22	36
: - S106 Contributions - Housing -time limited		197	319	0	0	0
Loan	5			1,272		
New Homes Bonus	6		610	360		
Use of General Reserves / Revenue Contributions	7	1,867	1,214	861	827	827
Total Programme		2,952	4,113	3,677	1,239	1,225

Notes for Financing Schedule:

1. Government grant received for Disabled Facility Grants.
2. Capital receipts from asset disposals.
3. Capital grants and S106 contributions from developers with no conditions to repay.
4. Capital grants and S106 contributions from developers with conditions to repay if not used within a specified time limited.
5. Amount potentially to be borrowed in order to finance the business starter units at Bridge Road Haywards Heath.
6. Government grant - provisional allocation to Disabled Facility Grants and Affordable Housing schemes.
7. Financing from General Reserve including the use of revenue contributions.

Capital Programme 2011/12 - 2015/16

<i>Scheme Description</i>	<i>Total</i> <i>£'000</i>	<i>Pre 1/4/2011</i> <i>£'000</i>	<i>2011/2012</i> <i>£'000</i>	<i>2012/2013</i> <i>£'000</i>	<i>2013/2014</i> <i>£'000</i>	<i>2014/2015</i> <i>£'000</i>	<i>2015/2016</i> <i>£'000</i>
<i>Performance & Partnerships, Customer Services & Communications</i>							
Content management system	43	0	43				
<i>Total Performance & Scrutiny, Partnerships, Customer Ser & Comms</i>	43	0	43	0	0	0	0
<i>Economic Promotion and Planning</i>							
S106 monitoring software	12	0	12				
<i>Total Economic Promotion and Planning</i>	12	0	12	0	0	0	0
<i>Leisure & Sustainability</i>							
Bolnore Woodland	23	19	4				
Improvements to Victoria Park skatepark Haywards Heath	32	23	9				
Bolnore leisure site	50	0	50				
Improvement works to playground at Victoria Park Haywards Heath	86	0	86				
Improvements to playground at Queens Crescent Burgess Hill	54	0	54				
Improvements to play facilities at Balcombe recreation ground	10	0	10				
Improvements to Dolphin playground Haywards Heath	9	0	9				
Imps to playground at Kings Centre East Grinstead	50	0	50				
Extend skatepark at Kings Centre East Grinstead	78	0	78				
King Street public conveniences East Grinstead	200	0	200				
Improvements to playground at Fairfield Rec Hurstpierpoint	7	0	7				
Improvements to athletics facilities at Whitmans Green Cuckfield	11	0	11				
Footpath works at Beech Hurst Gardens	15	0			15		
Improvements to playground at Court Bushes Hurstpierpoint	9	0			9		
Improvements to playground at Forest Fields Haywards Heath	16	0			16		
Improvements to playground at Mt Noddy East Grinstead	42	0			42		

Capital Programme 2011/12 - 2015/16

<i>Scheme Description</i>	<i>Total</i>	<i>Pre 1/4/2011</i>	<i>2011/2012</i>	<i>2012/2013</i>	<i>2013/2014</i>	<i>2014/2015</i>	<i>2015/2016</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>Leisure & Sustainability Contd</i>							
Improvements to playground at Orchard Way East Grinstead	20	0		20			
Improvements to playground at Beech Hurst Gardens	40	0			40		
Improvements to playground at Cuckfield Recreation ground	14	0			14		
Improvements to playground at Barn Close Pease Pottage	14	0			14		
Improvements to playground - Imberhome Lane Rec East Grinstead	49	0			49		
Improvements to playground at Manor Glade East Grinstead	13	0				13	
Improvements to playground at Hollands Way East Grinstead	18	0				18	
Improvements to playground at Barn Cottage Rec Haywards Heath	8	0				8	
Improvements to playground at Sandy Vale Haywards Heath	25	0				25	
Improvements to playground at St Johns Park Burgess Hill	15	0					15
Improvements to playground at Wisden Avenue Burgess Hill	16	0					16
Improvements to playground at Richmond Way East Grinstead	19	0					19
<i>Total Leisure & Sustainability</i>	943	42	568	102	117	64	50
<i>Finance, CenSus (ICT, Revenues & Benefits) and HR</i>							
BACS software upgrade	17	0		17			
EDRMS (CenSus Revs & Bens)	131	95	36				
Telephony system upgrade	100	0		100			
PC replacement programme	25	0	25				
PC replacement programme	100	0		25	25	25	25
CenSus ICT strategy	31	23	8				
CenSus ICT strategy	48	0		48			
CenSus storage area network (SAN)	110	0	110				
<i>Total Finance, CenSus (ICT, Revenues & Benefits) and HR</i>	562	118	179	190	25	25	25

Capital Programme 2011/12 - 2015/16

Scheme Description	Total £'000	Pre 1/4/2011 £'000	2011/2012 £'000	2012/2013 £'000	2013/2014 £'000	2014/2015 £'000	2015/2016 £'000
Legal Services, Member Support, Elections, Property, Building & Asset Maintenance and Land Charges							
Computerisation of Land Charges	108	91	17				
Polling booths	31	0	31				
Modernisation of corporate records	156	0	69	87			
Oaklands - west wing	362	0	362				
Replacement refuse and recycling depot	1,500	0		1,500			
Bridge Road - business starter units	1,872	0			1,872		
Total Legal, Member Support, Elections, Property and Land Charges	4,029	91	479	1,587	1,872	0	0
Total schemes	5,589	251	1,281	1,879	2,014	89	75
Major Capital Renewals(MCR)							
Dolphin - Haywards Heath	130	81	49				
Dolphin - Haywards Heath	43	0		43			
Kings - East Grinstead	84	17	67				
Kings - East Grinstead	60	0		60			
Triangle - Burgess Hill	150	0		150			
Triangle - Burgess Hill	140	29	61	50			
Whitemans Green pavilion	48	9	39				
Martlets Hall	40	0	40				
Streams & watercourses culvert Hurstpierpoint	77	61	16				
Clair Hall	129	0	129				
Oaklands campus - roof works & boilers	70	7	63				
Oaklands campus - roof works	90	0	20	70			
Oaklands - air conditioning to ICT server room	12	0		12			
Berrylands rec - car park and access road imp	19		19				

Capital Programme 2011/12 - 2015/16

<i>Scheme Description</i>	<i>Total</i> £'000	<i>Pre 1/4/2011</i> £'000	<i>2011/2012</i> £'000	<i>2012/2013</i> £'000	<i>2013/2014</i> £'000	<i>2014/2015</i> £'000	<i>2015/2016</i> £'000
<i>Major Capital Renewals(MCR) Contd</i>							
Haywards Heath rec - footpath improvements	5		5				
Playground fencing improvements - various sites	15		15				
Car park resurfacing - Haywards Heath	35		35				
Improvements to Heath Road car park Haywards Heath	25			25			
Improvements King Street car park East Grinstead	35			35			
Access road Fairfield Recreation Ground Hurstpierpoint	6		6				
East Court East Grinstead Access Road	25			25			
Bolney Pavilion -toilet and kitchen works	30	0		30			
Heating imps at St Johns,Janes Lane & Whiteman Green pavilions	20	0		20			
Major Capital Renewals Unallocated Funding	1,200	0			400	400	400
<i>Total Major Capital Renewals (MCR)</i>	2,488	204	564	520	400	400	400
<i>Total Service Programme</i>	8,077	455	1,845	2,399	2,414	489	475
<i>Housing Services</i>							
Disabled Facility Grants*	8,933	4,843	840	1,000 *	750	750	750
Affordable Housing*	2,887	1,393	267	714 *	513 *		
<i>Total Housing Services Programme</i>	11,820	6,236	1,107	1,714	1,263	750	750
<i>Grand Total</i>	19,897	6,691	2,952	4,113	3,677	1,239	1,225

* This includes provisional allocation of New Homes Bonus monies see report to Cabinet 7th November 2011

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 on-going PC replacement programme and represents the monies required to replace a number of PCs each year which have been deemed to have reached the end of their useful life.

