

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

REPORT BY: DIRECTOR OF DIGITAL AND RESOURCES

1.0 SUMMARY

1.1 This report represents the culmination of the annual budget exercise and asks members to consider the following:

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

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

1.3 The major points raised within the report include:

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

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

1.0 SUMMARY

- 1.5 The Police and Crime Commissioner has consulted on an increase to the Council Tax for 2017/18 of £5.00 or 3.36%. The proposed 2017/18 budget is due to be considered by the Sussex Police and Crime Panel (PCP) on 20th January 2017. If the proposals are vetoed by the PCP, revised proposals will be considered by the Panel on the 20th February 2017 at which point the Commissioner will be in a position to confirm the Council Tax for 2017/18 just in time for Council on the 21st February 2017.
- 1.6 The Chancellor's Autumn Statement in November 2016 contained very little that impacted directly on Local Government.
- 1.7 The draft Local Government Settlement confirmed that a 3% Council Tax increase specifically to support adult social care services is permissible. This is over and above the existing "referendum limit" of 2% permitted for general Council Tax increases, thereby permitting a maximum Council Tax increase of 5% for Councils with social care responsibilities.
- 1.8 The precept for West Sussex County Council has not yet been finalised and will not be confirmed until 17th February 2017. The formal detailed resolution setting the overall Council Tax for next year will be presented direct to the Council Meeting on 21st February 2017.
- 1.9 The following appendices have been attached to this report:
- (i) **Appendix 1** Revenue Budget Summary Statement 2016/17 – 2021/22
 - (ii) **Appendix 2** Schedule of Earmarked Reserves
 - (iii) **Appendix 3** Savings proposals approved by the Joint Strategic Committee in December 2016 (For information for the Joint Overview and Strategic Committee only)
 - (iv) **Appendix 4** Property Analysis and Calculation of Tax Base
 - (v) **Appendix 5** Worthing Budget 2017/18 – Summary of Executive Member Portfolios
 - (vi) **Appendix 6** Glossary of technical terms used in Local Government Settlement

2.0 BACKGROUND

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

2.0 BACKGROUND

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

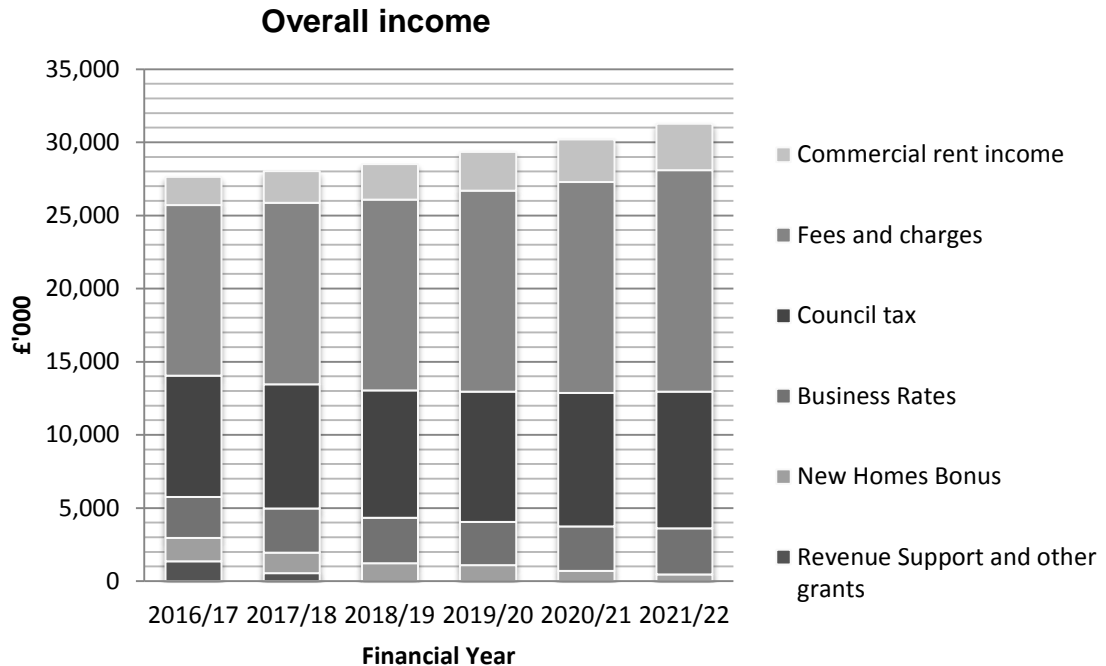
- **The Major Projects Board** will lead on delivering projects to increase employment space and additional housing;
- **The Digital Programme Board** will lead on the delivery of the Digital Strategy and ensure that the benefits are realised from this programme of work.
- **The Strategic Asset Management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

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

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

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

2.0 BACKGROUND



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

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

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

2.0 BACKGROUND

- 2.6 Since the meeting on 6th December 2016, the Worthing Borough Council budget has been finalised and the last adjustments have been included subject to the final considerations about the level of Council Tax and any non-committed growth items. Overall, therefore, the current financial position of the Council for 2017/18 can be summarised as:

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

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

3.1 Autumn Statement 2016

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

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

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

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

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

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

3.1 Autumn Statement 2016

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

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

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

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

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

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

3.2 2017/18 Local Government Finance Settlement

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

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

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

Taking each of these in turn:

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

3.2 2017/18 Local Government Finance Settlement

3.2.3 Four Year Offer

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

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

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

97% of councils submitted a long term efficiency plan.

