

1ST CAPITAL, REVENUE BUDGET AND PERFORMANCE MONITORING 2014/15 REPORT BY DIRECTOR OF DIGITAL AND RESOURCES

1.0 SUMMARY

- 1.1 This report updated the 2nd September, 2014 Joint Strategic Committee with the latest expenditure and income projections for each Council in the current financial year 2014/15, compared to the Revenue Budget approved by both Councils on the 20th February 2014 (Adur District Council) and 18th February 2014 (Worthing Borough Council).
- 1.2 Information is also provided in respect of earmarked reserves and capital expenditure for the 2 constituent authorities.
- 1.3 The Joint Strategic Committee (JSC) was asked to consider and recommend to Adur and Worthing Councils where appropriate:-
- the current projections of variations in the two Councils' General Fund Revenue Budgets and the anticipated position relating to the staff vacancy provision;
 - the current projections of variations in the Adur Housing Revenue Account;
 - the progress of the 2014/15 Capital Investment Programme for Adur and Worthing Councils;
 - any amendments and virements to budgets for each Council;
 - an updated corporate risk register; and
 - the progress on some key local performance monitoring indicators.

2.0 BACKGROUND

- 2.1 In February 2014, the Councils agreed the 2014/15 Revenue Budgets as part of the overall council tax setting process for Adur District Council and Worthing Borough Council. Local authorities have a statutory duty under the Local Government Act 2003, to monitor their income and expenditure against their budget, and be ready to take action if overspends or shortfalls in income emerge. If monitoring establishes that the budgetary situation has deteriorated, authorities are required to take such action as they consider necessary. This might include, for instance, action to reduce spending in the rest of the year, or to increase income, or the authority might decide to take no action but to finance the shortfall from reserves.

2.0. BACKGROUND

- 2.2 This report represents the 1st Quarter of the monitoring cycle. The projected outturn is reported three times during each financial year. There will be a further analysis of the variances at the end of the year when the outturn figures are reported.
- 2.3 The Councils' Standing Orders and Financial Regulations place an obligation on Chief Officers to advise Members where revenue expenditure cannot be contained within the approved estimates.

Budget Managers may, after consultation with the Section 151 Officer, vire up to £10,000 between any heads of expenditure or income within the approved revenue or capital budget of any Cabinet Member or Committee.

A Director may, after consultation with the Section 151 Officer, vire up to £25,000 between any heads of expenditure or income within the approved revenue or capital budget of any Cabinet Member or Committee.

A Cabinet Member may, after consultation with the Section 151 Officer, vire up to £50,000 between any heads of income or expenditure within their approved budgets. This can be agreed through consultation with the Cabinet Member electronically.

The Cabinets may incur, without Councils approval, expenditure not within the approved budget provided that the following criteria apply:

The cost is to be met from external funding, a contingency or reserve set up for the purpose; or

It is to be met from proven savings elsewhere in the revenue budget and does not exceed £150,000; or

It is to be met from proven savings in that financial year in the Capital programme and does not exceed £150,000 per project; and

The new project (whether revenue or capital) is fully funded by a grant or external contribution and resources already contained within the Councils' budgets provided that the cost of the project does not exceed £150,000.
The expenditure does not have the effect of changing Council policy.

Any movements in approved budgets will be identified and any necessary approvals sought as part of the quarterly monitoring reports.

Budget Managers have delegated responsibility to monitor their services on an ongoing basis throughout the year.

- 2.4 The JSC budgets are held separately and operate as holding accounts. They represent pooled budgets of Adur and Worthing Councils. All expenditure and income in the JSC budgets are recharged back to the respective authorities. This means that the net expenditure is fully allocated out to the two councils and the overall projected outturn for the JSC at the year end will be zero. All JSC over or underspends detailed in this report will be incorporated into the individual councils' accounts via the allocation process at the year end.

3.0 REVENUE 2014/15 FORECAST

3.1 We adopt a more structured approach to services which have budget problems or hard to predict income streams. For 2014/15, these services are:-

- Building Control
- Crematorium
- Development Control
- Homelessness
- Investment Properties
- Leisure Fit4
- Trade Refuse

We have set up a more rigorous budget monitoring involving the Cabinet Member of Resources for:

- Theatres
- Grounds Maintenance
- Parking

3.2 Most of these services are subject to more vigorous monitoring because they meet one or more of the following criteria:-

- Demand led
- Income based
- Specialist
- Significant changes to the service are being made in the near future.

3.3 In summary the overall revenue outturns reported for Q1 are as follows:-

Summary of 1st Budget Monitoring Report			
	Joint	Adur	Worthing
	£000s	£000s	£000s
Current Budget 2014/15	20,590	9,629	13,977
Projected outturn	20,428	9,472	13,800
Projected Forecast over/ (underspend)	(162)	(157)	(177)
Projected over/(underspend) percentage	-0.8%	-1.6%	-1.3%

* As highlighted earlier in this report, the JSC underspend is transferred to Adur and Worthing Councils in line with their allocated share. The reported budget variances in Adur and Worthing, in the table above, include the total share transferred from the JSC.

3.0 REVENUE 2014/15 FORECAST

3.4 The headline budget variations across both the councils and joint shared services are:-

3.4.1 The Business rates retention scheme was introduced from April 2013 and is now in its second year. Councils have a target income level set by DCLG at the start of the year. If they exceed this target they will be able to keep a percentage of the income and if there is a shortfall the difference will be paid over to government, subject to a 'safety net' figure. Overall each Council was budgeted to be in surplus in 2014/15 with net additional income of £142,000 for Adur District Council and £172,000 for Worthing Borough Council. Currently each Council is expected to benefit from higher than expected income due to additional S31 grant paid directly to the General Fund which compensates the Councils for income lost due to new mandatory relief such as the new retail relief. Overall income is as follows:

	Adur	Worthing
	£'000	£'000
Original budget	142	172
Current expected income	291	278
Additional income	149	106

There are a number of volatile risk areas that will feed into the calculation of future growth:-

- Some businesses represent a disproportionate and material business rate within the respective Councils' areas.
- Appeals are granted that go back several years.
- Mandatory rate relief (primarily charitable status).

At this stage of the year Adur DC's Collection Fund net position is showing 1% growth and Worthing's is showing growth of 11%.

The Council has jointly procured, with other Councils in the County, a software package which will enable more accurate forecasting of appeals, which are the main unknown factor in forecasting surpluses. Both authorities are now projected to be marginally in surplus in the Collection Fund at the end of the financial year. The 2014/15 surplus will be distributed in 2015/16 as prescribed by the code of practice.

3.4.2 Worthing Theatres

The first quarter shows a healthy improvement on last year in ticket income and a much improved catering position which have been the two areas of major concern. Worthing Theatres have also taken further steps to improve the cultural offer and are very proud of the content of the new season brochure which should help increase sales and revenues.

3.0 REVENUE 2014/15 FORECAST

3.4.2 Worthing Theatres

The team are currently forecasting a year end overspend of £194,000. The theatres management team are working hard to improve this expected position and bring spend back in-line with the budget by the year-end.

A management action plan is already in place to continuously maximise effectiveness and efficiencies. This includes the appointment of a Venue Hire Co-ordinator which is already resulting in additional venue hire income through wedding receptions, parties and functions and increase to the number of contemporary music hires. Increased venues hires will also result in additional catering income. The service is also promoting the venues and the offer via new social media sites in order to increase ticket sales.

3.4.3 Non Distributed costs

Any residual costs relating to the Aquarena have been transferred to Non Distributed costs as this site is no longer an operational building. There are residual running costs relating to the old site of £60k, which are mainly rates. The Council remains liable for the building and the car park until completion of the sale which could take up to 9 months.

3.4.4 External Borrowing Costs and Investments

For Adur the net cost of external borrowing and investments is projected to have a favourable variance of £130,000 and £435,000 for Worthing

3.4.5 Property management Income

The Worthing Investment Properties income shortfall £195,000 and Adur £60,000

3.4.6 Car Parks

Adur Car Parks income is down by £92,000 as the Riverside car park remains unchargeable, and there have been a number of incidents of vandalism on the machine in Old Fort which led to some days where the machine was not working. This has now been resolved with a lockable cage to protect the machine at night. Penalty charge notice levels have decreased. For Worthing, there has been a negligible impact on income resulting from the tariff trial to date and the service remains on budget

3.4.7 Community Safety

WSCC provided funding for backfilling of the Community Safeties Manager post. There was a delay in appointment and as a result there were gaps in cover and work that needed to be delivered hasn't been completed. It is necessary to use this funding of £19,250 to meet delivery. Additionally, £5,920 is required to continue the delivery around alcohol misuse, particularly the alcohol worker and taxi marshal scheme. The latter being funded from voluntary contributions from licensed premises. These items should have been included in the requests for carry forward but the requests were received late. As these relate to external funding it is recommended that they are funded from the Capacities Issues Reserves of the Authorities on a 40:60 Adur: Worthing split.