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, Head of Finance, ICT and HR

Project Manager : Graham Crossingham (Horsham DC), ICT Operations Manager
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

Census ICT Projects
<p>Purpose of project : Various ICT developments</p> <p>Amount : £48,000</p> <p><i>Capitalised Salaries included in the project total : None included</i></p> <p><i>Revenue Implications : None</i></p> <p>Value For Money Assessment :</p> <p>These projects have been agreed by the Census Joint Committee at its meeting on 23rd September 2011 and comprise :</p> <p>Citrix VDI and start Windows 7 upgrade Disaster Recovery (additional disk, software licencing and hardware) Census network core switch replacement</p> <p>Continued investment in the Census infrastructure is necessary for the efficiency and product support.</p> <p>Business Unit/Service : ICT</p> <p>Head of Service : Peter Stuart, Head of Finance, ICT and HR</p> <p>Project Manager : Graham Crossingham, ICT Operations Manager – (Horsham DC)</p> <p>Cabinet Member : Cllr. Jonathan Ash-Edwards and Cllr. Gary Marsh</p> <p>Ward Members : None</p> <p>This project contributes to achieving the Corporate Plan in the following ways :</p> <p>Continued investment in the Census infrastructure enables all services to perform efficiently and thereby achieve their own service targets and project deliverables.</p> <p>Summary of discussions with Cabinet Member :</p> <p>The Councillors above are the Mid Sussex delegates to the Joint Committee and are supportive of this continued investment.</p> <p>Risk Analysis :</p> <p>It is not considered that any risk is attached to this project. Horsham DC as lead authority for ICT will deliver the projects listed to the Census standards.</p>

PROJECT JUSTIFICATION DETAILS

Improvement Works to Playground at Court Bushes, Hurstpierpoint
<p>Purpose of project :</p> <p>To upgrade the equipped playground in Court Bushes, Hurstpierpoint so as to make the play area a more enjoyable, challenging, yet safe place to visit.</p> <p>Amount : £8,606</p> <p style="padding-left: 40px;">S106 available:</p> <p style="padding-left: 40px;">L30/23 - £8,606</p> <p><i>Capitalised Salaries included in the project total : None included</i></p> <p><i>Revenue Implications : expect reduction in revenue costs of c. £50 pa for first 3 years</i></p> <p>Value For Money Assessment :</p> <p>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 by ensuring that have newer items of play equipment which comply with all the current safety standards. An investment in children's play will reap long term benefits in terms of improved child health and social adjustment plus help to reduce petty local vandalism through being bored.</p> <p>Business Unit/Service : Leisure and Sustainability</p> <p>Head of Service : Mark Fisher, Head of Leisure and Sustainability</p> <p>Project Manager : Rupert Browning, Landscape Manager</p> <p>Attended MSDC one day project management course</p> <p>Cabinet Member : Cllr. Pru Moore</p> <p>Ward Members : Cllr. Simon Banham, Cllr. Colin Trumble and Cllr. Jack Callaghan</p> <p>This project contributes to achieving the Corporate Plan in the following ways :</p> <p>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.</p> <p>Summary of discussions with Cabinet Member :</p> <p>Cllr. 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</p> <p>Risk Analysis :</p> <p>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 with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.</p>

PROJECT JUSTIFICATION DETAILS

Improvement Works to Forest Fields Playground Haywards Heath

Purpose of project :

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

Amount : £16,370

S106 available:

1. P35/486 - £16,370

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 by ensuring that we have newer items of play equipment which comply with all the current safety standards. An investment in children's play will reap long term benefits in terms of improved child health and social adjustment plus help to reduce petty local vandalism through being bored.

Business Unit/Service : Leisure and Sustainability

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

Project Manager : Rupert Browning, Landscape Manager

Attended MSDC one day project management course

Cabinet Member : Cllr. Pru Moore

Ward Member : Cllr. Garry Wall, Cllr. John De Mierre

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 :

Cllr. 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 with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.

PROJECT JUSTIFICATION DETAILS

Improvement Works to Playground at Mt. Noddy, East Grinstead

Purpose of project :

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

Amount : £41,623

S106 available:

P35/554	£26,719
P35/553	£14,904
Total	£41,623

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 by ensuring that we have newer items of play equipment which comply with all the current safety standards. An investment in children's play will reap long term benefits in terms of improved child health and social adjustment plus help to reduce petty local vandalism through being bored.

Business Unit/Service : Leisure and Sustainability

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

Project Manager : Rupert Browning, Landscape Manager

Attended MSDC one day project management course

Cabinet Member : Cllr. Pru Moore

Ward Members : Cllr John O'Brian and Cllr. Catrin Ingham

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 :

Cllr. 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 with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.

PROJECT JUSTIFICATION DETAILS

Improvement Works to Playground at Orchard Way, East Grinstead

Purpose of project :

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

Amount : £19,991

S106 available:

P35/490	£5,275
P35/624	£14,716
Total	£19,991

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 by ensuring that we have newer items of play equipment which comply with all the current safety standards. An investment in children's play will reap long term benefits in terms of improved child health and social adjustment plus help to reduce petty local vandalism through being bored.

Business Unit/Service : Leisure and Sustainability

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

Project Manager : Rupert Browning, Landscape Manager

Attended MSDC one day project management course

Cabinet Member : Cllr. Pru Moore

Ward Members : Cllr. John O'Brian and Cllr. Catrin Ingham

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 :

Cllr. 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 with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.

PROJECT JUSTIFICATION DETAILS

Telephony System
<p>Purpose of project : Telephony System Upgrade</p> <p>Amount : £100,000</p> <p><i>Capitalised Salaries included in the project total - None included</i></p> <p><i>Revenue Implications : None</i></p> <p>Value For Money Assessment :</p> <p>This essential upgrade builds on the Council's significant investment and extends the existing telephone switch to take advantage of newer technologies, such as centralised management and increased use of VOIP. It also allows the potential of open standards to accommodate future savings in reduced PSTN line rental costs (via SIP Trunks), interconnect between partner phone systems, deploy lower cost basic handsets and deploy SIP enabled software solutions.</p> <p>This project also updates the Contact Centre software to the latest version to comply with the GCSx Code of Connection and to enable start/stop call recording during credit card payments as required by the Payment Card Industry.</p> <p>Business Unit/Service : ICT Services</p> <p>Head of Service : Peter Stuart, Head of Finance, ICT and HR</p> <p>Project Manager : Howard Knowelden, Team Leader CenSus ICT</p> <p>Cabinet Member : Cllr. Jonathan Ash-Edwards</p> <p>Ward Members : None</p> <p>This project contributes to achieving the Corporate Plan in the following ways :</p> <p>The project will increase the flexibility and scope of the phone system to provide continued support of the Council's service redesign process and continued development of services delivered via the Contact Centre</p> <p>Summary of discussions with Cabinet Member :</p> <p>Cllr. Ash-Edwards is supportive of this project.</p> <p>Risk Analysis :</p> <p>This project which is essentially a hardware and software upgrade carries no risk aside from it not being progressed, in which case the telephone switch and software will not be supported by our supplier.</p>