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

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

3.2.4 New Homes Bonus (NHB)

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

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

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

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

3.2 2017/18 Local Government Finance Settlement

3.2.4 New Homes Bonus (NHB)

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

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

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

3.2.5 Funding for Social Care

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

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

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

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

3.2 2017/18 Local Government Finance Settlement

3.2.6 Fair funding review

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

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

3.2.7 Summary of 2017/18 Local Government Settlement

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

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

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

3.2 2017/18 Local Government Finance Settlement

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

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

3.3 Other matters related to settlement

3.3.1 Council Tax Referendum

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

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

3.3.2 Business Rate Retention Scheme

The business rate retention scheme has now been in place for several years. There are two key features which members are reminded of:

- There is a 'safety net' in place for any Council whose actual business rates income falls short of the target income for business rates. The safety net arrangements will be of 7.5% of Baseline Funding which is equivalent to a maximum fall in income below the baseline funding level of £188,590.
- A 'levy' is in place for any Council whose business rates exceed the target set. The levy will mean that the Council can keep 50p of every additional £1 generated over it's share of the business rate target.

For each additional £100,000 raised the Council will keep the following amounts:

	Share of additional income	Additional Levy paid to Treasury*	Kept locally
	£'000	£'000	£'000
HM Treasury	50		
County Council	10	5	5
Borough Council	40	20	20
	100	25	25

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

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

3.3 Other matters related to settlement

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

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

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

3.3.6 Finally, it should be appreciated that there are a number of risks associated with the business rate forecast:

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

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

3.3 Other matters related to settlement

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

3.4 Long term implications of current government policy

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

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

Breakdown of taxation income to the Council:

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

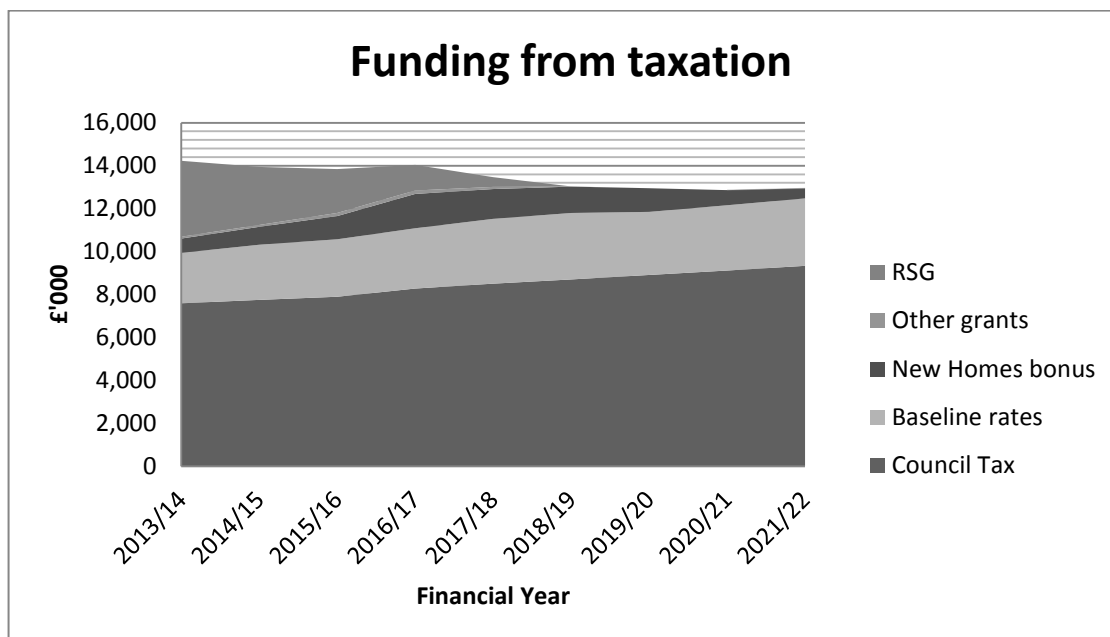
* Includes any surplus or deficit on the collection fund

** Includes the Transition Grant and other minor grants

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

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

3.4 Long term implications of current government policy



4.0 2016/17 BUDGET – CURRENT POSITION

- 4.1 The revenue monitoring report to the Joint Strategic Committee on 8th November 2017 projected an overspend for the year of £26,000

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

4.0 2016/17 BUDGET – CURRENT POSITION

	Forecast Over/(Under) spend
	£'000
Balance brought forward	(199)
Crematorium Essential unplanned repairs to the cremators (£15k) and additional medical fees (£12k).	27
Recovery of Benefit Overpayments Additional income from the recovery of housing benefit payments. Since the introduction of Real Time information from HMRC, overpayments are being more regularly and swiftly identified leading to additional income.	(200)
Development Management Cost of public enquiry into the Grand Avenue planning decision.	27
Car Parking Underachievement of income against budget	30
Net other variations	17
Forecast Overspend as at 3rd December 2015	(298)

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

5.0 DRAFT REVENUE ESTIMATES 2017/18

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

5.0 DRAFT REVENUE ESTIMATES 2017/18

- 5.2 The final budget will be dependent on Members consideration of the non-committed growth proposals, and the Council Tax increase that Members are prepared to support.
- 5.3 The key question of how the net budget requirement of £13.468m translates into the Council Tax charge can now be determined as the proposed details of the Local Government Finance Settlement have been received. Any final changes arising from settlement will be dealt with through the reserves. However, if there is a significant reduction in government resources, in-year action will be needed to reduce the final impact on the reserves.
- 5.4 Details of all of the main changes in the base budget from 2016/17 to 2017/18 are at Appendix 1. A breakdown of each Executive Member's summary budget is attached in Appendix 5. The changes can be summarised briefly as follows:

	£'000	£'000
2016/17 Original Estimate		14,039
Add: General Pay and Price Increases		437
Add: Committed and Unavoidable Growth:		
Increased Expenditure as per 3 year forecast (net of any proposed use of reserves)	1,145	
Reduced Income as per 3 year forecast	56	
Impact of Capital Investment Programme	38	1,239
Less: Compensatory savings/Additional Income:		
Compensatory savings	-226	
Additional income	-98	-324
2017/18 budget prior to agreed savings		15,137
Less: Savings agreed by members		
Approved in December	-1,734	
Final adjustment to saving arising from a review of the allocations	-6	-1,740
Executive Member requirements		13,397
Potential contribution to reserves*		71
Potential budget requirement before external support		13,468
Collection fund surplus		-9
2017/18 BUDGET REQUIREMENT		13,459
*The planned contributions to and from the reserves are analysed in Appendix 3. The final amount will depend on the decisions made about the non-committed growth item and the Council Tax increase.		