3.0 REVENUE 2014/15 FORECAST

3.5 The variations greater than £10,000 for this budget monitoring report are detailed below:

3.6 Joint variances over £10,000 have been allocated to the individual Council and marked with an asterisk*.

Service Area	Joint £000s (under)/ over- spend		Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Significant Variations Share of joint services allocated 40:60 to Councils *
Fit 4 Leisure Income				(287)	INCOME: Increased FIT4 income. See offsetting costs below.
Investment Properties			60	195	Underachievement of income due to empty properties. See section 3.5.7
Car Parking			92		Under achievement of income
Crematorium				80	Income from Cremations and memorials underachieving due to reduced death rate during the first quarter
Building Control				(20)	Early indications show that due to the improving economic position income will be exceeded
Building Maintenance			(50)		Additional income from new contracted works
Community Alarm			14		Shortfall in income partly due to loss of WSCC grant
Licensing				23	Reduced number of private hire operators and demand for various other licences still low but increasing.
Recycling	(20)	*	(8)	(12)	Increase in Garden Bin take up over and above predicted income
Theatres				200	Net shortfall of savings target in current year. See note 3.5.2
Housing Benefit Administration			71		Benefit Subsidy claim 12-13 overpaid.
Business Rates Retention Scheme			(149)	(106)	Additional grant for small business rate relief. See section 3.5.1
Total Income	(20)		30	73	

3.0 REVENUE 2014/15 FORECAST

Service Area	Joint £000s (under)/over-spend		Adur £000s (under)/over-spend	Worthing £000s (under)/over-spend	Significant Variations Share of joint services allocated 40:60 to Councils *
Fit 4 Leisure				210	COSTS Increased variable salary and supplies & services costs associated with generating income.
Waste Collection and Street Sweeping	(40)	*	(16)	(24)	Vehicle fuel cost has increased less than anticipated
Office Accommodation	(102)	*	(41)	(61)	Savings on office cleaning contract
Non Distributed costs				60	Un-budgeted rates and residual costs of Aquarena site.
Treasury Management			(130)	(435)	Investment income below target but offset by lower borrowing costs due to slippage in the Capital programme and continuing strategy of borrowing shorter term to take advantage of lower rates.
Total costs	(142)		(187)	(250)	
Total Variance	(162)		(157)	(177)	

3.7 The Councils' individual Summary Projected Outturns are reported in Appendix 1a for Adur District Council and Appendix 2a for Worthing Borough Council.

3.8 There are some expenditure items that are not identified until the year end that will impact on the final outturn. These items can have a positive or negative impact on the final position.

They include:-

- Movement in the estimate for doubtful debts
- A review of any amounts needed to be set aside for liabilities that are likely to occur in the future
- Changes in allocations of staff time to outside the General Fund

4.0 CROSS CUTTING BUDGETS

4.1 Last year Joint Strategic Committee budgets in the categories of expenditure detailed below were underspent by £48,370.

- Equipment, furniture and material
- Postage
- Printing stationery and office supplies
- Consultancy costs

For this year we shall also review the following:

- Travel costs.

There are no significant under or overspends anticipated at this stage of the budgetary cycle for these categories.

5.0 VACANCY SAVINGS

5.1 There is an allowance for staff vacancy savings in both authorities' budgets for 2014/15 (Adur £240,640 and Worthing £508,610). There is no savings target included in the JSC budget.

5.2 The projected estimate of salaries underspends in the JSC represents an expected contribution to Adur and Worthing's vacancy savings. At this stage the projected outturn underspend of salaries of £212,000. It likely that outstanding job evaluation increases will offset this.

6.0 ADUR HOUSING REVENUE ACCOUNT (HRA)

6.1 Adur Homes is held within a ring fenced Housing Revenue Account.

	CURRENT ESTIMATE 2014/2015	PROJECTED OUTTURN 2014/2015	VARIANCE (UNDER)/ OVERSPEND 2014/2015	% (UNDER) OVERSPEND On gross expenditure
	£'000	£'000	£'000	
Expenditure	13,395	13,143	(252)	
Income	(13,395)	(13,395)	0	
Net (Surplus)/ Deficit	0	(252)	(252)	1.8%

6.0 ADUR HOUSING REVENUE ACCOUNT (HRA)

6.2 Quarter 1 shows a saving for the HRA of £252,000. This is due to a forecast saving in borrowing costs (interest and premia) of £280,000 plus £112,000 from the post of Executive Head of Adur Homes. This saving however is offset by the cost of the new post of Head of Adur Homes (£85,000), the contribution to the Council's Senior Management Team (£41,000) and the contribution of £14,000 to the new post of Head of Organisational Development.

7.0 ADUR DISTRICT COUNCIL AND WORTHING BOROUGH COUNCIL CAPITAL INVESTMENT PROGRAMMES 2014/2015

Background

7.1 In accordance with the Councils' Capital Strategy the Joint Capital Working Group oversees the implementation and progress of both Councils' Capital Investment Programmes.

7.2 The Joint Capital Working Group meets quarterly and monitors the programmes' progress and finance, seeking to address any problems at an early stage in order for schemes to be completed within budget and timescales. Where problems are highlighted the Group considers possible remedies including virements between schemes, reprofiling of budgets between years and the withdrawal of schemes from the programme when schemes are unable to proceed. This could be due to resourcing problems, time delays or other factors beyond the Councils' control.

7.3 Full summaries of the progress of all the schemes in the 2014/2015 Capital Investment Programmes are prepared each quarter highlighting:

Schemes not progressing satisfactorily	Red
Schemes where progress is being closely monitored	Amber
Schemes progressing well	Green
Schemes where progress is beyond officers' control	■
Schemes with financial issues	£
Schemes where progress has improved	▲
Schemes where progress has deteriorated	▼

7.4 The Joint Capital Working Group also ensures that capital schemes are approved within financial regulations; a Summary of Project Initiation Document (P.I.D.) Approvals for 2014/2015 schemes and the P.I.D. documents (for schemes costing under £150,000k) are available from the Adur District Council and Worthing Borough Council Joint Intranet.

7.5 Financial Regulations require officers to report each project on completion detailing the original estimate, tender estimate and the final outturn; a Summary of Capital Project Final Account Forms submitted together with the Forms are available from the Adur District Council and Worthing Borough Council Intranet.

7.0 ADUR DISTRICT COUNCIL AND WORTHING BOROUGH COUNCIL CAPITAL INVESTMENT PROGRAMMES 2014/2015

Background

7.6 Each year a small number of schemes are selected for a more detailed evaluation on completion and officers are asked to complete a Post Scheme Evaluation Form. These forms are also available from the Adur District Council and Worthing Borough Council Intranet with the Capital Project Final Account Forms above.

7.7 Learning points highlighted from 2013/2014 Post Scheme Evaluations and Capital Final Account Forms were:

- (i) Adequate access to Council Buildings and the likely disruption to service provision needs to be agreed in advance of the works contract to avoid timescales slipping and additional contractor costs being incurred.
- (ii) Communication and planning with ICT is essential prior to scheme commencement to define the works required and to set realistic timescales.
- (iii) Good communications and involvement with local communities regarding their aims and outcomes is essential for community schemes and may reduce vandalism.
- (iv) Additional revenue budgets are required for regeneration schemes and consideration needs to be given as to how these could be incorporated into the revenue budget in future years.
- (v) Good communications are required with the Councils' surveyors and engineers and involvement is required before capital bids are submitted for all construction and property related schemes.
- (vi) Flexibility is required for complex projects and specialist advice and alternative proposals might need to be considered.
- (vii) Project timescales must be clear from the beginning of all projects and must be regularly reviewed in order to prevent over-runs and additional costs.
- (viii) End users of ICT and replacement assets must be fully involved with the purchase from the outset of the project and the time required for this needs to be realistic.
- (ix) Procurement of ICT software licences through authorised resellers as part of the Government Procurement Service is a relatively easy process.
- (x) Involving contractors in the development and planning through the IESE tender process facilitates good communications.
- (xi) Visits by specialist suppliers to the location will help to specify the product required and can be the basis for the tender package; specialist works can be more effectively managed when arranged directly through a specialist contractor/supplier rather than subcontracted through a main contractor.

7.0 ADUR DISTRICT COUNCIL AND WORTHING BOROUGH COUNCIL CAPITAL INVESTMENT PROGRAMMES 2014/2015

Background

- (xii) Managing projects which have multi funders is complex and time-consuming and this needs to be factored into the initial project plan.
- (xiii) Timescales for contributions to third parties for non Council assets are beyond the Council's control.
- (xiv) Asset replacement cycles need to be realistic to keep up with technology and need to be linked to use and down time in order to be cost effective.

8.0 PROGRESS OF THE ADUR DISTRICT COUNCIL 2014/2015 CAPITAL INVESTMENT PROGRAMME – JULY 2014

- 8.1 There are 58 schemes in the 2014/2015 current capital investment programme of which 31 schemes are progressing satisfactorily or have completed. Three schemes have been identified as not progressing satisfactorily and a summary of these schemes is attached as Appendix 4 to this report. A summary of the progress of all the schemes in the 2014/2015 Capital Investment Programme is available from the Councils' Joint Intranet. The current 2014/2015 budget is £12,367,160 which has increased by £1,696,230 from the original budget due to slippage from the 2013/2014 capital investment programme, approved changes to the 2014/2015 budget and budgets reprofiled to 2015/2016.
- 8.2 Budgets totalling £1,763,830 have been reprofiled to 2015/2016, where the original project plan has changed and the schemes are unable to complete in 2014/2015. A list of schemes reprofiled is attached as Appendix 6 to this report.
- 8.3 The following schemes have also been identified as possibly requiring reprofiling of budget to 2015/2016:
- i) Commerce Way Vehicle Workshop replacement roof including the provision of solar panels. Complexity of scheme may delay progress.
 - ii) ICT CenSus Projects. The implementation of the 'Redhat Linux' has been delayed by the need to complete all the PSN projects before this scheme can commence.
 - iii) Kingston Beach area improvements. Consultations with residents and Cabinet Members are proceeding and some works are anticipated this year but timescales are uncertain and there could be slippage.
 - iv) Southwick Recreation Ground refurbishment of hard surfaces. Discussions in progress with the MS Day Care Centre regarding suitable dates for the work as the Day Centre requires vehicular access 7 days a week. The scheme may slip to 2015/2016 if dates cannot be agreed.