PROJECT JUSTIFICATION DETAILS

Footpath Project at Beech Hurst Gardens .
<p>Purpose of project :</p> <p>To provide a hard surfaced path on the southern side of the park in order to link in with rest of footpath circuit in park.</p> <p>Amount : £15,000</p> <p>To be financed from the Beech Hurst Trust Fund surplus subject to The Trustees agreement.</p> <p><i>Capitalised Salaries included in the project total : None included</i></p> <p><i>Revenue Implications : c. £100 pa</i></p> <p>Value For Money Assessment :</p> <p>The path to the south of the gardens will enable people to enjoy a circular hard surfaced route around the gardens. It will assist people in becoming more active through walking and/or jogging and so will assist in maintaining a healthy local population thus reducing health related costs incurred locally.</p> <p>Business Unit/Service : Leisure and Sustainability</p> <p>Head of Service : Mark Fisher, Head of Leisure and Sustainability</p> <p>Project Manager : Rupert Browning, Landscape Manager</p> <p>Attended MSDC one day project management course</p> <p>Cabinet Member : Cllr. Pru Moore</p> <p>Ward Member (Lucastes) : Cllr. Mims Davies and Cllr. Tim Farmer</p> <p>This project contributes to achieving the Corporate Plan in the following ways :</p> <p>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.</p> <p>Summary of discussions with Cabinet Member :</p> <p>Cllr. Moore is supportive of the need for these additional improvements that enhances the footpath network within the gardens to allow greater access for all users.</p> <p>Risk Analysis :</p> <p>The project is not likely to involve any undue risk to the Council. The Contractor installing the path will ensure that the work is done in as risk-free a way as possible with appropriate fencing during works. There will be risk assessments carried out by the Contractor before commencing works to ensure any risks to Health and Safety and nuisance to neighbours is minimised.</p>

PROJECT JUSTIFICATION DETAILS

Replacement Refuse and Recycling Depot Bridge Road Haywards Heath
<p>Purpose of project :</p> <p>Build a new depot from which to operate the waste and recycling service at Bridge Road, Haywards Heath</p> <p>Amount : £1,500,000</p> <p><i>Capitalised Salaries included in the project total : None included</i></p> <p><i>Revenue Implications :</i></p> <p>Value For Money Assessment :</p> <p>A Discounted Cash Flow analysis has been carried as part of the financial assessment of the project, which confirmed this project option as the best value for money assessment for the Council; see report to Cabinet 12th September 2011.</p> <p>Business Unit/Service : Property and Asset Management</p> <p>Head of Service : Tom Clark, Solicitor to the Council</p> <p>Project Manager : Emma Grundy, Property and Asset Manager</p> <p>Cabinet Member : Cllr. Gary Marsh and Cllr. Pru Moore</p> <p>Ward Members : Cllr. Jonathan Ash-Edwards and Cllr. Natalie March</p> <p>This project contributes to achieving the Corporate Plan in the following ways :</p> <p>To ensure the continuation of the delivery of the waste and recycling service to our customers in Mid Sussex, along with improvements and future proofing of the service, i.e. growth of the garden waste service and meeting service delivery targets,</p> <p>Summary of discussions with Cabinet Member:</p> <p>Project agreed at Cabinet 12th September 2011.</p> <p>Risk Analysis :</p> <p>As indicated above in value for money assessment, the depot facility is now at the end of its economic life and requires an extensive refurbishment, which will cost almost as much as a rebuild, but without the benefits, lessee takes on a full repairing lease for the facility and the life span of a rebuild is greater than that of a refurbishment. For a full analysis see Cabinet report 12th September 2011.</p>

PROJECT JUSTIFICATION DETAILS

BACS Software Upgrade
<p>Purpose of project : To replace the end of life BACS payment software</p> <p>Amount : £17,172</p> <p><i>Capitalised Salaries included in the project total : None included</i></p> <p><i>Revenue Implications Software maintenance costs £2,772 pa compared to £924 pa at present an increase of £1848.</i></p> <p>Value For Money Assessment :</p> <p>This is an essential software upgrade to enable continuation of payment services as support for our current version expired on 31st December 2011.</p> <p>Upgrading to this software will remove the need for staff to travel between physical locations (i.e. Adur and Horsham) in order to access specific PC's.</p> <p>Business Unit/Service : Finance</p> <p>Head of Service : Peter Stuart, Head of Finance</p> <p>Project Manager : David Chalk, FMS Manager</p> <p>Cabinet Member : Cllr. Jonathan Ash-Edwards</p> <p>Ward Members : None</p> <p>This project contributes to achieving the Corporate Plan in the following ways :</p> <p>Updating the software enables BACS payments to continue to be made for all Council Services.</p> <p>Summary of discussions with Cabinet Member :</p> <p>Cllr Ash-Edwards recognises that software needs updating regularly in order to maintain current services and levels of resilience.</p> <p>Risk Analysis :</p> <p>It is not considered that upgrading this software presents any risks. The main risk arising from the project is in not undertaking the update and staying with existing software which will not be supported after 31st December 2011.</p>

USABLE RESERVES AND OTHER BALANCES

1. This part of the report considers the Council's usable reserves and other cash balances. These are amounts held for future revenue or capital expenditure and to ensure the Council has sufficient cash resources for any unforeseen demands.
2. Details are set out in table 1 overleaf which shows that overall balances held at 1st April 2011 were £14.781m and, with the estimated changes, the current expectation is that some £23.131m will be held at 31st March 2016. Brief notes explaining each item are given after the table. Please note that the figures contained within the table are displayed to the nearest thousand pounds. Consequently, the sum of individual figures may not necessarily agree with the totals displayed due to roundings.
3. Estimated interest received on investing surplus balances is based on rates averaging 1.384% for 2011/12, rising to 1.556% for the period 2012/13; 2.145% in 2013/14, 3.122% in 2014/15, and 4.117% in 2015/16. Whilst this is better than some previous years, it is likely that the interest generated will be relatively low and this will 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 21st March 2012.
5. The use of New Homes Bonus has not yet been confirmed by the council, and these tables assume that all monies received that has not been used within the Corporate Plan for 2012/13 (£250k for DFGs and £360k Affordable Housing) and in 2013/14 £360k for Affordable Housing again, is transferred to non-earmarked General Reserve. This is not yet a Council decision however, and is included only to show the projected overall income flows.
6. This Council classifies its Usable Reserves as follows:
 - **General Reserve:** This Reserve includes amounts earmarked for the Capital Programme. It also includes the non-earmarked element.
 - **Earmarked Specific Reserve:** This contains amounts for particular purposes and for which Member authorisation has been obtained as to how these may be applied.
 - **Usable Capital Receipts Reserve.** This represents the capital receipts from the sale of assets that are available to finance future capital expenditure.
 - **Capital Grants & Contributions Reserve.** This comprises capital grants and S106s contributions from developers with no conditions to repay.
7. This Council also holds other balances as follows:
 - **Capital Grants & Contributions receipts in advance.** This comprises capital grants and S106s contributions from developers with conditions to repay if not used within a specified time limit. These sums are restricted to being spent only in accordance with the agreement concluded with the developer.