5.0 DRAFT REVENUE ESTIMATES 2017/18

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

5.6 As part of the review of the allocation of support services there have been some changes for individual services which are reflected in the detailed budgets. It is important to note that this does not change the overall cost of the support services to each Council, but that it does influence the size of the share that each service takes, the proportion allocated to the HRA, and the proportion borne by the General Fund and the Capital Investment Programme.

Further details can be provided by request from Emma Thomas (Finance Manager) or Sarah Gobey (Chief Financial Officer).

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

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

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

5.9 Members are now faced with two questions:

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

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

5.10 The Council Tax increase:

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

5.0 DRAFT REVENUE ESTIMATES 2017/18

5.10 The Council Tax increase:

5.10.2 The consultation undertaken last year revealed that:

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

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

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

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

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

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

5.0 DRAFT REVENUE ESTIMATES 2017/18

5.10 The Council Tax increase:

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

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

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

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

5.11 Uncommitted Growth Items:

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

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

5.0 DRAFT REVENUE ESTIMATES 2017/18

5.12 Summary of budget position

Depending on the choices made regarding the Council Tax increase and the new growth items; the overall budget position will be:

Net budget requirement	£'000	£'000
Less: Government grant (including transition grant)	553	13,397
Baseline Funding	2,514	
Share of additional Business Rate income	506	
Council Tax (2.0% increase)	8,498	
New Homes Bonus	1,388	
Collection Fund surplus	9	-13,468
Balanced budget based on 1.98% Council Tax increase		-71
Maximum impact of accepting the growth item (para. 5.11)		70
		-1
Maximum contribution to reserves		1
		-

6.0 IMPACT ON FUTURE YEARS

6.1 The impact of the proposed changes on the overall revenue budget for the next 5 years is shown in Appendix 1 (which includes an assumed 1.98% tax increase for 2017/18 which is to be considered as part of this report). The settlement, together with the other agreed changes to the budget means that the Council is likely to face a minimum shortfall of:

	Expected shortfall (Cumulative)				
	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
Cumulative budget shortfall	1,669	3,097	4,189	5,172	5,642
Less:					
Net savings agreed in December	-1,740	-1,385	-1,585	-1,785	-1,985
Impact of accepting the growth items in paragraph 5.11	70	70	70	70	70
Potential contribution to reserves to be agreed	-1	-	-	-	-
Adjusted cumulative budget shortfall	-	1,782	2,674	3,457	3,727
Savings required each year	-	1,782	892	783	270

6.0 IMPACT ON FUTURE YEARS

6.2 The continuation of the withdrawal of government fund has had significant consequences for the Council. Looking ahead, the stimulation of the local economy and provision of additional housing will be two of the measures which will help protect the Council's services. There are potentially three benefits which flow from an improving economy and which will directly improve the council's financial position:

- Increased income from business rates which is discussed fully in section 3 above;
- Reduced cost of Council Tax benefits from any new jobs created;
- Additional Council Tax income from each new home;

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

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

2018/19 remains a particularly challenging year.

7.0 RESERVES

7.1 Sections 26 and 27 of The Local Government Act 2003 require the Council's Chief Financial Officer to comment on the adequacy of the Council's reserves. The reserves have therefore been reviewed in accordance with best practice as advised by the Chartered Institute of Public Finance and Accountancy (CIPFA) in LAAP 99 'Local Authority Reserves and Balances'.

7.2 To enable a view to be taken on the adequacy of reserves, Members need to be aware that, broadly speaking, there are two categories of revenue reserves relevant to the Council. The **General Fund Working Balance** which primarily is available to cushion the impact of uncertain cash flows and act as a contingency to meet unforeseen costs arising during a budget year (e.g. unexpected increases in the demand for services); and **Earmarked Reserves** which are sums held for specific defined purposes and to meet known or predicted liabilities. Both categories of reserves can be used on a planned prudent basis to underpin the annual budget.

7.0 RESERVES

- 7.3 The Council's established policy is to maintain the General Fund Working Balance at between 6 – 10% of net revenue expenditure. This is even more important in the current economic climate when there are so many uncertainties. The balance as at 31st March 2016 was £844,000 which was 6.0% of net 2016/17 revenue expenditure – just within the range of 6%-10% set by the Council. There are no plans to draw down from the working balance

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

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

The reduction in revenue support grant and the resultant decrease in the Council's net spend means that the same level of working balance equates to a higher percentage of net revenue expenditure each year.

- 7.4 On the basis of the year-end figures above, and taking into account past performance and the acknowledged track record of sound financial management in this Council, I believe the working balance is adequate for its purpose. In forming this view I have considered the following potential impacts upon the Council's finances:

1. A further fall in interest rates of 0.25% would cost the Council in a region of £31,250 in 2017/18.
2. A pay award of 1% more than currently allowed for within the budget would cost the General Fund approximately £162,000.
3. Further adverse falls in income from such sources as development control income, car parks and land.
4. Demand is increasing for services such as homelessness and housing benefit which may well lead to increased (and unbudgeted) costs.
5. Other unforeseen circumstances such as the failure of a major contract
6. Any use of the working balance would be difficult to recoup in the short term. Consequently, the reserve needs to be sufficient enough to cope with at least two years of adverse impacts.