8.0 PROGRESS OF THE ADUR DISTRICT COUNCIL 2014/2015 CAPITAL INVESTMENT PROGRAMME – JULY 2014

- v) Street Scene rolling programme of improvements. Coronation Green surfacing and improvements. Works likely to commence Spring 2015 and might not complete by 31st March 2015.
- vi) Shoreham Harbour Capital Projects - Only 2 projects identified for funding in 2014/2015. The remaining budget is likely to be reprofiled to future years.

8.4 The following amendments, to the 3 Year Capital Investment Programme, are recommended:

8.5 West Sussex County Council have advised the Council that they are proposing to undertake 2 transport infrastructure schemes in 2014/2015 approved by the WSCC County Local Committee, and have requested the release of the following S106 receipts collected and held by Adur District Council. Under financial regulations the S106 receipts can be released by Officers but the schemes need to be added to the 2014/2015 Capital Investment Programme.

Scheme	S106 Agreement	Amount	Total Scheme Cost
		£	£
Footway enhancement scheme in South Street, Lancing.	ADC/487/08	1,520	
	ADC/595/08	5,920	
	ADC/365/09	5,358	
	ADC/164/08	6,960	19,758
Improvements at Southwick Station, including signage improvements, crossing improvements and tactile paving.	ADC/97/06	10,000	
	ADC/783/07	12,826	
	SW/81/04	1,680	24,506

8.6 After initial delays, due to priority being given to the Homes and Communities Scheme which is now not proceeding, the Council's Empty Properties Scheme to bring empty properties back into the community as residential homes is now accelerating. Reducing the numbers of empty properties in the District has a direct effect on the New Homes Bonus received by the Council and the Empty Properties Budget is £20,000 funded from the New Homes Bonus. Works in default, demolitions and enforced sales are all progressing and the estimated cost of these works is £22,000. It is anticipated that further schemes will come forward in 2014/15. Additional funding of £5,000 is requested from the 2014/2015 New Home Bonus to fund the small anticipated overspend and to fund any further schemes identified in 2014/2015 to bring empty properties back into use.

8.7 The Council has received a capital grant of £5,560 from the Cabinet Office for the purchase of elections hardware. The grant and purchases need to be added to the 2014/2015 Capital Investment Programme.

8.0 PROGRESS OF THE ADUR DISTRICT COUNCIL 2014/2015 CAPITAL INVESTMENT PROGRAMME – JULY 2014

- 8.8 The Joint Strategic Committee 24th June 2014 approved the carry forward of £20,000 from the 2013/2014 Housing Revenue Account to fund the purchase of a leasehold database. The current system does not meet the needs of the service and the proposed database will streamline processes and will be fully integrated to the Housing Management System. The purchase of the new system needs to be added to the Adur Homes 2014/2015 Capital Investment Programme.
- 8.9 The 2014/2015 Capital Investment Programme includes a budget of £24,750 for the purchase of community alarm equipment to replace existing equipment and also to buy new equipment to expand the service. The purchases are funded from the Community Alarm Service. Current estimates indicate that equipment purchases of £35,500 will be required in 2014/2015 to provide an efficient Community Alarm Service. It is recommended that the 2014/2015 Community Alarm Budget is increased to £35,500 to accommodate the additional purchases and that the increased budget is funded from income generated from the Community Alarm Service.
- 8.10 Budget of £27,000 was carried forward from 2013/2014 for the provision of outdoor fitness equipment at Buckingham Park. In order to maximise the equipment to be replaced at Buckingham Park it is requested that the budget is increased to £37,000 with the additional £10,000 being funded from a contribution from the Parks revenue budget.
- 8.11 The Adur Homes 2014/2015 Capital Investment Programme has been reviewed and the budgets require revising in line with the anticipated spend profile at this time. This has resulted in reprofiling budget of £225,000 to 2015/2016. The main reasons for the budget revisions are as follows and full details of individual scheme revised estimates are set out in Appendix 4 to this report.
- i) Insufficient staff resources to prepare contracts and oversee works has resulted in low risk/low priority work being rescheduled to 2015/2016.
 - ii) The main contractor for the kitchen and bathroom improvements is unlikely to complete works to fully utilise the original 2014/2015 budget.
 - iii) Budget revisions are required to accommodate additional priority works in 2014/2015 which were not envisaged when the original budget was agreed.
 - iv) Works to replace a number of the existing community alarm/alert systems originally budgeted in 2015/2016 have been added to the 2014/2015 programme of works, due to some systems showing early signs of failure and are therefore in need of earlier replacement.

It is recommended that individual scheme budgets are revised in line with anticipated revised estimates as set out in Appendix 4 to this report.

9.0 PROGRESS OF THE WORTHING BOROUGH COUNCIL 2014/2015 CAPITAL INVESTMENT PROGRAMME – JULY 2014

- 9.1 There are 78 schemes in the 2014/2015 current capital investment programme of which 34 schemes are progressing satisfactorily or have completed. Only 1 scheme has been identified as not progressing satisfactorily and a summary of this scheme is attached as Appendix 5 to this report. A summary of the progress of all the schemes in the 2014/2015 Capital Investment Programme is available from the Councils' Joint Intranet. The current 2014/2015 budget is £5,214,820, a decrease of £970,950 on the original budget due to slippage carried forward from 2013/2014, approved changes to the 2014/2015 Capital Investment Programme and budgets reprofiled to 2015/2016 and future years.
- 9.2 Budgets totalling £1,649,430 have been reprofiled to 2015/2016 and future years where the original project plan has changed and the schemes are unable to complete in 2014/2015. A list of schemes reprofiled is attached as Appendix 7 to this report.
- 9.3 The following schemes have been identified as possibly requiring reprofiling of budget to 2015/2016:
- i) Beach House Park replacement of the irrigation system on the bowling greens. The project has been delayed by consideration of the Parks Strategy and recommendations are due to be considered by the Joint Strategic Committee in September 2014. The Strategy recommends that the bowling green at Beach House Park is retained but it might not be possible to procure the new system this financial year.
 - ii) Crematorium driveway works. UK Gas have carried out feasibility works regarding the new gas main and are finalising their proposals which will determine how and when the scheme will progress.
 - iii) Davisons Leisure Centre replacement of boilers and one hot water cylinder. Scheme progress is dependent on WSCC and changes in WSCC personnel and responsibilities may delay the progress of this scheme.
 - iv) Davisons Leisure Centre refurbishment of tennis courts to improve the drainage. Scheme progress is dependent on WSCC who are carrying out their own drainage investigations which may delay the progress of this scheme.
 - v) Public Conveniences improvement and upgrading of the Guildbourne site and Sea Lane Café site. Works to be undertaken after the seafront public conveniences have been completed and might be delayed into 2015/2016.
 - vi) Solar Renewable Energy Projects at Portland House, Assembly Hall and Worthing Leisure Centre. Schemes are to be progressed by "Your Energy Sussex" a County led initiative. The delivery consultant has been agreed and they are currently assessing sites and pricing. However, the legal agreement with "YES" is currently being negotiated and works might slip to 2015/2016 if there is a delay in the legal agreement.

9.0 PROGRESS OF THE WORTHING BOROUGH COUNCIL 2014/2015 CAPITAL INVESTMENT PROGRAMME – JULY 2014

- vii) Homefield Park Newlands Road Access reconstruction. The scheme has not commenced and might not complete this financial year.
- viii) Victoria Park refurbishment of paths. The scheme has not yet commenced and might not complete this financial year.

9.4 The following amendments to the 3 Year Capital Investment Programme are recommended:

9.5 The 2014/2015 Capital Investment Programme includes an “invest to save” scheme at Worthing Leisure Centre to replace the astroturf and convert the area into 6 pitches, upgrade the changing area and install floodlighting. The pitches have been completed under budget and it is requested that the underspend of £60,000 is used to provide additional car parking spaces at Worthing Leisure Centre. The work is an essential part of the scheme required to absorb the anticipated increase in membership and customer parking generated from the use of the new pitches.

9.6 The Council has received a capital grant of £5,560 from the Cabinet Office for the purchase of elections hardware. The grant and purchases need to be added to the 2014/2015 Capital Investment Programme.

9.7 The 2014/2015 Capital Investment Programme includes a budget of £28,800 for the replacement of fitness bikes for the Splashpoint Leisure Centre. The actual cost of the replacement equipment is £40,000 and it is recommended that the budget is increased to £40,000 funded from 2014/2015 Splashpoint Leisure Centre income.

10.0 MINIMUM REVENUE PROVISION (MRP) AND DEBT POSITION

10.1 In recognition of the introduction of the Housing Revenue Account (HRA) Self-Financing regime from 1 April 2012, the Councils’ joint treasury management policy requires separate accounting for General Fund and HRA debt for Adur Council in accordance with the “two pool approach” recommended by the CIPFA Treasury Management Code of Practice.

10.2 This approach apportioned historic debt at 31 March 2012 between HRA and General Fund in accordance with the Code guidance, and requires new borrowing from 1 April 2012 to be attributed to either General Fund or HRA according to the purpose for which it is obtained. This is because the Code stipulates that General Fund and HRA treasury management decisions are considered independently of each other, and in an equitable and transparent manner.

10.3 This transparency is in part facilitated by the reporting here of the analysis presented below, which in turn reflects the Treasury Management Strategy & Annual Investment Strategy, and the HRA Budget Report agreed before the start of the financial year.

10.0 MINIMUM REVENUE PROVISION (MRP) AND DEBT POSITION

10.4 Accordingly, the Table below sets out the respective General Fund and HRA debt positions for Adur Council, and also the General Fund position for Worthing (as it does not have an HRA). The table includes a comparison of actual debt with the corresponding underlying need to borrow (the Capital Financing Requirement, or CFR, being capital expenditure not financed from internal resources). It also compares the HRA Debt Limit imposed by central government with the actual indebtedness.