Table 1: Usable Reserves and other balances for Council 29th February 2012							
		Balance	Balance	Balance	Balance	Balance	Balance
		01/04/2011	31/03/2012	31/03/2013	31/03/2014	31/03/2015	31/03/2016
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Usable Reserves							
General Reserve:							
Non-Earmarked General Reserve	1	6,637	5,682	5,738	6,867	8,817	11,195
Total Earmarked General Reserve	2	81	1,235	1,512	1,537	1,562	1,587
Total General Reserve:		6,718	6,917	7,250	8,404	10,379	12,782
Specific Reserve :							
Planning Policy & Economic Development		428	453	244	142	112	112
Development Management		124	50	50	50	50	50
Finance Accountancy		5	5	0	0	0	0
Finance Corporate		623	367	358	358	358	358
Personnel & Payroll		9	9	9	9	9	9
Census ICT		11	0	0	0	0	0
Revenues & Benefits		446	399	399	399	399	399
Housing		105	100	87	87	87	87
Environmental Health		1	(0)	(0)	(0)	(0)	(0)
Community Services & Culture		198	111	6	6	6	6
Leisure Operations Client		91	91	85	85	85	85
Facilities Management and Streetscene		26	26	0	0	0	0
Property and Asset Management		48	6	6	6	6	6
Member Support		43	4	41	82	(0)	43
Land Charges		34	34	34	34	34	34
Total Specific Reserve:	3	2,192	1,655	1,319	1,258	1,146	1,189
Total Usable Capital Receipts Reserve	4	0	2,033	538	542	547	552
Total Capital Grants & Contributions Reserve	5	1,169	1,234	2,533	2,487	3,195	3,931
Total Usable Reserves		10,080	11,839	11,640	12,690	15,267	18,454
Other Balances							
Total Capital Grants & Contributions -Receipts in Advance		4,701	5,165	4,775	4,735	4,713	4,677
Total Other Balances	6	4,701	5,165	4,775	4,735	4,713	4,677
Total Reserves and Other Balances		14,781	17,004	16,415	17,426	19,980	23,131

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 2011/12, 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 amounts earmarked for the capital programme. It also includes an amount set aside to lend to owners of historic buildings to assist in keeping properties in good repair, and the balance on the Car Bond Contingency.
3. Representing a number of balances held for specific purposes for which a decision has previously been taken of how to apply.
4. Accumulated proceeds from asset disposals after the repayment of long term loans.
5. This comprises capital grants and S106s contributions from developers with no conditions to repay.
6. This comprises capital grants and S106s contributions from developers with conditions to repay if not used within a specified time limit. These sums are restricted to being spent only in accordance with the agreement concluded with the developer.

FINANCIAL STRATEGY, MEDIUM TERM FINANCIAL PLAN AND INFLATION**1.0 Introduction**

- 1.1 This section sets out the plan for revenue- spending and outlines some assumptions made in its preparation. Whilst it is a legal requirement to draw up such a plan it also forms part of the 'Sustainable Finances' workstream which aims to achieve financial equilibrium in the medium term.
- 1.2 The last position adopted by Council was reported in February 2011 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 The tenor of the financial strategy has not changed, and nor will it until the country's finances have settled down and a more stable economic picture emerges.
- 1.4 We also now have three more initiatives that have the potential to alter our overall financial position. These were announced during the summer of 2011 and are the Localisation of Business Rates, the Localisation of Council Tax benefit and the Technical Changes to the Council Tax base. These are discussed elsewhere within this report. For clarity, no impact of these initiatives have been included within this section of the Corporate Plan.
- 1.4 Officers have therefore been working throughout 2011 to update the four-year financial plan as set out at the end of Section 5 but using only the current system of government funding that we are used to and have been working with for some years.
- 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. Of particular interest will be the impact of the changes outlined above at para 1.4.

2.0 FINANCIAL STRATEGY 2012/13 – 2015/16

2.1. Main Principles

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

2.2. Strategy for Revenue Spending

- 2.2.1. The Council will continue to adopt a prudent approach to financing the Council Tax Requirement which will, in the main be financed by the council tax and Formula Grant, but will be supported from other sources as necessary to maintain a level of council tax considered, at the time of setting, to be in the best interests of the community as a whole.
- 2.2.2. All payments forming pension contributions will be paid from the revenue budget. The deficit on the Council's element of the pensions fund will be paid from the revenue budget but spread over the maximum period the Actuary advises.
- 2.2.3. The budget will include an allowance for inflation that is considered realistic at the time it is estimated.
- 2.2.4. Income estimates which include volume (rather than price) increases must be the subject of detailed risk and sensitivity analysis in conjunction with the Head of Finance to ensure they are realistic and robust.
- 2.2.5. A fundamental and detailed examination of the Council's budget will be undertaken to ensure all aspects contribute to the Council's priorities. Savings that are identified as a result of this process will be used to further the Council's priorities and the decision on how to apply these savings will be taken corporately.
- 2.2.6. Income that arises which is unbudgeted will be made available for corporate use in achieving the Council's priorities.
- 2.2.7. The Council will aim to achieve net expenditure reductions by exploring alternative ways to deliver existing services.

- 2.2.8. Opportunities for charging for services under powers provided by the Local Government Act 2003 will be maximised. The Council should make such decisions in the light of the best information available to it at the time.
- 2.2.9. The Medium Term Financial Plan will show the difference between projected net spending and income from the council tax and 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 2012/13 to 2015/16. 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 1.384% for 2011/12 rising to 1.556% for the period 2012/13; 2.145% in 2013/14, 3.122% in 2014/15, and 4.117% in 2015/16.

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 29rd February 2012

<u>Revenue Spending</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>
	2011/12	2012/13	2013/14	2014/15	2015/16
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Base Net Expenditure	13,256	12,665	12,772	12,902	12,939
Benefits	(93)	(93)	(93)	(93)	(93)
Base Revenue Spending	13,163	12,572	12,679	12,809	12,846
Balance Unallocated	47	45	26	26	26
Council Net Expenditure	13,210	12,617	12,705	12,835	12,872
Capital schemes to be financed from revenue	50	50	50	50	50
Contribution to Disabled Facility Grants	375	425	425	425	425
Council Tax Freeze Grant for 12/13 only	-	(218)	-	-	-
Net General inflation with pay at 0% for 12/13 & 1% future yrs	-	-	336	672	1,008
Total Revenue Spending	13,635	12,874	13,516	13,982	14,355
Formula Grant	(4,812)	(4,085)	(4,036)	(3,729)	(3,729)
Council Tax Freeze Grant 11/12 and future years	(215)	(215)	(215)	(215)	(215)
Council Tax Requirement @ 0% in 12/13 & 2.5% future yrs	(8,582)	(8,632)	(8,894)	(9,173)	(9,461)
Collection Fund deficit / (surplus)	(26)	58	-	-	-
Balance deficit / (surplus)	0	0	371	865	1,165