7.0 RESERVES

Against this background, and especially given the current economic climate, it is important that the Council has minimum reserves in 2017/18 of £808,800 or 6% of net revenue spend as laid out in the current policy. However, it is unlikely that the Council will need in excess of £1,346,600 in the working balance which is roughly equivalent to 10% of net revenue spend. Consequently, the current policy of holding balances of between 6% and 10% is valid and the forecast level falls within these parameters.

- 7.5 The estimated balance of general fund earmarked reserves as at 31st March, 2018 is £1,768,000, although this reduces to £798,000 if any Section 106 sums held for future environmental improvements, grants, and any specific capital resources are excluded. A detailed schedule of the earmarked reserves is attached at Appendix 2. The significant risks to the overall budget and the Council's reserves are detailed below.
- 7.6 With a lower level of reserves, it is now critical that these reserves be used only as a funding resource of last resort until such time as the reserve level has recovered to some extent. The Council has over the past year minimised new calls on such resources.
- 7.7 In all probability, the Council will continue to have occasional opportunities to put money into earmarked reserves rather than solely to drawdown on a planned basis. Even without this, I believe the earmarked revenue reserves are adequate for their particular purposes provided that they are used sparingly. However the size and nature of the risks to the overall budget leaves the Council with no room for using these reserves for new on-going spending initiatives. The Council should maintain its current policy of spending its scarce earmarked reserves on:
- supporting one-off rather than recurring revenue expenditure;
 - dealing with short-term pressures in the revenue budget; and
 - managing risk to the Council's budget.

8.0 SIGNIFICANT RISKS

- 8.1 Members will be aware that there are several risks to the Council's overall budget. These can be summarised as follows:-

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

1. The extent to which caseload continues to grow

8.0 SIGNIFICANT RISKS

2. The supply of cost effective accommodation

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

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

- (ii) **Income** - The Council receives income from a number of services which will be affected by demand. These include land charges, development control and now business rates. Whilst known reductions in income have been built into the proposed budgets for 2017/18, income may fall further than expected or new targets for commercial income may not be met.
- (iii) **Withdrawal of funding by partners** - All budgets within the public sector are under scrutiny which may lead to partners reassessing priorities and withdrawing funding for partnership schemes. Consequently, the council may lose funding for key priorities and be left with unfunded expenditure together with the dilemma about whether to replace the funding from internal resources.
- (iv) **Inflation** - A provision for 1% inflation has been built into non-pay budgets. Pay budgets have a 1% inflationary increase allowed for. Whilst the Bank of England inflation forecasts expect that inflation will gradually return to 2% in 2017/18, there is a risk that inflation will run at a higher rate than allowed for within the budget. Each 1% increase in inflation is equivalent to the following amount:

	1% increase
	£'000
Pay	162
Non-pay	135

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

9.0 CONSULTATION

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

10.0 UPDATE TO PRUDENTIAL INDICATORS

- 10.1 The Council's budget fully reflects the cost of financing the capital programme. Members have previously approved sufficient growth to accommodate the proposed capital programme.
- 10.2 Under the Prudential Code of Practice and the capital finance system introduced in April 2004, the capital programme is based on the Council's assessment of affordability. This includes any new borrowing which the Council wishes to undertake. The Council has considered the revenue consequences of any proposed capital programme in agreeing the budget strategy for 2017/18. The Council has a fully funded capital programme and the associated revenue costs are built into the budget for 2017/18 and future years.
- 10.3 The Prudential Code of Practice requires the Council to set a series of indicators to show that the capital programme has due regard to affordability, sustainability and prudence. These will be considered in detail in the report entitled 'Joint Treasury Management Strategy Statement and Annual Investment Strategy 2017/18 to 2019/20 for Adur District Council and Worthing Borough Council', which is to be discussed at the Joint Strategic Committee on the 2nd February 2017.

11.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

- 11.1 Section 25 of the Local Government Act 2003 requires an authority's Chief Financial Officer to make a report to the authority when it is considering its budget and Council Tax. The report must deal with the robustness of the estimates and the adequacy of the reserves allowed for in the budget proposals, so Members will have authoritative advice available to them when they make their decisions. The Section requires Members to have regard to the report in making their decisions.
- 11.2 As Members are aware, local authorities decide every year how much they are going to raise from Council Tax. They base their decision on a budget that sets out estimates of what they plan to spend on each of their services. Because they decide on the Council Tax in advance of the financial year in question, and are unable to increase it during the year, they have to consider risks and uncertainties that might force them to spend more on their services than they planned. Allowance is made for these risks by:
- making prudent allowance in the estimates for each of the services, and in addition;

11.0 COMMENTS BY THE CHIEF FINANCIAL OFFICER

- ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.

11.3 Overall view on the robustness of the estimates:

Subject to the important reservations below, a reasonable degree of assurance can be given about the robustness of the estimates and the adequacy of reserves. The exceptions relate to:

- (1) The provision of estimates for items outside of the direct control of the Council:
 - Income from fees and charges in volatile markets, e.g. car parks and development control fees.
 - External competition and declining markets, particularly during a recession. E.g. Local land charges and building control fees.
 - Changes to business rate income due to revaluations, redevelopments and increases in mandatory rate relief.
- (2) Cost pressures not identified at the time of setting the budget. This would include items such as excess inflation.
- (3) Initiatives and risks not specifically budgeted for.

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

11.4 The Chief Financial Officer's overall view of the robustness of the estimates is, therefore, as follows:

The processes followed are sound and well established and identical to those that produced robust estimates in the past. The Council has also demonstrated that it has a sound system of financial management in place.

12.0 COUNCIL TAX SETTING

12.1 The Council is obliged to raise the balance of its resources after grant to finance the General Fund Revenue Budget from its local Council Taxpayers. The Worthing Borough Council Tax will be added to the Precepts from West Sussex County Council and the Sussex Police and Crime Commissioner to form a combined Council Tax to levy on the taxpayers of Worthing Borough.