CFR v LONG TERM DEBT POSITION	ADUR DISTRICT COUNCIL			WORTHING BOROUGH COUNCIL
	General Fund (£)	HRA (£)	Total (£)	General Fund Total (£)
Actual Debt @ 01/04/14	13,215,445	64,993,382	78,208,827	14,722,209
Forecast Borrowing 2014/15 to fund capital expenditure	4,859,000	372,000	5,231,000	3,982,000
Debt Repaid (Net of re-financing) 2014/15	(516,373)	(1,706,167)	(2,222,540)	(834,440)
Actual CFR 31/3/14	11,029,957	65,253,458	76,283,415	23,759,369
Forecast Unfinanced Capital Expenditure 2014/15	4,859,000	372,000	5,231,000	3,982,000
MRP 2014/15	(802,565)	(1,716,907)	(2,519,472)	(875,825)
Forecast CFR @ 31/3/15	15,086,392	63,908,551	78,994,943	26,865,544
Forecast (Over)/Under Borrowing @ 31/3/15	(2,471,680)	249,336	(2,222,344)	8,995,775
HRA Debt Limit	N/A	68,912,000	N/A	N/A
HRA Borrowing Headroom (Debt Limit – Actual Debt)	N/A	5,252,785	N/A	N/A

10.5 Treasury management decisions are governed by considerations of prevalent interest rates. Consequently, at any given time, the Councils may legitimately be over or under borrowed for a variety of reasons:

- (i) There may be timing differences between when funds are borrowed to fund the capital programme and when the funds are spent.
- (ii) When interest rates for investments are lower than those for borrowing the Councils may choose to use internal resources to fund the capital programme (i.e. internal borrowing).

10.0 MINIMUM REVENUE PROVISION (MRP) AND DEBT POSITION

- (iii) If interest rates are expected to increase in future the Councils may borrow in advance of the need to fund the capital programme, as permitted by the CIPFA Code for Prudential Borrowing.
- 10.6 In the longer term, the Capital Financing Requirement and the level of borrowing should be broadly in line with each other. For Adur Council the General Fund is forecast to be over-borrowed by approximately £2.5m at 31 March 2015 if the capital expenditure plans are realised in full. However, in practice, the over borrowed position predicted at the end of the year is invariably below the forecast due to slippage in the capital programme and re-profiling of budgets. Hence, a more accurate position will emerge as the year unfolds.
- 10.7 In any event, the forecast over-borrowed General Fund position for Adur at 31 March 2015 is mainly a reflection of past historic debt and the application of the CIPFA two pool approach applied at 1st April 2012.
- 10.8 This methodology assumed the HRA was fully borrowed at the level of its CFR, with all remaining debt allocated to the General Fund. This resulted in the General Fund being deemed to be £2.2m over-borrowed at this point in time. But as the forecast for the equivalent figure at 31 March 2015 is £2.5m, there is no significant change to the underlying position. This is to be expected given the long-dated maturity profile of the debt portfolio, and the Council's prudent policy of setting aside MRP each year.
- 10.9 By contrast the HRA for Adur Council is expected to be some £249k under borrowed, similar to the position carried forward at the start of the year (£260k). The under borrowing position reflects the HRA share of the repayment of two PWLB loans of £500,000 each between the period 1 April 2012 and 31 March 2015, and the impact of the forecast unfinanced capital expenditure for 2014/15. One of the two loans was repaid on 21st May 2012, while the other is due to be repaid on 11 October 2014.
- 10.10 Significantly, since drawing down the HRA self-financing debt settlement amount (as required by Central Government) of £51.185m on 28 March 2012, Adur Council will have repaid £5.25m by the end of 2014/15. This will provide capacity for new borrowing to fund housing investment in future years.
- 10.11 Worthing Council is expected to be under-borrowed by nearly £9m at 31st March 2015, some £143k more than at the end of the previous year. This again assumes the capital expenditure plans are realised in full. The under borrowed position reflects the cumulative effect over many years of using internal cash surpluses as a cheaper alternative to borrowing from the external financial markets as a means of financing capital expenditure.

11.0 PERFORMANCE MONITORING

This report sets out the latest progress on key performance indicators.

Key Performance Indicators

1. % of household waste sent for reuse, recycling and composting

2013/14		2014/15 Q1 (13/14 Comparison)			2013/14 Q4
Adur	30.91%	Adur	36.45%	(37.3%)	30.91%
Worthing	34%	Worthing	40.47%	(38.92%)	34%
Targets	38.5%	Targets	37%	(38.5%)	38.5%

Increase in recycling rates in the period April – June is mainly due to the green waste. There has been an increase in the uptake of this service and the weather has been causing grass growth. A more realistic target of 37% has now been introduced for 2014/15.

2. Kilograms of residual household waste per household (Less is best)

2013/14		2014/15 (2013/14 Figures)				
			Adur		Worthing	
Adur	478	April	502	(508)	485	(503)
Worthing	491	May	505	(505)	483	(504)
Target	500	June	500	(486)	484	(491)
		Targets	520	(500)	520	(500)

The average amount of residual waste collected per household has remained relatively unchanged for the last few years and tends to fluctuate between 470 and 500 kilos. A more realistic target of 520 has been introduced for 2014/15.

3. Council Tax Collection (Quarter 1)

2013/14		2014/15 Q1 (2013/14 Figures)		
Adur	97.51%	Adur	29.8%	(29.84%)
Worthing	97.7%	Worthing	32.66%	(32.66%)
Targets	97.50%(A) 98.00%(W)	Yearly Targets	97.50%(A) 98.00%(W)	

Council Tax collection rate in Adur is just higher than the target set which was 29.80%.

The 13/14 average overall collection rates for all Local Authority District and Borough Councils in the South East was 98.14%.

11.0 PERFORMANCE MONITORING

Key Performance Indicators

4. Business Rates (Quarter 1)

2013/14		2014/15 Quarter 1 (2013/14 Figures)		
Adur	97.78%	Adur	30.02%	(32.80%)
Worthing	97.8%	Worthing	36.09%	(35.11%)
Target	(A) 97.00% (W) 95.00%	Yearly Targets	(A) 97.00% (W) 98.00%	

The collection rate of 30.02% in Adur is below that anticipated for Quarter 1 (target 32.80%) but is likely to be due in part to the number of large businesses which have opted for the new 12 monthly instalment plan. It is expected that the collection rate will improve over the coming months. The collection rate for Worthing is an improvement compared with the same time last year.

The 13/14 average collection rates for all local authority Districts and Borough Councils in the South East was 98.45%.

5. Sickness Rates (Quarter 1)

2013/14	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	2014/15 Q1
6.94 days	1.14 days	1.37 days	2.66 days	1.71 days	To be confirmed

Quarter 1 sickness rates are not yet available at the time of preparing this report but will be reported at the meeting. The average end of year sickness rate for 13/14 compares with 6.79 days in 12/13.

6. Council Tax Benefit Payments

Worthing

2014/15 CTB Budget = £7,210,000

2014/15 CTB Payments = £6,952,547.59 at 31.07.14

Adur

2014/15 CTB Budget = £5,159,500

2013/14 CTB Payments = £4,758,112.08 at 31.07.14

Most payments are made at the start of the financial year and are now accounted for in the Collection Fund.

11.0 PERFORMANCE MONITORING

Key Performance Indicators

7. Corporate Contact Centre Quarter 1 – Key Performance Targets

	Q1 2013/14	Q2 2013/14	Q3 2013/14	Q4 2013/14	Q1 2014/15
Call Volumes	56,738	61,670	50,656	55,416	55,882
Call abandonment rate Target – 5%	16.13%	20.9%	10.04%	4.5%	9.62%
Service Level Target – 80%	93.29%	92.13%	91.13%	95.6%	90.60%
Joint call and wrap up time Target - <5minutes	4.69 minutes	4.51 minutes	4.59 minutes	4.50 minutes	4.53 minutes

Abandoned Call: This indicator covers a call which the customer terminates before being answered (after waiting 5 seconds).

Service Level: This indicator covers the percentage of calls answered that were done so in 20 seconds.

Average call and wrap time: This indicator covers the time taken to complete the call to a customer and the subsequent notations.

8. Planning Applications statistics

The latest Planning Performance statistics for Q1 2014/15 are set out below. These show the percentage of Planning applications dealt with inside the Government timescales (13 weeks for major applications and 8 weeks for minor and other applications).

	Q1 13/14	Q2 13/14	Q3 13/14	Q4 13/14	Q1 14/15
ADUR					
Majors	33%	50%	50%	67%	100%
Minors	67%	68%	63%	65%	60%
Others	77%	79%	77%	79%	76%
Worthing					
Majors	0%	20%	43%	83%	50%
Minors	68%	63%	64%	82%	75%
Others	74%	74%	74%	80%	85%

The average Q1 processing times for other South East Districts and Borough Councils are currently being collated by the Local Government Association and will be available in due course.

12.0 CONCLUSIONS

- 12.1 At the end of the first Quarter of the revenue budgetary cycle a relatively small budget percentage variance is anticipated. Overall income streams have been volatile but the net of these variances is projected to be favourable. There are some particular problem areas of expenditure in Worthing offset by Treasury Management. It is expected there will be an underspend at outturn in both Authorities, all be it smaller than in previous years.
- 12.2 At Quarter 1 both Adur District Council and Worthing Borough Council Capital Investment Programmes have already identified considerable reprofiling of budgets to future years, and other schemes which might also not complete in 2014/2015. This reflects the inherent difficulty in accurately budgeting for capital schemes where, due to the complex nature of a capital acquisition, a number of factors can affect the timing and outturn of those schemes. Worthing Borough Council has one scheme that is not proceeding which could result in an underspend of £66,000 but is dependent on all other schemes completing within budget. Adur District Council also has two schemes that are not proceeding which could result in an underspend of £54,680 but again this is dependent on all other schemes completing within budget.