Financing Revenue Spending

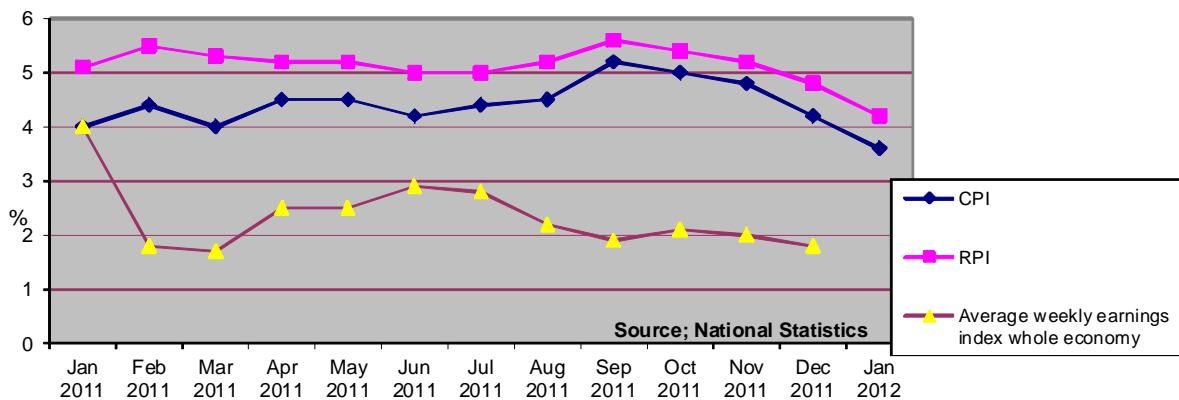
	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>
2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Council Taxbase	57,166	57,377.0	57,707	57,995	58,343
Change in Taxbase		0.37%	0.57%	0.50%	0.60%
Total Revenue Spending	13,635	12,874	13,516	13,982	14,355
% change in Formula Grant	-25.6%	-15.1%	-1.2%	-7.6%	0.0%
Formula Grant	(4,812)	(4,085)	(4,036)	(3,729)	(3,729)
Council Tax Freeze Grant 11/12 and future years	(215)	(215)	(215)	(215)	-
Council Tax Requirement	(8,582)	(8,632)	(8,894)	(9,173)	(9,461)
Collection Fund deficit / (surplus)	(26)	58	-	-	-
Total Financing	(13,635)	(12,874)	(13,145)	(13,117)	(13,190)
Balance (deficit) / surplus		0	(371)	(865)	(1,165)
	(13,635)	(12,874)	(13,516)	(13,982)	(14,355)
Council Tax at Band D	£149.58	£149.58	£153.36	£157.23	£161.19
Change from previous year	0.0%	0.0%	2.5%	2.5%	2.5%

Medium Term Financial Plan as at Council 29th February 2012

Capital Spending							
	Total £'000	Year 1 2011/12 £'000	Year 2 2012/13 £'000	Year 3 2013/14 £'000	Year 4 2014/15 £'000	Year 5 2015/16 £'000	
Service projects							
Schemes in Progress	2,052	1,845	207	-	-	-	
New Projects	4,370	-	2,192	2,014	89	75	
	6,422	1,845	2,399	2,014	89	75	
<i>Additional funding</i>							
Unallocated Funding -future projects	1,200	-	-	400	400	400	
	7,622	1,845	2,399	2,414	489	475	
Housing Services							
Disabled Facility Grants	4,090	840	1,000	750	750	750	
Affordable Housing	1,494	267	714	513	-	-	
	5,584	1,107	1,714	1,263	750	750	
Total Programme	13,206	2,952	4,113	3,677	1,239	1,225	
Receipts and Contributions							
	Total £'000	Year 1 2011/12 £'000	Year 2 2012/13 £'000	Year 3 2013/14 £'000	Year 4 2014/15 £'000	Year 5 2015/16 £'000	
Disabled Facility Grants	1,780	388	348	348	348	348	
Capital Receipts	2,083	2,063	5	5	5	5	
New Homes Bonus	5,324	360	866	1,116	1,366	1,616	
Other Third Party Contributions (including S106s)	4,795	1,195	1,350	750	750	750	
Total	13,982	4,006	2,569	2,219	2,469	2,719	
Interest							
	Total £'000	Year 1 2011/12 £'000	Year 2 2012/13 £'000	Year 3 2013/14 £'000	Year 4 2014/15 £'000	Year 5 2015/16 £'000	
Interest	2,404	348	300	408	585	763	
Usable Reserves & Other Balances							
	Base 31.03.11 £'000	31.3.12 £'000	31.3.13 £'000	31.3.14 £'000	31.3.15 £'000	31.3.16 £'000	
Reserves							
General Reserve	6,718	6,917	7,250	8,404	10,379	12,782	
Specific Reserve	2,192	1,655	1,319	1,258	1,146	1,189	
Usable Capital Receipts Reserve	-	2,033	538	542	547	552	
Capital Grants & Contributions Reserve	1,169	1,234	2,533	2,487	3,195	3,931	
Total Usable Reserves	10,080	11,839	11,640	12,690	15,267	18,454	
Other balances							
Capital Grants & Contributions -Receipts in Advance	4,701	5,165	4,775	4,735	4,713	4,677	
Total Usable Reserves & Other Balances	14,781	17,004	16,415	17,425	19,980	23,131	
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 2012/13 in the Medium Term Financial Plan to Council on 23rd February 2011 was £150,000. It is now proposed that this figure is revised for the new financial year, as explained below.
- 4.2. Members will note that the figure shown for 2012/13 is £229k. This has been estimated using a variety of indicators, but in the absence of a specific indicator, 5% has been used as an estimate of CPI for 2012/13. For 2012/13, we have made no allowance for a pay award
- 4.3. As background information, inflation for the whole economy for the past year has been running as illustrated in the graph below:



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

Inflation calculation for 2012/13 Budget		
<i>Item</i>	<i>Inflation %</i>	<i>£'000 age</i>
<i>Employees</i>		
Pay This is forecast at no increase in the year.	0	0
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.		40
Fuel The majority of our fuel supplies are arranged through the Kent CC administered Laser arrangement. Gas increase of 26% and Electricity 16% have been provided.		25
NNDR Allowance required for 2012/13 based on the RPI index	5.4	21
Water Allowance required for the inflation increase for both metered water and sewerage for 2012/13 is 6.9% (as approved by OFWAT 1.7% plus the RPI in November 2011).	6.9	3
<i>Transport</i>		
Car Allowances No increase to lump sum payments however increases for mileage follow nationally agreed National Joint Council (NJC) figures – a 5 % increase has been allowed.	5	12

Inflation calculation for 2012/13 Budget cont.		
	<i>Inflation</i>	
	<i>%</i>	<i>£'000</i>
	<i>age</i>	
Supplies and Services		
Postage		
No allowance made as 2 nd class postage to remain the same as 2011/12	0	0
Telephones		
An estimate of the likely increase for 2012/13 based on the CPI index	5.0	3
Insurance		
An early indication suggests that premiums could increase by 1.5% in 2012/13.	1.5	3
Grants		
Grants for CAB etc. No allowance has been made.	0	0
Other Supplies and Services		
A 'basket' of items which will increase by different allowances, or remain static.		61
<i>Third Party Payments</i>		
Contracts		
The contract terms for refuse collection, street sweeping and highway maintenance are subject to increases relating to NJC Labour rates for Local Government (60%), price adjustment formulae for construction contracts civil engineering, Index No 2 plant and road vehicles (10%), price adjustment formulae for construction contracts civil engineering, Index No 10 derv fuel (5%) and National Statistics index 18.3 RPI all items (25%).	2.3	84
<i>Fees and Charges</i>		
Discretionary charges		
An allowance for a 4.4% increase in discretionary charges (car park fees excluded) has been made.	4.4	(9)
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. No increase is planned for 2012/2013.		
Mandatory Charges		
No further increases have been announced.	0	0