12.0 COUNCIL TAX SETTING

12.2 Once the Executive has reached a decision on the Total Budget Requirement it wishes to recommend to the Council for the 2017/18 Budget, the resulting Council Tax for the Borough can be set. This takes into account the Total Aggregate External Finance (Revenue Support Grant and Business Rates contributions) and any contribution to or from the local Collection Fund.

12.3 Worthing Borough Council:

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

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

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

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

(b) Council Tax Base

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

12.0 COUNCIL TAX SETTING

12.3 Worthing Borough Council:

(d) Worthing Borough Council Band D Council Tax

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

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

12.4 West Sussex County Council and Sussex Police Authority

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

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

12.5 Overall Council Tax

The final figures for all authorities will be incorporated into the formal Council Tax setting resolution to be presented to the Borough Council at its meeting on 21st February 2017.

13.0 CONCLUSION

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

13.0 CONCLUSION

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

14.0 RECOMMENDATIONS

- 14.1 **The Joint Overview and Scrutiny Committee is consider the report and make any comments on the budget proposals for Worthing Borough Council (including the proposals for Council Tax) to the Joint Strategic Committee.**
- 14.2 **The Executive is recommended to:**
- (a) Approve the growth item detailed at paragraph 5.11;**
 - (b) Agree to recommend to Council the draft budgets for 2017/18 at Appendix 5 as submitted in Executive Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £13,468,630, subject to any amendments above; and**

14.0 RECOMMENDATIONS

- (c) **Consider which band D Council Tax to recommend to Council for Worthing Borough Council's requirements in 2017/18 as set out in paragraph 12.3.**

Local Government Act 1972

Background Papers :

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

Background Papers :

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

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

Autumn Statement 2016. HM Treasury

Local Government Act 2003 and Explanatory Note

"Guidance Note on Local Authority Reserves and Balances" – LAAP Bulletin No. 77 - CIPFA -published in November 2008

Statement of Accounts 2015/16

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

Contact Officer:

Sarah Gobey,
Chief Financial Officer
Town Hall, Worthing
Telephone No: (01903) 221221
Email: sarah.gobey@adur-worthing.gov.uk.

	2016/17 Base	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation						
Base budget	14,039	14,039	14,039	14,039	14,039	14,039
Annual Inflation						
Estimated inflation		304	882	1,480	2,087	2,723
- Overprovision for pay award in 2016/17 budget		(121)	(121)	(121)	(121)	(121)
One-off / non-recurring items						
Local Elections (not held once every four years)		(76)	-	-	-	(76)
Committed Growth / Cost reductions						
Impact of Pension Fund Triennial valuation		100	204	315	321	327
Housing condition survey - carried out once every 3 years		9	-	-	9	-
Impact of pension valuation for SDLT - Fall out of pension costs.		(26)	(52)	(78)	(104)	(130)
Loss of Housing Benefit Administration Grant		45	90	135	180	225
Reopening of Brooklands Golf Course (reopens 2017/18)		(98)	(98)	(98)	(98)	(98)
Net impact of SDLT commissioning support services from external providers		187	187	187	187	187
Increasing demand for emergency accommodation		520	520	520	520	520
Impact of reprourement of building maintenance contracts for corporate buildings		14	14	14	14	14
Reprocurement of IT systems		25	25	25	25	25
New 2020 recycling targets		-	-	300	600	600
Impact of 2% additional Insurance Premium Tax		7	7	7	7	7
Impact of 2017 rate revaluation		80	80	80	80	80
Growth items identified by Heads of Service (See appendix 2)		184	184	184	184	184
Impact of capital programme						
Financing costs - General Programme		148	181	297	239	317
Impact of latest estimates of spend and slippage		(119)	54	(72)	(10)	(48)
Impact of increasing 2017/18 programme		9	38	38	38	38
Additional income						
Investment income		56	48	40	(12)	(72)
Agreed Savings						
Splashpoint - Impact of sale of Aquarena site		(150)	(150)	(150)	(150)	(150)
Approved Growth items						
Provision for new growth items		-	-	-	-	-
Total Cabinet Member Requirements	14,039	15,137	16,132	17,142	18,035	18,591
Total Cabinet Member Requirements b/fwd	14,039	15,137	16,132	17,142	18,035	18,591
Baseline funding	2,464	2,514	2,595	2,688	2,742	2,797
Add: Net retained additional business rates	520	506	502	251	300	345
Add: Share of 2015/16 surplus /deficit (-)	(175)					
Adjusted Baseline funding	2,809	3,020	3,097	2,939	3,042	3,142
Revenue Support Grant	1,194	453	8	-	-	-