13.0 LEGAL

- 13.1 Section 151 of the Local Government Act, 1972 requires the Councils to make arrangements for the proper administration of their financial affairs.

14.0 RECOMMENDATIONS

- 14.1 The Joint Overview and Scrutiny Committee is asked to note this report.**

Local Government Act 1972

Background Papers:

Revenue Budget 2014/15 Joint, Adur and Worthing <http://www.adur-worthing.gov.uk/media/media,123434,en.pdf>

Joint Overall Budget Estimates 2014/15 - <http://www.adur-worthing.gov.uk/media/media,120116,en.pdf>

Adur Overall Budget Estimates 2014/15 And Setting of 2014/15 Council Tax - <http://www.adur-worthing.gov.uk/media/media,120959,en.pdf>

Worthing Overall Budget Estimates 2014/15 And Setting of 2014/15 Council Tax - <http://www.adur-worthing.gov.uk/media/media,120877,en.pdf>

Background Papers:

Capital Investment Programme 2014/15 – 2016/17 -

<http://www.adur-worthing.gov.uk/media/media,119298,en.pdf>

Revenue and Capital Outturn for Joint, Adur and Worthing 2013/14

<http://www.adur-worthing.gov.uk/media/media,124885,en.pdf>

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SCHEDULE OF OTHER MATTERS

1.0 COUNCIL PRIORITY

- 1.1 The monitoring of the budget and performance underpins the achievement of both Councils' priorities.

2.0 SPECIFIC ACTION PLANS

- 2.1 The Medium Term Financial Plan

3.0 SUSTAINABILITY ISSUES

- 3.1 Matter considered and no issues identified

4.0 EQUALITY ISSUES

- 4.1 Matter considered and no issues identified

5.0 COMMUNITY SAFETY ISSUES (SECTION 17)

- 5.1 Matter considered and no issues identified

6.0 HUMAN RIGHTS ISSUES

- 6.1 Matter considered and no issues identified

7.0 REPUTATION

- 7.1 Matter considered and no issues identified

8.0 CONSULTATIONS

- 8.1 Matter considered and no issues identified

9.0 RISK ASSESSMENT

- 9.1 Matter considered and no issues identified

10.0 HEALTH and SAFETY ISSUES

- 10.1 Matter considered and no issues identified

11.0 PROCUREMENT STRATEGY

- 11.1 Matter considered and no issues identified


12.0 PARTNERSHIP WORKING

- 12.1 This report contains the projected outturn for the Adur and Worthing Partnership.

- 12.2 Contained within accounts of both Councils is the relevant share of the Adur and Worthing Partnership arrangements.


SUMMARY - 1st QUARTER PROJECTED OUTTURN 2014/15

Actual Previous year 2013/14	ADUR CABINET MEMBER PORTFOLIOS	Original Estimate 2014/15	Projected Outturn to 31st March 2015	Forecast Over/(Under)
3,094,548	CM for Environment	3,150,480	3,218,480	68,000
1,080,917	CM for Health & Wellbeing	1,011,480	1,025,480	14,000
1,004,129	CM for Customer Services	1,179,930	1,250,930	71,000
562,756	CM for Leader	543,470	543,470	0
2,143,932	CM for Regeneration	1,804,090	1,804,090	0
2,941,864	CM for Resources	1,992,040	1,831,040	(161,000)
5,331	Support services	607,620	607,620	0
10,833,476	Total Cabinet Member	10,289,110	10,281,110	(8,000)
(1,300,790)	Credit Back Depreciation	(1,366,190)	(1,366,190)	0
750,298	Minimum Revenue Provision	963,680	963,680	0
(295,731)	Non ringfenced grants	0	(149,000)	(149,000)
1,869	Financial Instruments Adjustment Account	0	0	0
9,989,123		9,886,600	9,729,600	(157,000)
	Transfer to/from reserves			
(157,005)	Contribution to/(from reserves)	(308,520)	(308,520)	0
24,170	Budgeted contribution to Reserves	51,060	51,060	0
20,842	Revenue Contributions to Capital Expenditure	0	0	0
(736,143)	Transfer from reserves to fund specific expenditure (carry forwards)	0	0	0
539,433	Net Underspend/(Overspend) Recommended For Transfer To/(From) Reserves	0	157,000	157,000
9,680,420	Total Budget requirement before External Support from Government	9,629,140	9,629,140	0

 Earmarked Revenue Reserve Accounts	Opening Balance 2014/15	Estimated Decrease 2014/15	Estimated Increase 2014/15	Projected Closing Balance 2014/15
Capacity Issues Fund including General Fund Carry Forward Reserve - to set up Worthing and Adur Trust (27/09/2011 JSC) - Contribution to Coastal West Sussex (24/01/2013 JSC/091/12-13) - Events Budget (27/09/11 JSC/038/11-12) - New Ways of Working Project (28/02/12 JSC/085/11-12) - Re the delay in sale of the Civic Centre (28/02/13 JSC/109/12-13) - Contribution to external organisation to run Adur Festival (26/07/12 JSC/026/12-13) agreed for 3 years - Grant to Ropetackle Trust re appointment of professional manager (21 Dec 2012: LDR/013/12-13) agreed for 2 years - To fund secondment for work on EDRMS, 2 years 2013/14 and 2014/15 (28/02/2013 JSC/110/12-13) - Partnership and Business Support Manager post (7/11/13 JSC/058/13-14 40% share) - Costs relating to preparation for WBC in-house car parks service, pending clarification of use of the vehicle (3/12/13 JSC/072/13-14) - Contribution to Travellers' Transit Site (7/1/14 JSC/083/13-14) - Greater Brighton City Deal admin costs (6/2/14 JSC/090/13-14) - Compulsory Purchase for Shoreham Beach Boardwalk (6/2/14 JSC/104/13-14) - Public Service Network BPSS checks (6/5/14 JSC/129/13-14) - Coast Protection Scheme for Kingston Beach (6/5/14 JSC/132/13-14) - Adur Civic Presence revenue costs (6/5/14 JSC/133/13-14) - Pot of Gold (6/5/14 JSC/134/13-14) - Feasibility Study for Anaerobic Digester (24/6/14 JSC/008/14-15) Carry Forwards agreed JSC 11/06/2013: Adur share of Joint Adur Carry Forwards - Budgeted contribution to Reserves	1,765,928			
			51,060	796,518
Insurance Fund	159,675	(9,500)	30,000	180,175
New Technology Fund: JSC/057/13-14 impact of Public Service Network	22,300			22,300
Local Plan (Adur) and PDG	140,476	(96,500)		43,976
Partnership Development Fund	52,011			52,011
Health & Safety	32,545			32,545
Investment Property Maint Fund -Revenue Maint Prog	68,387			68,387
Building Maintenance Fund - Revenue Maint Prog	150,810			150,810
Grants & Contributions held in reserves	258,249			258,249
Performance Reward Grant Fund	26,398			26,398
Election Reserve	10,380			10,380
Special & Other Emergency Reserve - Property Searches Litigation Settlement (24/6/14 JSC/006/14-15)	350,000	(40,000)		310,000
Vehicle Repair and Renewal Reserve	29,203			29,203
Others (all under £10,000)	14,451			14,451
Projected Underspend/ (Overspend) (Reserve to be identified at outturn).			157,000	157,000
General Fund Reserve	858,770			858,770
TOTALS	3,939,583	(1,166,470)	238,060	3,011,173

SUMMARY - 1st QUARTER PROJECTED OUTTURN 2014/15

Actual Previous year 2013/14	WORTHING CABINET MEMBER PORTFOLIOS	Original Estimate 2014/15	Projected Outturn to 31st March 2015	Forecast Over/(Under)
4,099,286	CM for Environment	3,503,140	3,470,140	(33,000)
1,419,297	CM for Health & Wellbeing	1,325,400	1,348,400	23,000
4,692,848	CM for Customer Services	3,792,090	3,992,090	200,000
942,708	Leader	1,008,200	1,008,200	-
2,538,060	CM for Regeneration	2,494,550	2,474,550	(20,000)
4,161,817	CM for Resources	3,238,620	2,997,620	(241,000)
(40,700)	Holding Accounts	767,730	767,730	-
17,813,316	Total Cabinet Member	16,129,730	16,058,730	(71,000)
(2,584,760)	Credit Back Depreciation	(3,178,370)	(3,178,370)	-
883,625	Minimum Revenue Provision	1,207,040	1,207,040	-
(384,434)	Non ring fenced grants	-	(106,000)	(106,000)
15,727,747		14,158,400	13,981,400	(177,000)
	Transfer to/from reserves			
50,350	Contribution to/(from reserves)	14,260	14,260	-
(148,572)	Budgeted contribution to/(from) Reserves	(195,880)	(195,880)	-
(1,075,835)	Transfer from reserves to fund specific	-	-	-
(299,260)	Net Underspend/(Overspend) Recommended	-	177,000	177,000
14,254,430	Total Budget requirement before External Support from Government	13,976,780	13,976,780	-