Inflation calculation for 2012/13 Budget cont.		
<i>Fees and Charges Contd</i>		<i>Inflation</i>
		<i>% £'000</i>
		<i>age</i>
Rents		
Increases in rents are dependent on the review of individual leases.		0 0
	<i>Government Grants</i>	
Subsidies		0 0
	<i>Recharges</i>	
Census Revenues & Benefits		
VAT on the Census service charge that we recover.		(14)
CPE		
The amount of inflation from various types of expenditure recovered from WSCC in relation to Controlled Parking Enforcement.		(2)
Total		<hr/> 229 <hr/> <hr/>

COLLECTION FUND

1. The latest Collection Fund estimates are shown below:

Collection Fund				
	2011/12 Original Estimate £'000	2011/12 Revised Estimate £'000	2012/13 Original Estimate £'000	Note
Income				
Council Taxpayers	(79,458)	(80,506)	(79,956)	
Council Tax Benefit	(7,364)	(6,252)	(7,441)	
	<hr/>	<hr/>	<hr/>	
Total Council Tax	(86,822)	(86,758)	(87,397)	a
Business Ratepayers	(38,233)	(38,233)	(40,024)	b & c
Contribution to estimated CF (deficit)/surplus for previous year	190	190	(425)	Para 2
	<hr/>	<hr/>	<hr/>	
	(124,865)	(124,801)	(127,846)	
Expenditure				
West Sussex County Council	66,672	66,672	67,055	
Sussex Police Authority	7,942	7,942	7,988	
Mid Sussex District Council	11,734	11,734	11,877	
	<hr/>	<hr/>	<hr/>	
Total "precepts"	86,348	86,348	86,920	
Contribution to NNDR Pool	38,061	38,061	39,851	b
Cost of collection (NNDR)	172	172	173	
Prov. for Bad & Doubtful Debts - Council Tax	474	483	477	
	<hr/>	<hr/>	<hr/>	
	125,055	125,064	127,421	
	<hr/>	<hr/>	<hr/>	
Movement on Fund Balance	190	263	(425)	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	
Collection Fund Balance				
At the beginning of the year	(190)	162	425	
Movement on Fund Balance	190	263	(425)	
	<hr/>	<hr/>	<hr/>	
Deficit/(Surplus) at Year End	0	425	0	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

Notes:

- a. For 2012/13, total Council Tax, less provision for bad debts of 0.6%, totals £86,920m - 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 2012/13, the amounts are taken from CLG NNDR1 return. These are derived from the number of hereditaments 3,967, and the total rateable value of £106m as at 31st December 2011. An allowance of 1.0% for losses on collection has been specified by the CLG.

2. In accordance with legislation, the estimated balance as at 31st March 2012 on the Collection Fund is £425,000 deficit and both the County Council and Police Authority have been notified. This deficit is collected from each of these principal authorities in proportion to their Council Tax for the current year.

	%	£
West Sussex CC	77.21	328,160
Sussex Police Authority	9.20	39,090
MSDC	13.59	57,750
	<hr/> 100.00	<hr/> 425,000

COUNCIL TAX LEVELS

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

Table 1: Council Tax Calculation		
	£	£
Mid Sussex District Council	12,873,600	
Parish/Town Council precepts	3,245,535	
		16,119,135
Formula Grant		
Redistributed Business Rates	(4,217,730)	
Revenue Support Grant	(81,760)	4,299,490
Collection Fund Deficit		57,750
Council Tax Requirement		11,877,395
		205.82
Divided by 57,707.3 (tax base)		205.82

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

2. From the average council tax calculated in paragraph 1, Parish and Town Council precepts are removed to give a Council Tax at band D of £149.58 for this Council's Council Tax Requirement. For each parish area a sum is added to this amount being the relevant precept divided by the parish tax base. The results of these calculations for each parish area are set out in table 4 overleaf.
3. The method of calculation of the tax base is laid down in the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 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 2011 (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 2012/13 (i.e. changes from 1st December 2011 to 31st March 2013) 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 2012/13 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 2012/13 - 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*	1,937.00	5,868.00	12,483.00	15,850.00	10,294.00	7,605.00	4,050.00	348.00	58,435.00
Exemptions (various classes)	-154.00	-245.00	-285.00	-278.00	-176.00	-123.00	-42.00	-4.00	-1,307.00
Disabled reductions	15.00	23.00	33.00	-13.00	-17.00	-7.00	-14.00	-20.00	0.00
Chargeable	1,798.00	5,646.00	12,231.00	15,559.00	10,101.00	7,475.00	3,994.00	324.00	57,128.00
Single discounts	1,068.00	3,501.00	4,658.00	4,440.00	2,257.00	1,120.00	518.00	36.00	17,598.00
Two discounts	1.00	3.00	8.00	6.00	5.00	20.00	22.00	4.00	69.00
10% discounts	37.00	39.00	64.00	56.00	48.00	29.00	25.00	11.00	309.00
Net chargeable	1,526.80	4,765.35	11,056.10	14,440.40	9,529.45	7,182.10	3,851.00	311.90	52,663.10
Ratio to Band D	6/9ths	7/9ths	8/9ths	9/9ths	11/9ths	13/9ths	15/9ths	18/9ths	
Band D equivalent	1,017.87	3,706.38	9,827.64	14,440.40	11,647.11	10,374.14	6,418.33	623.80	58,055.7
Total multiplied by Collection Rate of 99.4%									57,707.3

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

7. The 2012/13 tax base so calculated for the whole district is 57,707.3 which represents an increase of 329.6 (+0.57%) on the tax base for the current year. The effect at parish area level ranges from a decrease of -27.5 to an increase of 75.5 and in percentage terms from -2.29% to +2.76%.

Table 3: Mid Sussex Tax Base 2012/13 - 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	10.3	34.9	72.8	24.9	35.9	92.8	11.4	286.0
Ansty & Staplefield	15.3	15.8	69.7	121.6	131.6	150.0	232.3	51.5	787.8
Ardingly	14.1	30.3	82.8	189.5	144.1	143.6	92.9	19.4	716.7
Ashurst Wood	9.8	21.1	90.3	196.7	147.5	140.7	153.6	2.0	761.7
Balcombe	15.0	47.4	80.0	149.4	115.2	223.3	181.4	19.2	830.9
Bolney	12.2	20.1	21.2	88.5	81.1	145.0	211.9	46.1	626.1
Burgess Hill	154.5	781.0	2,814.7	3,495.4	2,381.8	1,433.9	556.7	18.4	11,636.4
Cuckfield	35.3	56.0	199.4	224.9	364.6	272.1	415.8	30.6	1,598.7
East Grinstead	240.8	647.6	1,971.2	2,450.8	2,441.5	2,210.9	897.4	42.1	10,902.3
Fulking	3.5	5.2	15.1	18.4	32.3	15.1	46.0	13.2	148.8
Hassocks	30.5	246.1	428.2	927.6	974.8	407.3	284.5	21.9	3,320.9
Haywards Heath	170.4	1,111.0	2,393.3	2,874.0	1,454.1	1,956.0	1,018.8	30.3	11,007.9
Horsted Keynes	5.6	24.6	83.9	125.5	105.3	150.6	182.5	26.8	704.8
Hurstpierpoint and Sayers Common	49.8	138.8	405.4	716.5	742.8	383.0	398.8	35.3	2,870.4
Lindfield	8.3	179.8	225.1	566.7	495.7	749.8	546.0	43.5	2,814.9
Lindfield Rural	12.8	34.5	88.8	224.0	261.0	343.4	179.6	53.2	1,197.3
Newtimber	0.5	5.8	13.9	4.0	4.9	1.4	9.5	2.0	42.0
Poynings	3.3	14.9	28.3	12.7	20.0	15.8	32.3	5.0	132.3
Pyecombe	1.8	4.5	7.5	23.9	15.8	24.0	25.7	0.0	103.2
Slaugham	30.8	119.5	211.9	259.0	154.9	166.8	121.9	46.0	1,110.8
Turners Hill	151.3	38.9	120.2	114.5	72.0	78.2	61.7	9.2	646.0
Twineham	3.5	2.7	11.7	24.8	23.7	15.8	38.9	13.4	134.5
West Hoathly	17.7	19.6	121.8	184.9	226.4	169.3	166.5	38.8	945.0
Worth	21.9	108.7	249.4	1,287.7	1,161.2	1,080.0	432.2	40.8	4,381.9
Total	1,011.7	3,684.2	9,768.7	14,353.8	11,577.2	10,311.9	6,379.7	620.1	57,707.3