WORTHING BOROUGH COUNCIL Revenue Budget Summary Statement 2016/17 - 2021/22						
	2016/17 Base	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax income						
Adjusted Council Tax income	8,228	8,498	8,702	8,912	9,117	9,337
Transitional Grant	100	100	-	-	-	-
Council Tax Reduction Scheme Grant	60	-	-	-	-	-
New homes bonus (2011/12 - 2016/17)	273	-	-	-	-	-
New homes bonus (2012/13 - 2017/18)	172	-	-	-	-	-
New homes bonus (2013/14 - 2018/19)	220	220	-	-	-	-
New homes bonus (2014/15 - 2019/20)	170	170	-	-	-	-
New homes bonus (2015/16 - 2020/21)	246	246	246	-	-	-
New homes bonus (2016/17 - 2019/20)	518	518	518	518	-	-
New homes bonus (2017/18 - 2020/21)	-	234	234	234	234	-
New homes bonus (2018/19 - 2021/22)	-	-	230	230	230	230
New homes bonus (2019/20 - 2022/23)	-	-	-	120	120	120
New homes bonus (2020/21 - 2023/24)	-	-	-	-	120	120
Total New Homes Bonus	1,599	1,388	1,228	1,102	704	470
Collection fund surplus/deficit (-)	49	9	-	-	-	-
Total other grants and contributions	1,808	1,497	1,228	1,102	704	470
Total Income from Taxation	14,039	13,468	13,035	12,953	12,863	12,949
(Surplus) / Shortfall in Resources	-	1,669	3,097	4,189	5,172	5,642
Use of / (contribution to) Res'ves to Balance Budget						
Capacity issues reserve	-	-	-	-	-	-
Total Income from Reserves	-	-	-	-	-	-
AMOUNT REQUIRED TO BALANCE BUDGET	-	1,669	3,097	4,189	5,172	5,642
Strategic Initiatives to balance the budget						
Strategic Property Investment Fund						
Properties purchased to date		148	148	148	148	148
Future property purchases		52	252	452	652	852
Commercial activities and commissioning						
Commercial and Customer Board		484	484	484	484	484
Efficiency Measures						
Digital Strategy Board		108	132	132	132	132
Restructures and service plan savings not included above (see appendix 3)						
		948	369	369	369	369
		1,740	1,385	1,585	1,785	1,985
Cumulative savings still to be found		(71)	1,712	2,604	3,387	3,657
Annual savings still to be found		(71)	1,783	821	783	270
Council Tax increase		2.00%	2.00%	2.00%	2.00%	2.00%
Average annual increase (Band C property)		£3.88	£3.96	£4.04	£4.12	£4.20
Average weekly increase (Band C property)		£0.07	£0.08	£0.08	£0.08	£0.08

ESTIMATED RESERVES

SCHEDULE OF EARMARKED RESERVES							
Reserve	Balance as at 01.04.16	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.17	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.18
1. CAPACITY ISSUES RESERVE Purpose: The Capacity Issues Reserve was set up in 2005/06 to give the Council scope to deal with a range of cost pressures expected to arise from 2006/07 onwards.	£'000 455	£'000 -	£'000 (342)	£'000 113	£'000	£'000 -	£'000 113
2. INSURANCE RESERVE Purpose: The Insurance Reserve was established in 1993/94 to develop risk management, fund self-insurance and to achieve longer-term revenue savings.	392	30	(21)	401	30	(30)	401
3. JOINT HEALTH PROMOTION Purpose: The Joint Health Promotion reserve was established in 2005 with funding received from the local Primary Care Trust for health promotion projects.	10	-	-	10	-	(10)	-

ESTIMATED RESERVES

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.16	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.17	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.18
4. LEISURE LOTTERY AND OTHER PARTNERSHIP Purpose: The Leisure, Lottery and Other Partnerships Reserve was established in 1995/96 to assist in financing capital schemes attracting substantial support from the National Lottery distributor bodies and other funding agencies and organisations. This reserve is currently earmarked for support to the Museum Redevelopment bid and the Football Foundation bid	78 C	-	(40)	38	-	-	38
C = Capital Contribution							

ESTIMATED RESERVES

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.16	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.17	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.18
5. MUSEUM RESERVE Purpose: The Museum Reserve was established in 1993/94 to support the overall service aims of the Museum and Art Gallery on occasions where annual budgets do not allow the work of the Museum and Art Gallery to progress in a manner which will contribute to achieving these aims.	£'000 114	£'000 -	£'000 -	£'000 114	£'000 -	£'000 -	£'000 114
6. THEATRE TICKET LEVY Purpose: Established in 2013/14 to fund refurbishment and other works for all of WBC's theatres.	70	90	(100)	60	80	(50)	90
7. PLANNING DELIVERY GRANT RESERVE Purpose: The Planning Delivery Grant was set up in 2006/07 to carry forward grant received in previous years, which has been approved by Cabinet to be spent on specific planning initiatives.	49	-	-	49	-	(49)	-
C = Capital Contribution							

ESTIMATED RESERVES

SCHEDULE OF EARMARKED RESERVES

Reserve	Balance as at 01.04.16	Planned Contributions	Planned Withdrawals	Forecast Balance as at 01.04.17	Planned Contributions	Planned Withdrawals	Forecast Balance as at 31.03.18
8. SPECIAL AND OTHER EMERGENCY EXPENDITURE Purpose: The Special and Other Emergency Expenditure Reserve was set up to fund strategic or unforeseen one-off expenditure, which may arise.	£'000 42	£'000 -	£'000 -	£'000 42	£'000 -	£'000 -	£'000 42
9. GRANTS & CONTRIBUTIONS Held in reserves*	897	-	-	897	-	-	897
10. PROJECTED UNDERSPEND Reserves to be identified at outturn.	-	- *see below	-	-	-	-	-
11. GENERAL FUND WORKING BALANCE	844	-	-	844	-	-	844
12. CAPITAL EXPENDITURE RESERVE	73	-	-	73	-	-	73
TOTAL	3,024	120	(503)	2,641	110	(50)	2,612
C = Capital Contribution - * Contribution to be confirmed at the year-end							

Savings	2017/18						2018/19	2019/20	Notes:
	Joint (Memo)	Adur		Total	Worthing	Grand Total			
	£	£	£	£	£	£	£	£	
COMMUNITIES									
Director - Leisure support									
Annual reduction in ACL expenditure		10,000		10,000		10,000	20,000	30,000	ADC grant to Impulse reduces by £10k p.a. until 17/18 when the grant is £160k. Negotiations will begin with Impulse as to grant funding from 18/19 onwards.
Impact of Digital improvements	25,000	10,250		10,250	14,750	25,000	25,000	25,000	Licensing
	25,000	20,250	0	20,250	14,750	35,000	45,000	55,000	
Head of Housing									
New Strategy for Emergency Accommodation (Housing)		67,500		67,500	157,500	225,000	225,000	225,000	
	0	67,500	0	67,500	157,500	225,000	225,000	225,000	