 Earmarked Revenue Reserve Accounts	Opening Balance 2014/15	Estimated Decrease 2014/15	Estimated Increase 2014/15	Projected Closing Balance 2014/15
	£	£	£	£
Capacity Issue Reserve	2,014,902			
- BID Levv		(7,000)		
- Housing Advisor post for 2 years (02/02/09 Cabinet meeting)		(30,000)		
- Invest to save schemes (Theatres) (26/07/12 JSC/035/12-13) *C		(48,752)		
- to set up Worthing and Adur Trust for theatres etc (27/09/2011 JSC)		(3,000)		
- Splash Point net cost of investment		(83,440)		
- Marketing/legal costs re disposal of High St & Civic Centre car park sites (28/02/12 JSC/094/11-12) up to £50k each		(100,000)		
- Investment at Commerce Way and Worthing car parks (27/09/12 JSC/049/12-13)		(30,000)		
- Contribution to Coastal West Sussex (24/01/2013 JSC/091/12-13)		(9,000)		
- Funding for secondment for work on EDRMS, 2 years 2013/14 and 2014/15 (28/02/2013 JSC/110/12-13)		(26,485)		
- Funding for Citizens' Advice Bureau for 2013/14 and 2014/15 (28/03/2013 JSC/125/12-13) conditions apply		(18,500)		
- Events Funding for Worthing (27/09/11 JSC/038/11-12)		(48,000)		
- Funding for EPOS system for Worthing Museum and Visitor Information Centre (01/10/2013 JSC/047/13-14)		(8,500)		
- Partnership and Business Support Manager post (7/11/13 JSC/058/13-14)		(37,080)		
- Preparation costs for WBC in-house car parks service (3/12/13 JSC/072/13-14)		(52,670)		
- Contribution to Travellers' Transit Site (7/1/14 JSC/083/13-14)		(83,750)		
- Greater Brighton City Deal admin costs (6/2/14 JSC/090/13-14)		(7,300)		
- Survey work for Coastal Communities Fund bid (1/4/14 JSC/124/13-14)		(20,000)		
- Public Service Network BPSS checks (6/5/14 JSC/129/13-14)		(27,880)		
- The Money Tree (22/7/14 JSC/028/14-15)		(21,000)		
- Feasibility Study for Anaerobic Digester (24/6/14 JSC/008/14-15)		(12,000)		
- Funding for Leisure Services Trust bid (24/6/14 JSC/012/14-15)		(100,000)		
- Funding for Decoy Farm survey (22/7/14 JSC/031/14-15)		(150,000)		
Expenditure funded from approved carry forwards from 2013/14				
Worthing Capital carry forward re Pavilion Electronic Signage - approved in Capital Outturn Report JSC 24 June 2014		(9,290)		
Worthing share of Joint carry forwards agreed JSC 24 June 2014		(80,450)		
Worthing carry forwards agreed JSC 24 June 2014		(98,651)		
- Budgeted contribution to reserves		(195,880)		
				706,274
Crematorium Improvement *C	0	(60,000)	60,000	0
Insurance Reserve	435,758	(30,270)	30,700	
- Seaside Improvement Pot (22/7/14 JSC/028/14-15)		(10,000)		426,188
Joint Health Promotion Reserve	21,855			21,855
Leisure Lottery & Other Partnerships *C	77,767			77,767
Museum reserve	112,181			112,181
Theatre Ticket Levy (Expenditure approved with Budget JSC 7/1/2014)	27,065	(84,790)	80,000	22,275
Planning Delivery Grant	124,362	(37,500)		86,862
Special & Other Emergency Reserve	149,427			
- Property Searches Litigation Settlement (24/06/14 JSC/006/14-15)		(74,000)		75,427
Grants & Contributions	545,156			545,156
VAT exemption liability- Palatine Pavilion	211,860			211,860
Vehicle Repairs & Renewal	97,000			97,000
Capital Expenditure Reserve *C	73,158			73,158
Projected Underspend/ (Overspend) (Reserve to be identified at outturn).			177,000	177,000
General Fund Working Balance	843,625			843,625
TOTAL	4,734,116	(1,605,188)	347,700	3,476,628

* Capital

Appendix 3

HOUSING REVENUE ACCOUNT QUARTER 1 BUDGET MONITORING

Housing Revenue Account			Quarter 1
	ESTIMATE 2014/15	Current Estimate 2014/15	PROJECTED OVER/ (UNDERSPEND) 2014/15
	£	£	£
EXPENDITURE			
General Management	2,436,890	2,464,890	28,000
Special Services	893,370	893,370	-
Rent, Rates, Taxes & Other Charges	29,780	29,780	-
Repairs & Maintenance	2,413,580	2,413,580	-
Revenue Contribution to Capital	1,950,000	1,950,000	-
Provision for refurbishment & New Build	566,060	566,060	-
Charges for Capital/Interest Repayment/Debt	2,868,140	2,588,140	(280,000)
Management Expenses			
Depreciation transfer to MRR Inc Non Op Assets	2,186,710	2,186,710	-
Bad/Doubtful Debt	50,000	50,000	-
TOTAL EXPENDITURE	13,394,530	13,142,530	(252,000)
INCOME			
Dwelling Rents	(12,273,230)	(12,273,230)	-
Non-Dwelling Rents	(538,240)	(538,240)	-
Heating Charges	(70,720)	(70,720)	-
Leaseholder's Service Charges	(102,000)	(102,000)	-
Other Service Charges	(366,630)	(366,630)	-
Contributions towards Expenditure	(15,710)	(15,710)	-
Interest Received	(28,000)	(28,000)	-
TOTAL INCOME	(13,394,530)	(13,394,530)	-
NET (SURPLUS)/DEFICIENCY	-	(252,000)	(252,000)
BALANCES			
1st April	2,108,313	2,108,313	
31st March	2,108,313	2,360,313	

CAPITAL MONITORING SUMMARY 2014/2015									JUNE 2014
Cabinet Portfolios	(1) Total ADC Scheme Budgets £	(2) Previous Years' Spend £	(3) 2014/15 Original Budget £	(4) Net Slippage b/f from 2014/15 £	(5) Approved Changes to Original Budget £	(6) 2014/15 Budget Reprofiled to 2015/16 and Future Years £	(7) 2014/15 Current Budget £	(8) 2014/15 Spend £	(9) Spend % of Current Budget
Customer Services	6,704,400	-	5,581,310	1,386,890	(56,800)	(1,035,000)	5,876,400	1,005,148	17.10%
Environment	1,600,180	190,390	1,223,090	57,700	135,000	(130,610)	1,285,180	67,886	5.28%
Health and Wellbeing	1,376,780	5,000	275,500	3,030	(78,750)	-	199,780	16,228	8.12%
Regeneration	770,520	61,860	737,450	(6,680)	1,165,000	(75,000)	1,820,770	3,725	0.20%
Resources	3,818,320	118,910	2,853,580	53,110	801,560	(523,220)	3,185,030	123,692	3.88%
TOTALS	14,270,200	376,160	10,670,930	1,494,050	1,966,010	(1,763,830)	12,367,160	1,216,680	9.84%

Financing of 2014/15 Current Budget:

Adur Homes Capital Programme:	£'000
Capital Receipts:	117
Major Repairs Reserve:	3,915
Prudential Borrowing:	372
Reserves:	826
	<u>5,230</u>
General Capital Programme:	£'000
Prudential Borrowing:	4,837
Capital Receipts:	331
Government Grants:	1,611
Revenue Reserves and Contributions	294
Other Contributions:	64
	<u>7,137</u>

Capital Monitoring - Summary of Progress:

Schemes not progressing satisfactorily or where there are financial issues:	3
Schemes where progress is being closely monitored:	22
Schemes progressing well:	28
Schemes completed:	3
Schemes not proceeding:	2
Total Schemes:	<u>58</u>


(1) SCHEME (Responsible Officer)	(2) Total ADC Scheme Budget £	(3) Previous Years' Spend £	(4) 2014/15 Original Budget £	(5) Budget Reprofiled to 2015/16 and Future Years £	(6) 2014/15 Current Budget £	(7) 2014/15 Spend To Date £	(8) Anticipated Completion Date (C) / Approval Report(D)/ P.I.D(P)	(9) 2014/15 Anticipated (Underspend) /Overspend (Council Resources) £	(10) COMMENTS AND PROGRESS <input checked="" type="checkbox"/> Progress Beyond Council's Control £ Schemes with financial issues ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated	(11) Status
Schemes not progressing satisfactorily or where there are financial issues	1,537,500	63,390	1,351,500	810,000	664,110	11,134		-	Scheme Details Below	RED
Schemes where progress is being closely monitored	10,623,330	217,250	7,481,130	878,830	9,752,250	1,008,200		-	Scheme details on intranet	AMBER
Schemes progressing well	2,048,890	90,650	1,754,220	75,000	1,917,190	166,621		5,000	Scheme details on intranet	GREEN
Schemes not proceeding	-	-	56,800	-	-	-		(56,800)	Scheme details on intranet	
Schemes completed	38,480	4,870	27,280	-	33,610	30,725		(2,880)	Scheme details on intranet	GREEN
TOTAL: C.I.P. 2014/15	14,248,200	376,160	10,670,930	1,763,830	12,367,160	1,216,680		(54,680)		
<u>SCHEMES NOT PROGRESSING SATISFACTORILY</u>										
Customer Services Affordable Housing (LASHG) 1 Partnership Schemes with Registered Social Landlords. (£477k Funded by S106) (ADJ)	810,000	-	810,000	810,000	-	-	T.B.C. (C) T.B.C. (D)		No schemes identified to date. Any schemes which come forward now are unlikely to require funding in 2014/15 due to lead in timescales for housing developments. Budget reprofiled to 2015/16.	