Table 4: **Basic Tax**

Parish area	Tax base	Precept	MSDC	Basic	
		band D	band D	Tax	
		£	£	£	
Albourne	286.0	14,633	51.16	149.58	200.74
Ansty & Staplefield	787.8	35,285	44.79	149.58	194.37
Ardingly	716.7	79,437	110.84	149.58	260.42
Ashurst Wood	761.7	51,480	67.59	149.58	217.17
Balcombe	830.9	60,000	72.21	149.58	221.79
Bolney	626.1	34,914	55.76	149.58	205.34
Burgess Hill	11,636.4	761,667	65.46	149.58	215.04
Cuckfield	1,598.7	134,820	84.33	149.58	233.91
East Grinstead	10,902.3	716,259	65.70	149.58	215.28
Fulking	148.8	6,344	42.63	149.58	192.21
Hassocks	3,320.9	174,383	52.51	149.58	202.09
Haywards Heath	11,007.9	454,626	41.30	149.58	190.88
Horsted Keynes	704.8	27,755	39.38	149.58	188.96
Hurstpierpoint & Sayers Common	2,870.4	174,425	60.77	149.58	210.35
Lindfield	2,814.9	152,000	54.00	149.58	203.58
Lindfield Rural	1,197.3	50,294	42.01	149.58	191.59
Newtimber	42.0	200	4.76	149.58	154.34
Poynings	132.3	3,054	23.08	149.58	172.66
Pyecombe	103.2	4,900	47.48	149.58	197.06
Slaugham	1,110.8	65,000	58.52	149.58	208.10
Turners Hill	646.0	58,580	90.68	149.58	240.26
Twineham	134.5	4,000	29.74	149.58	179.32
West Hoathly	945.0	39,479	41.78	149.58	191.36
Worth	4,381.9	142,000	32.41	149.58	181.99
Total	57,707.3	3,245,535	56.24	149.58	205.82

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 2012/13 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:

	WSCC	SPA	MSDC	Parish/ Town Councils	Total
	£	£	£	£	£
band A	774.66	92.28	99.72	37.49	1,004.15
band B	903.77	107.66	116.34	43.74	1,171.51
band C	1,032.88	123.04	132.96	49.99	1,338.87
band D	1,161.99	138.42	149.58	56.24	1,506.23
band E	1,420.21	169.18	182.82	68.74	1,840.95
band F	1,678.43	199.94	216.06	81.24	2,175.67
band G	1,936.65	230.70	249.30	93.73	2,510.38
band H	2,323.98	276.84	299.16	112.48	3,012.46

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)	1,454.75
Ardingly (maximum)	1,560.83

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

Parish	Increase/ (Decrease) on 2011/12 %
Lindfield (decrease)	(0.2)
Bolney (increase)	1.6

Analysis of Council Tax set for 2012/13 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	73.89		86.21		98.52		110.84	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,040.55	1,011.43	1,213.98	1,155.92	1,387.40	1,300.41	1,560.83
Ashurst Wood	parish	45.06		52.57		60.08		67.59	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,011.72	1,011.43	1,180.34	1,155.92	1,348.96	1,300.41	1,517.58
Balcombe	parish	48.14		56.16		64.19		72.21	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,014.80	1,011.43	1,183.93	1,155.92	1,353.07	1,300.41	1,522.20
Bolney	parish	37.17		43.37		49.56		55.76	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,003.83	1,011.43	1,171.14	1,155.92	1,338.44	1,300.41	1,505.75
Burgess Hill	town	43.64		50.91		58.19		65.46	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,010.30	1,011.43	1,178.68	1,155.92	1,347.07	1,300.41	1,515.45
Cuckfield	parish	56.22		65.59		74.96		84.33	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,022.88	1,011.43	1,193.36	1,155.92	1,363.84	1,300.41	1,534.32
East Grinstead	town	43.80		51.10		58.40		65.70	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,010.46	1,011.43	1,178.87	1,155.92	1,347.28	1,300.41	1,515.69
Fulking	parish	28.42		33.16		37.89		42.63	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	995.08	1,011.43	1,160.93	1,155.92	1,326.77	1,300.41	1,492.62
Hassocks	parish	35.01		40.84		46.68		52.51	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,001.67	1,011.43	1,168.61	1,155.92	1,335.56	1,300.41	1,502.50
Haywards Heath	town	27.53		32.12		36.71		41.30	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	994.19	1,011.43	1,159.89	1,155.92	1,325.59	1,300.41	1,491.29
Horsted Keynes	parish	26.25		30.63		35.00		39.38	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	992.91	1,011.43	1,158.40	1,155.92	1,323.88	1,300.41	1,489.37
Hurstpierpoint & Sayers Common	parish	40.51		47.27		54.02		60.77	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,007.17	1,011.43	1,175.04	1,155.92	1,342.90	1,300.41	1,510.76
Lindfield	parish	36.00		42.00		48.00		54.00	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,002.66	1,011.43	1,169.77	1,155.92	1,336.88	1,300.41	1,503.99
Lindfield Rural	parish	28.01		32.67		37.34		42.01	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	994.67	1,011.43	1,160.44	1,155.92	1,326.22	1,300.41	1,492.00
Newtimber	parish	3.17		3.70		4.23		4.76	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	969.83	1,011.43	1,131.47	1,155.92	1,293.11	1,300.41	1,454.75
Poynings	parish	15.39		17.95		20.52		23.08	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	982.05	1,011.43	1,145.72	1,155.92	1,309.40	1,300.41	1,473.07
Pyecombe	parish	31.65		36.93		42.20		47.48	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	998.31	1,011.43	1,164.70	1,155.92	1,331.08	1,300.41	1,497.47
Slaugham	parish	39.01		45.52		52.02		58.52	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,005.67	1,011.43	1,173.29	1,155.92	1,340.90	1,300.41	1,508.51
Turners Hill	parish	60.45		70.53		80.60		90.68	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	1,027.11	1,011.43	1,198.30	1,155.92	1,369.48	1,300.41	1,540.67
Twineham	parish	19.83		23.13		26.44		29.74	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	986.49	1,011.43	1,150.90	1,155.92	1,315.32	1,300.41	1,479.73
West Hoathly	parish	27.85		32.50		37.14		41.78	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	994.51	1,011.43	1,160.27	1,155.92	1,326.02	1,300.41	1,491.77
Worth	parish	21.61		25.21		28.81		32.41	
	district	99.72		116.34		132.96		149.58	
	wsccl/spa	866.94	988.27	1,011.43	1,152.98	1,155.92	1,317.69	1,300.41	1,482.40