Savings	2017/18						2018/19	2019/20	Notes:
	Joint	Adur			Worthing	Grand Total			
	(Memo)	General fund	HRA	Total					
	£	£	£	£	£	£	£	£	
Head of Environment									
Crematorium - Fees & Charges increase net of medical referral fees	0	0	0	0	73,140	73,140	73,140	73,140	
Cemeteries - Fees & Charges increase	0	6,720		6,720	9,310	16,030	16,030	16,030	
Beach Huts - Fees & Charges increase	0	2,970		2,970	11,240	14,210	14,210	14,210	
Allotments - Fees & Charges increase	0	7,300		7,300	210	7,510	7,510	7,510	
Other Fees & Charges	40	410		410	1,330	1,740	1,740	1,740	
Beach House Park Pavilion Rental Income	0	0		0	20,000	20,000	20,000	20,000	
Construction of Additional Beach Huts	0	0		0	23,000	23,000	23,000	23,000	
Beach House Park - Car Park Income	0	0		0	25,000	25,000	25,000	25,000	Conversion of Tennis Courts to a car park
Environment Restructure	55,000	11,550		11,550	43,450	55,000	55,000	55,000	
Grounds Maintenance additional external income	15,000	5,210		5,210	9,790	15,000	15,000	15,000	Grounds Maintenance SLA/External Contracts - annual increase above inflation and additional work through variation orders
	70,040	34,160	0	34,160	216,470	250,630	250,630	250,630	

Savings	2017/18						2018/19	2019/20	Notes:
	Joint (Memo)	Adur		Total	Worthing	Grand Total			
	£	£	£	£	£	£	£	£	
Head of Wellbeing Democratic Services - Various base budget changes	2,000	6,940		6,940	7,230	14,170	14,170	14,170	
Fees & Charges for Public Health	0	920		920	2,080	3,000	3,000	3,000	
Community Wellbeing Restructure	45,690	21,020		21,020	24,670	45,690	45,690	45,690	
	47,690	28,880	0	28,880	33,980	62,860	62,860	62,860	
Total for Communities Directorate	142,730	150,790	0	150,790	422,700	573,490	583,490	593,490	

Savings	2017/18						2018/19	2019/20	Notes:
	Joint	Adur			Worthing	Grand Total			
	(Memo)	General fund	HRA	Total					
	£	£	£	£	£	£	£	£	
CUSTOMER SERVICES									
Head of Waste & Cleansing									
Review of vehicle workshop staffing	38,730	15,490		15,490	23,240	38,730	38,730	38,730	Potential redundancy costs
Repairs on New Fleet	65,000	23,660		23,660	41,340	65,000	40,000	30,000	
No increase in base expenditure budget excluding Labour & Income	3,000	1,200		1,200	1,800	3,000	3,000	3,000	
Charge for delivery of bins est 400 x £10.00	4,000	1,460		1,460	2,540	4,000	4,000	4,000	£10.00 per delivery
Review of waste management staffing requirements	29,000	10,560		10,560	18,440	29,000	29,000	29,000	Potential redundancy costs
Review of Pest Control staffing	34,000	13,600		13,600	20,400	34,000	34,000	34,000	Potential redundancy costs
Increased income from Trade and Commercial Waste	0	26,250		26,250	92,250	118,500	163,500	208,500	
Increase in price of Garden Waste Bins from £65 - £70	46,250	16,840		16,840	29,420	46,260	7,800	46,280	
Increase take up of new bins - 500 extra bins	70,000	25,480		25,480	44,520	70,000	72,000	75,000	

Savings	2017/18						2018/19	2019/20	Notes:
	Joint	Adur			Worthing	Grand Total			
	(Memo)	General fund	HRA	Total					
	£	£	£	£	£	£	£	£	
CUSTOMER SERVICES									
Head of Waste & Cleansing									
Increase Garden sack from £0.90p to £1.00p	13,530	4,920		4,920	8,610	13,530	13,530	13,530	
Bulky Waste increase in collection numbers	10,000	4,000		4,000	6,000	10,000	10,000	10,000	
Bulky Waste increase in fees above 2% income	1,640	660		660	980	1,640	1,640	1,640	
Increase External Income on Cleansing	1,000	390		390	610	1,000	1,000	3,000	
	316,150	144,510	0	144,510	290,150	434,660	418,200	496,680	
Head of Customer Engagement									
Projected increase in income as part of Adur Tariff review over and above 2016/17 target subject to Member agreement		10,000		10,000	0	10,000	10,000	10,000	
Sale of Brooklands Season Tickets		0		0	3,000	3,000	3,000	3,000	

Savings	2017/18						2018/19	2019/20	Notes:
	Joint	Adur			Worthing	Grand Total			
	(Memo)	General fund	HRA	Total					
	£	£	£	£	£	£	£	£	
CUSTOMER SERVICES									
Head of Customer Engagement									
Increase in sales of validation deals and season tickets		0		0	32,000	32,000	32,000	32,000	
Sponsorship income		0		0	5,000	5,000	5,000	5,000	
Bring Adur and Worthing On Street cash collection in house and Adur off street collection in house	9,000	1,800		1,800	7,200	9,000	9,000	9,000	
	9,000	11,800	0	11,800	47,200	59,000	59,000	59,000	
Head of Building Control and Land Charges									
Increase in BC income based on increased market share from sales and marketing plus fee increase		24,800		24,800	37,200	62,000	65,000	65,000	
Rationallisation of SNN/LLPG resources	10,000	3,000		3,000	7,000	10,000	10,000	10,000	
3%increase in Land Charges Fees	15,000	4,650		4,650	10,350	15,000	15,000	15,000	