(1) SCHEME (Responsible Officer)	(2) Total ADC Scheme Budget £	(3) Previous Years' Spend £	(4) 2014/15 Original Budget £	(5) Budget Reprofiled to 2015/16 and Future Years £	(6) 2014/15 Current Budget £	(7) 2014/15 Spend To Date £	(8) Anticipated Completion Date (C) / Approval Report(D)/ P.I.D(P)	(9) 2014/15 Anticipated (Underspend) /Overspend (Council Resources) £	(10) COMMENTS AND PROGRESS	(11) Status
									<input checked="" type="checkbox"/> Progress Beyond Council's Control £ Schemes with financial issues ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated	
Environmental Improvements Car Park Improvements 2 Enhancements to Lower Beach Road Car Park and provision of a cyclepath link to Ferry Road and the Beach (Contribution of £143,000 from WSCC and £110,000 funded from S106 Receipts) (BC)	585,000	53,640	410,000	-	531,360	10,534	Mar 15 (C) 29.11.12 (D)	-	The tender process has recently been completed, and works were intended to start on site in August. However, WSCC Traffic Regulation Orders have delayed the start. Tendering highlighted that additional funding is required to enhance the seated area by the new bridge, and the July JSC have approved an additional £75k from ring-fenced capital receipts.	▼
Regeneration 3 Ferry Road Environmental Improvements (BC)	142,500	9,750	131,500	-	132,750	600	Dec 14 (C) 29.11.11 (D)	-	Scheme to be implemented alongside the Lower Beach (Riverside) car park scheme, which has been delayed by Traffic Regulation Orders and agreements with WSCC. Start date dependent on advices from next CLC.	▼
TOTAL:	1,537,500	63,390	1,351,500	810,000	664,110	11,134		-		


RESPONSIBLE OFFICERS:


ADJ Arjan de Jong
BC Bryan Curtis


Housing Strategy and Enabling Officer
Principal Engineer

(1) SCHEME 	(2) 2014/15 Budgets JSC Approved 6.2.14 £	(3) 2013/14 Approved Slippage to 2014/15 £	(4) 2014/15 Current Budgets £	(5) 2014/15 Revised estimates based on likely outturn £	(6) 2014/15 Spend to Date £	(7) 2014/15 Reprofiling of budgets to 2015/16	(8) Anticipated Completion Date '(C) / Approval Report (D)	(9) COMMENTS AND PROGRESS ON REVISED BUDGET <input checked="" type="checkbox"/> Progress Beyond Council's Control ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated	(10) Status
1 Disability Adaptations for Homes On-going programme providing access & home facilities for Council tenants with disabilities	227,000	-	227,000	297,000	26,264	-	Mar 15 (C) 6.2.14 (D)	Demand led scheme. Budget increased to accommodate requirement to build two extensions costing around £70k.	AMBER <input checked="" type="checkbox"/>
2 Re-cover Flat Roofs & Associated Works Continuation of re-covering failing roofs or those that are beyond their designed life	109,000	60,000	169,000	169,000	-	-	Mar 15 (C) 6.2.14 (D)	On target.	GREEN
3 Re-pointing Programme Essential work to keep buildings water tight & maintain the structure	109,000	31,000	140,000	20,000	-	55,000	Mar 15 (C) 6.2.14 (D)	Budget reduced and reprofiled due to insufficient internal staff resources to prepare contracts at this time.	AMBER
4 Kitchen & Bathroom Improvements Refurbishment programme to meet government decency standards	1,500,000	886,000	2,386,000	1,900,000	529,044	100,000	Mar 15 (C) 6.2.14 (D)	Contract in place, but it is initially considered that the main contractor will not be able to fully deliver the current budget which has been reduced and reprofiled as per anticipated spend profile.	AMBER
5 Environmental Improvements Provision of off street parking, garage compound lighting, estate lighting, fencing & pathways etc.	9,000	-	9,000	9,000	-	-	Mar 15 (C) 6.2.14 (D)	On target.	GREEN ▲

(1) SCHEME 	(2) 2014/15 Budgets JSC Approved 6.2.14 £	(3) 2013/14 Approved Slippage to 2014/15 £	(4) 2014/15 Current Budgets £	(5) 2014/15 Revised estimates based on likely outturn £	(6) 2014/15 Spend to Date £	(7) 2014/15 Repricing of budgets to 2015/16	(8) Anticipated Completion Date '(C) / Approval Report (D)	(9) COMMENTS AND PROGRESS ON REVISED BUDGET <input checked="" type="checkbox"/> Progress Beyond Council's Control ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated	(10) Status
6 Communal Way & Common Areas Refurbishment Replacement floor coverings, door entry screens & refuse storage areas	36,000	38,000	74,000	34,000	-	-	Mar 15 (C) 6.2.14 (D)	Major repair or replacement of the glazed rear common way to Manor Court 2014/15 postponed until 2015/16 due to lack of staff resources.	AMBER ▼
7 Re-covering pitched roofs Renewal of failing or suspect roof coverings & structure timbers	23,000	-	23,000	23,000	363	-	Mar 15 (C) 6.2.14 (D)	On target.	GREEN
8 Tests & Upgrade of Electrical Systems Electrical testing and upgrade of circuits & fittings to Council homes	9,000	-	9,000	9,000	-	-	Mar 15 (C) 6.2.14 (D)	Low priority works which have no known safety implications. Staff resources issue.	AMBER ▼
9 Joinery & Windows Replacement Installation of UPVC double glazed windows & doors to Council homes	73,000	-	73,000	73,000	2,547	-	Mar 15 (C) 6.2.14 (D)	Spring Gardens and The Green windows. On target.	GREEN
10 Central Heating Installation Programme On-going programme of central heating installation	109,000	-	109,000	359,000	88,055	50,000	Mar 15 (C) 6.2.14 (D)	Budget increased from reassessment of other budgets in the programme to allow commencement of Test Road area gas CH installations in 2014/15.	GREEN ▲
11 Boiler & Central Heating Replacement Programme Replacement programme with environmentally efficient boilers	250,000	60,000	310,000	388,000	130,611	-	Mar 15 (C) 6.2.14 (D)	Demand led scheme. Contingency of £78,000 added for possible replacement of the boilers at Manor Court (sheltered accommodation) where it has been noted that the boilers are failing.	GREEN <input checked="" type="checkbox"/>

(1) SCHEME 	(2) 2014/15 Budgets JSC Approved 6.2.14 £	(3) 2013/14 Approved Slippage to 2014/15 £	(4) 2014/15 Current Budgets £	(5) 2014/15 Revised estimates based on likely outturn £	(6) 2014/15 Spend to Date £	(7) 2014/15 Reprofiling of budgets to 2015/16	(8) Anticipated Completion Date '(C) / Approval Report (D)	(9) COMMENTS AND PROGRESS ON REVISED BUDGET <input checked="" type="checkbox"/> Progress Beyond Council's Control ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated	(10) Status
12 Replacement of Door Entry Systems Replacement of failing & obsolete door entry systems	23,000	9,000	32,000	32,000	4,230	-	Mar 15 (C) 6.2.14 (D)	Considered on target, dependent on a further report on systems.	GREEN
13 Upgrade & Repair of Car Parking Improvement programme to housing & car parking areas	27,000	10,000	37,000	7,000	-	-	Mar 15 (C) 6.2.14 (D)	Low priority works which have no known safety implications. Staff resources issue.	AMBER ▼
14 Fishersgate Communal Areas Re-pointing, structural and concrete repairs, communal way works and general decoration and repair	9,000	100,000	109,000	126,000	35,753	-	Mar 15 (C) 6.2.14 (D)	On target subject to final account. Works expected to be complete by March 2015.	GREEN
15 Insulation Upgrade and Energy Related Improvements To improve energy efficiency in homes	9,000	4,000	13,000	31,000	-	-	Mar 15 (C) 6.2.14 (D)	Budget increased for consideration of initial photo voltaic systems in selected sheltered accommodation and also funding for feasibility study for Fishersgate area community heating project.	GREEN ▲
16 Upgrade of Smoke Detection Systems	5,000	30,000	35,000	55,000	3,036	-	Mar 15 (C) 6.2.14 (D)	Supplementary finance required for no access homes and initial tenant refusals.	GREEN

(1) SCHEME 	(2) 2014/15 Budgets JSC Approved 6.2.14 £	(3) 2013/14 Approved Slippage to 2014/15 £	(4) 2014/15 Current Budgets £	(5) 2014/15 Revised estimates based on likely outturn £	(6) 2014/15 Spend to Date £	(7) 2014/15 Reprofiling of budgets to 2015/16	(8) Anticipated Completion Date '(C) / Approval Report (D)	(9) COMMENTS AND PROGRESS ON REVISED BUDGET <input checked="" type="checkbox"/> Progress Beyond Council's Control ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated	(10) Status
17 Fire Safety Order Work Rolling programme - communal areas	136,000	83,000	219,000	200,000	(0)	-	Mar 15 (C) 6.2.14 (D)	Planned works at Grange Court, Sea House, Locks Court, sheltered accommodation, Marsh House alarm system and Grange Court tenants flat doors will be completed Mar 15. Further costs may be incurred that will serve to accelerate the work programme. This can be accommodated within the current year Capital Programme.	RED ▼
18 Stock Condition Survey	82,000	-	82,000	82,000	-	-	Mar 15 (C) 6.2.14 (D)	Provision of demonstration software for capturing information has been delayed by Orchard which is an integral part of the process to inform a format to a Consultant. An alternative software package is also available and under consideration. Software package may now be considered as a Corporate, rather than an Adur Homes resource which has led to delay. Survey and data capture will be advanced this year with further financial provision to complete the process early 2015/16.	AMBER
19 Lift Refurbishments	96,000	-	96,000	136,000	-	-	Mar 15 (C) 6.2.14 (D)	Budget increased to allow for further surveys and an increased requirement.	GREEN