Analysis of Council Tax set for 2012/13 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	Albourne
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	Ansty & Staplefield
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	
135.47		160.10		184.73		221.68		parish	Ardingly
182.82		216.06		249.30		299.16		district	
1,589.39	1,907.68	1,878.37	2,254.53	2,167.35	2,601.38	2,600.82	3,121.66	wsccl/spa	
82.61		97.63		112.65		135.18		parish	Ashurst Wood
182.82		216.06		249.30		299.16		district	
1,589.39	1,854.82	1,878.37	2,192.06	2,167.35	2,529.30	2,600.82	3,035.16	wsccl/spa	
88.26		104.30		120.35		144.42		parish	Balcombe
182.82		216.06		249.30		299.16		district	
1,589.39	1,860.47	1,878.37	2,198.73	2,167.35	2,537.00	2,600.82	3,044.40	wsccl/spa	
68.15		80.54		92.93		111.52		town	Bolney
182.82		216.06		249.30		299.16		district	
1,589.39	1,840.36	1,878.37	2,174.97	2,167.35	2,509.58	2,600.82	3,011.50	wsccl/spa	
80.01		94.55		109.10		130.92		parish	Burgess Hill
182.82		216.06		249.30		299.16		district	
1,589.39	1,852.22	1,878.37	2,188.98	2,167.35	2,525.75	2,600.82	3,030.90	wsccl/spa	
103.07		121.81		140.55		168.66		parish	Cuckfield
182.82		216.06		249.30		299.16		district	
1,589.39	1,875.28	1,878.37	2,216.24	2,167.35	2,557.20	2,600.82	3,068.64	wsccl/spa	
80.30		94.90		109.50		131.40		town	East Grinstead
182.82		216.06		249.30		299.16		district	
1,589.39	1,852.51	1,878.37	2,189.33	2,167.35	2,526.15	2,600.82	3,031.38	wsccl/spa	
52.10		61.58		71.05		85.26		parish	Fulking
182.82		216.06		249.30		299.16		district	
1,589.39	1,824.31	1,878.37	2,156.01	2,167.35	2,487.70	2,600.82	2,985.24	wsccl/spa	
64.18		75.85		87.52		105.02		parish	Hassocks
182.82		216.06		249.30		299.16		district	
1,589.39	1,836.39	1,878.37	2,170.28	2,167.35	2,504.17	2,600.82	3,005.00	wsccl/spa	
50.48		59.66		68.83		82.60		town	Haywards Heath
182.82		216.06		249.30		299.16		district	
1,589.39	1,822.69	1,878.37	2,154.09	2,167.35	2,485.48	2,600.82	2,982.58	wsccl/spa	
48.13		56.88		65.63		78.76		parish	Horsted Keynes
182.82		216.06		249.30		299.16		district	
1,589.39	1,820.34	1,878.37	2,151.31	2,167.35	2,482.28	2,600.82	2,978.74	wsccl/spa	
74.27		87.78		101.28		121.54		parish	Hurstpierpoint & Sayers Common
182.82		216.06		249.30		299.16		district	
1,589.39	1,846.48	1,878.37	2,182.21	2,167.35	2,517.93	2,600.82	3,021.52	wsccl/spa	
66.00		78.00		90.00		108.00		parish	Lindfield
182.82		216.06		249.30		299.16		district	
1,589.39	1,838.21	1,878.37	2,172.43	2,167.35	2,506.65	2,600.82	3,007.98	wsccl/spa	
51.35		60.68		70.02		84.02		parish	Lindfield Rural
182.82		216.06		249.30		299.16		district	
1,589.39	1,823.56	1,878.37	2,155.11	2,167.35	2,486.67	2,600.82	2,984.00	wsccl/spa	
5.82		6.88		7.93		9.52		parish	Newtimber
182.82		216.06		249.30		299.16		district	
1,589.39	1,778.03	1,878.37	2,101.31	2,167.35	2,424.58	2,600.82	2,909.50	wsccl/spa	
28.21		33.34		38.47		46.16		parish	Poynings
182.82		216.06		249.30		299.16		district	
1,589.39	1,800.42	1,878.37	2,127.77	2,167.35	2,455.12	2,600.82	2,946.14	wsccl/spa	
58.03		68.58		79.13		94.96		parish	Pyecombe
182.82		216.06		249.30		299.16		district	
1,589.39	1,830.24	1,878.37	2,163.01	2,167.35	2,495.78	2,600.82	2,994.94	wsccl/spa	
71.52		84.53		97.53		117.04		parish	Slaugham
182.82		216.06		249.30		299.16		district	
1,589.39	1,843.73	1,878.37	2,178.96	2,167.35	2,514.18	2,600.82	3,017.02	wsccl/spa	
110.83		130.98		151.13		181.36		parish	Turners Hill
182.82		216.06		249.30		299.16		district	
1,589.39	1,883.04	1,878.37	2,225.41	2,167.35	2,567.78	2,600.82	3,081.34	wsccl/spa	
36.35		42.96		49.57		59.48		parish	Twineham
182.82		216.06		249.30		299.16		district	
1,589.39	1,808.56	1,878.37	2,137.39	2,167.35	2,466.22	2,600.82	2,959.46	wsccl/spa	
51.06		60.35		69.63		83.56		parish	West Hoathly
182.82		216.06		249.30		299.16		district	
1,589.39	1,823.27	1,878.37	2,154.78	2,167.35	2,486.28	2,600.82	2,983.54	wsccl/spa	
39.61		46.81		54.02		64.82		parish	Worth
182.82		216.06		249.30		299.16		district	
1,589.39	1,811.82	1,878.37	2,141.24	2,167.35	2,470.67	2,600.82	2,964.80	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.

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

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

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

Capital Reserves – comprise Usable Capital Receipts from the sale of assets.

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

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

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

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

CIPFA - The Chartered Institute of Public Finance and Accountancy. This is the professional body for accountants working in local government and public bodies and is a Member of the Consultative Committee of Accounting Bodies. The Institute provides financial and statistical information services for local government and advises central government and other bodies on local government and public finance matters. 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 2012/13 at a level which is no more than its basic amount of council tax for 2011/12, it will be eligible to receive a grant equivalent to a 2.5% increase in its 2011/12 basic amount of council tax *multiplied* by the authority's tax base for 2012-13 (rounded to the nearest pound)

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

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. car park charges, Development Management planning fees, Building Control fees and Green Waste.

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

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

Formula Grant – comprises Revenue Support Grant and redistributed business rates, being the total support provided by the department for Communities and Local Government (CLG) 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, as well as some targeted grants.

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

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

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

Local Government Finance Settlement - 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.

NJC - National Joint Council for Local Government Services.

NLIS - National Land Information Service.

NNDR - see National Non-Domestic Rates.

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

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

Precept - the levy made by the county, 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, replaced the complex regulatory frameworks that have governed local authority capital expenditure. The Prudential Code is based largely on self-regulation by local authorities themselves. The basic principles of the code are that authorities are free to invest so long as their capital spending plans are affordable, prudent and sustainable.

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

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

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

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

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

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

RSG – see Revenue Support Grant

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

Settlement – see Local Government Finance Settlement.

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

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. Disabled Facility Grants. Local authorities must apply a special accounting treatment to these grants.

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

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 Capital Programme which is not identified to specific projects.

Underspending/Overspending - see Overspending/Underspending.

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

Usable Reserves - these include General Reserve, Specific Reserve, Usable Capital Receipts Reserve and the Capital Grants & Contributions Reserve.

WSCC - West Sussex County Council