(1) SCHEME 	(2) 2014/15 Budgets JSC Approved 6.2.14 £	(3) 2013/14 Approved Slippage to 2014/15 £	(4) 2014/15 Current Budgets £	(5) 2014/15 Revised estimates based on likely outturn £	(6) 2014/15 Spend to Date £	(7) 2014/15 Reprofiling of budgets to 2015/16	(8) Anticipated Completion Date '(C) / Approval Report (D)	(9) COMMENTS AND PROGRESS ON REVISED BUDGET <input checked="" type="checkbox"/> Progress Beyond Council's Control ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated	(10) Status
20 Community Action Software (Purchase approved by JSC 5.3.14)	-	14,400	14,400	14,400	-	-	Mar 15 (C) 5.3.14 (D)	Order has been placed for installation autumn/winter 2014/15.	GREEN
21 Sheltered Accommodation - Community Alarms Systems Replacement of existing community alarm/alert system	-	-	-	40,000	-	-	Mar 15 (C) 1st Qtr Monitoring	Some systems showing early signs of failure, high risk and in need of replacement in 2014/15. Works originally budgeted in 2015/16. Reported in JSC report 6.2.14.	GREEN
DIRECT WORKS TOTALS:	2,841,000	1,325,400	4,166,400	4,004,400	819,904	205,000			
22 Capital Fees	285,000	178,000	463,000	400,000	80,000	20,000	Mar 15 (C) 6.2.14 (D)		AMBER
TOTALS (Including Fees):	3,126,000	1,503,400	4,629,400	4,404,400	899,904	225,000			
23 Leasehold Database Software (Funded from HRA carried forwards)	-	-	-	20,000	-	-	Mar 15 (C) 1st Qtr Monitoring	Scoping day to be held in September, with implementation by Mar 15.	GREEN
24 Acquisition of Properties	825,510	110	825,620	825,620	-	-	Mar 15 (C) 21.6.12 (D) 3.9.13 (D)	The Council has shortlisted 5 properties and valuations are being obtained from an independent valuer.	GREEN
TOTAL BUDGETS:	3,951,510	1,503,510	5,455,020	5,250,020	899,904	225,000			

CAPITAL MONITORING SUMMARY 2014/2015								JUNE 2014	
Cabinet Portfolios	(1) Total WBC Scheme Budgets £	(2) Previous Years' Spend £	(3) 2014/15 Original Budget £	(4) Net Slippage b/f 2013/14 £	(5) Approved Changes to Original Budget £	(6) 2013/14 Budget Reprofiled to 2015/16 and Future Years £	(7) 2014/15 Current Budget £	(8) 2014/15 Spend £	(9) Spend % of Current Budget
Customer Services	1,737,500	192,590	1,457,200	100,900	-	250,000	1,308,100	80,987	6.19%
Environment	2,740,800	160,520	2,181,310	1,340,620	51,000	1,353,750	2,219,180	92,975	4.19%
Health and Wellbeing	306,810	-	305,940	870	(78,750)	-	228,060	-	0.00%
Regeneration	674,600	121,480	429,500	96,600	-	19,500	506,600	6,267	1.24%
Resources	4,268,140	2,362,430	1,811,820	(838,320)	5,560	26,180	952,880	53,300	5.59%
TOTALS	9,727,850	2,837,020	6,185,770	700,670	(22,190)	1,649,430	5,214,820	233,528	4.48%

Financing of 2014/15 Current Budget:

	£'000
Borrowing:	3,982
Capital Receipts:	81
Revenue Contributions and Reserves:	384
Government Grants:	536
Other Contributions:	232
	<u>5,215</u>

Capital Monitoring - Summary of Progress:

Schemes not progressing satisfactorily or where there are financial issues:	1
Schemes where progress is being closely monitored:	42
Schemes progressing well:	29
Schemes completed:	5
Schemes not proceeding:	1
Total Schemes:	<u><u>78</u></u>

(1) SCHEME (Responsible Officer)	(2) Total WBC Scheme Budget £	(3) Previous Years' Spend £	(4) 2014/15 Original Budget £	(5) Budget Reprofiled to 2015/16 and Future Years £	(6) 2014/15 Current Budget £	(7) 2014/15 Spend £	(8) Anticipated Completion Date (C) / Approval Report(D)/ P.I.D (P)	(9) 2014/15 Anticipated (Underspend) /Overspend (Capital Resources) £	(10) COMMENTS AND PROGRESS <input checked="" type="checkbox"/> Progress Beyond Council's Control £ Schemes With Financial Issues ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated	(11) Status
Schemes not progressing satisfactorily or where there financial issues	68,900	-	318,900	-	68,900	-		-	Scheme details below	RED
Schemes where progress is being closely monitored	6,048,040	2,532,620	3,197,390	1,333,430	2,181,990	6,344		-	Scheme details on intranet	AMBER
Schemes progressing well	3,446,790	202,940	2,538,760	250,000	2,901,270	181,891		7,537	Scheme details on intranet	GREEN
Completed Schemes	164,120	101,460	12,720	-	62,660	45,293		(4,129)	Scheme details on intranet	GREEN
Non Proceeding Schemes	-	-	66,000	66,000	-	-		(66,000)	Scheme details on intranet	
TOTAL: C.I.P. 2014/15	9,727,850	2,837,020	6,185,770	1,649,430	5,214,820	233,528		(62,590)		
Customer Services Affordable Housing 1 Partnership Schemes with Registered Social Landlords. (ADJ)	68,900	-	318,900	-	68,900	-	T.B.A. (C) T.B.A. (D)	-	JSC 24.6.14 approved the Worthing Homes Littlehampton Road Development. Other schemes under consideration.	RED
TOTAL:	68,900	-	318,900	-	68,900	-		-		

RESPONSIBLE OFFICERS:

ADJ Arjan de Jong

Housing Strategy and Enabling Officer

ADUR DISTRICT COUNCIL - CAPITAL BUDGETS REPROFILED TO 2015/2016

Scheme	Reprofiled Budgets	Reason
Adur Homes - Capital Investment Programme	225,000	<p>The overall programme has been reviewed and this has resulted in reprofiling budget of £225,000 to 2015/2016. The main reasons for the slippage is as follows:</p> <p>i) Repointing programme. There are insufficient internal staff resources to prepare contracts at this time.</p> <p>ii) Kitchen and Bathroom Improvements. The contract is in place but it is initially considered that the main contractor will not be able to complete works to fully utilise the 2014/2015 current budget.</p> <p>iii) Central Heating Installation Programme. Budget has been increased to allow commencement of Test Road area central heating installations which will continue into 2015/2016.</p>
Affordable Housing (LASHG) Programme 2014/2015 - Unallocated budget	810,000	No schemes requiring funding identified to date. Any schemes which come forward now are unlikely to require funding in 2014/2015 due to lead in timescales for housing developments.
Construction of new beach huts to either sell or rent out (subject to identification of suitable sites and planning permission)	20,000	Planning permission under consideration. Works unlikely to be undertaken this financial year.
Grounds Maintenance - Provision of a storage building with solar panels for equipment and vehicles at Commerce Way. (Partnership scheme with Worthing Borough Council. Total cost £176,000)	70,400	Discussions ongoing between Parks and Surveyors regarding building design, prior to submission of approval report to JSC.
Human Resources/Payroll System - Renewal of licence (Partnership scheme with Worthing Borough Council. Total cost £49,400)	23,220	Discussions are taking place as to the possibility of linking this project with the Financial Management System licence renewal. Purchase now anticipated 2015/2016.
Public Conveniences - Improvement and upgrading of sites to be agreed with Cabinet Member	40,210	Sites for improvements still to be agreed.
Shoreham Community Centre - NWoW extension works	500,000	The scheme started on site 1st August and completion is estimated July 2015. Budget of £500,000 reprofiled to 2015/2016 in line with anticipated spend profile.

ADUR DISTRICT COUNCIL - CAPITAL BUDGETS REPROFILED TO 2015/2016

Scheme	Reprofiled Budgets	Reason
Shoreham Harbour Project (Externally funded by Central Government Growth Point Programme)	75,000	Wellington Road A259 frontage arts-led public realm project £75,000 being led by Brighton and Hove County Council is now scheduled in future years.
Total Reprofiled Budgets:	1,763,830	

WORTHING BOROUGH COUNCIL - CAPITAL BUDGETS REPROFILED TO 2015/2016

Scheme	Reprofiled Budgets	Reason
Affordable Housing - Worthing Homes Littlehampton Road Housing Development (22 Units)	250,000	This scheme has been included in Worthing Homes AHP Bid 2015-2018. The probable completion of the development, when the grant will be claimed, is 2016.
Beach House Park - Reconstruction of western access road	66,000	Works postponed and added to the Reserve List.
Contribution to WSCC scheme to pedestrianise the area at the south end of Portland Road (Funded from S106 receipts)	19,500	Scheme to be progressed as part of the WSCC Montague Street paving scheme in future years.
Grounds Maintenance - Provision of a storage building with solar panels for equipment and vehicles at Commerce Way. (Partnership scheme with Adur District Council. Total cost £176,000)	105,600	Discussions ongoing between Parks and Surveyors regarding building design, prior to submission of approval report to JSC.
Human Resources/Payroll System - Renewal of licence (Partnership scheme with Adur District Council. Total cost £49,400)	26,180	Discussions are taking place as to the possibility of linking this project with the Financial Management System licence renewal. Purchase now anticipated 2015/2016.
Highdown Gardens - Resurfacing of vehicular access	55,000	Officers are in discussion with the Chapman's group regarding their contribution prior to commencement of the works.
Homefield Park - Programme of improvements	77,000	Budget provision reprofiled to 2015/2016 to part fund the refurbishment of Homefield Park skatepark. Budget will be supplemented by a further capital bid.
Play Area Improvements - Dominion Open Space and Bourne Close Site	82,500	Community Group have submitted an external funding bid to Viridor Credits. Budget reprofiled to 2015/2016 due to officer capacity issues.
Tennis Courts - Refurbishment of hard surfaces	41,000	Works likely to be undertaken at Homefield Park tennis courts, but delayed by officer capacity.
VAT Provision	926,650	The HMRC have advised that the Council might not have to pay any VAT, provided we do not exceed the limit over a 7 year period up to and including 2014/2015. As the outcome will not be known until 2015/2016 the provision has been reprofiled.
Total Reprofiled Budgets:	1,649,430	