Savings	2017/18						2018/19	2019/20	Notes:
	Joint (Memo)	Adur			Worthing	Grand Total			
	£	£	£	£	£	£	£	£	
Head of Building Control and Land Charges Fully realised potential of Added Value Services including Partnership Work, FRA's, working outside of boundaries.		20,000		20,000		20,000	20,000	20,000	
	25,000	52,450	0	52,450	54,550	107,000	110,000	110,000	
Head of Revenues and Creation of a joint Adur-Worthing Revenues & Benefits Service		80,000		80,000	20,000	100,000	200,000	200,000	
	0	80,000	0	80,000	20,000	100,000	200,000	200,000	
Total for Customer Services Directorate	350,150	288,760	0	288,760	411,900	700,660	787,200	865,680	

Savings	2017/18						2018/19	2019/20	Notes:
	Joint	Adur			Worthing	Grand Total			
	(Memo)	General fund	HRA	Total					
	£	£	£	£	£	£	£	£	
DIGITAL & RESOURCES									
Head of Finance									
Minimum Revenue Provision - change in policy		311,500		311,500	320,400	631,900	471,700	375,200	
Demolish the Civic Centre		41,850		41,850		41,850	41,850	41,850	
Fall out of pension costs		24,060		24,060	7,830	31,890	59,190	59,190	
Worthing Homes Loan					46,880	46,880	25,000	25,000	
Reletting of insurance contract					22,360	22,360	22,360	22,360	
Removal of EU car allowances for staff doing less than 1,000 miles per year	75,000	30,000		30,000	45,000	75,000	75,000	75,000	
Shared services with nearby Council						0	15,340	15,340	
	75,000	407,410	0	407,410	442,470	849,880	710,440	613,940	
Head of Digital and Design									
Move to laas						0	40,000	40,000	
	0	0	0	0	0	0	0	0	

Savings	2017/18						2018/19	2019/20	Notes:
	Joint (Memo)	Adur		Total	Worthing	Grand Total			
	£	£	£	£	£	£	£	£	
DIGITAL & RESOURCES									
Head of People									
OD rationalisation	1,750	700		700	1,050	1,750	1,750	1,750	
	1,750	700	0	700	1,050	1,750	1,750	1,750	
Head of Business and Technical Services									
Courier post deletion	11,910	4,760		4,760	7,150	11,910	11,910	11,910	
	11,910	4,760	0	4,760	7,150	11,910	11,910	11,910	
Total for Digital and Resources Directorate	88,660	412,870	0	412,870	450,670	863,540	724,100	627,600	

Savings	2017/18						2018/19	2019/20	Notes:
	Joint	Adur			Worthing	Grand Total			
	(Memo)	General fund	HRA	Total					
	£	£	£	£	£	£	£	£	
ECONOMY									
Head of Growth									
Scanning budget - efficiency savings				0	10,000	10,000	10,000	10,000	
Team secretary - Flexible retirement	6,000	2,400		2,400	3,600	6,000	6,000	6,000	
Print room budget	5,000	2,000		2,000	3,000	5,000	5,000	5,000	
6 to 8 Southwick square		10,000		10,000		10,000	10,000	10,000	
Rent increase HSBC site - Worthing				0	25,000	25,000	25,000	25,000	
Decoy farm - Former Civic Amenity site				0	30,000	30,000	30,000	30,000	Short term let from GSK
Investment proposal for 2017/18 onwards		60,000		60,000	60,000	120,000	150,000	150,000	
Planning applications - Pre-application fees				0		0	10,000	5,000	
Digital transformation of planning function	83,000	33,200		33,200	49,800	83,000	83,000	83,000	
TechForge Licence	11,000	4,400		4,400	6,600	11,000	11,000	11,000	New asset management tool is being developed on the MatSoft platform replacing existing software
	105,000	112,000	0	112,000	188,000	300,000	340,000	335,000	

Savings	2017/18						2018/19	2019/20	Notes:
	Joint	Adur			Worthing	Grand Total			
	(Memo)	General fund	HRA	Total					
	£	£	£	£	£	£	£	£	
ECONOMY									
Head of Place & Investment									
General grants budgets		5,000		5,000		5,000	5,000	5,000	
Town centre marketing strategy budget					5,000	5,000	5,000	5,000	
Computer costs - Tourist information centre budget					7,730	7,730	7,730	7,730	
Regeneration Travel costs	2,000	800		800	1,200	2,000	2,000	2,000	
Regeneration/Economic development/Streetscene Coordinator	45,000	18,000		18,000	27,000	45,000	45,000	45,000	
Tourism and Events - Filming proposed increase in income	1,000	500		500	500	1,000	1,000	1,000	
Adur Markets - Potential increase in income		10,000		10,000		10,000	10,000	10,000	
	48,000	34,300	0	34,300	41,430	75,730	75,730	75,730	
Head of Culture									
Levy - Additional charge for buildings improvement levy				0	40,000	40,000	40,000	40,000	
	0	0	0	0	40,000	40,000	40,000	40,000	
Total for Economy Directorate	153,000	146,300	0	146,300	269,430	415,730	455,730	450,730	
OVERALL TOTAL	734,540	998,720	0	998,720	1,554,700	2,553,420	2,550,520	2,537,500	

PROPERTY ANALYSIS AND CALCULATION OF TAX BASE										
Properties	Band A -	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Number of Dwellings	0.00	7,733.00	11,097.00	12,803.00	9,247.00	5,371.00	2,332.00	892.00	25.00	49,500.00
Less: Exemptions	0.00	-162.00	-128.00	-111.00	-97.00	-59.00	-21.00	-7.00	0.00	-585.00
Disabled Relief Adjustment (net)	0.00	7,571.00	10,969.00	12,692.00	9,150.00	5,312.00	2,311.00	885.00	25.00	48,915.00
Chargeable Dwellings	5.00	33.00	19.00	-5.00	7.00	-28.00	8.00	-21.00	-18.00	0.00
Broken down as follows:										
Full Charge	2.00	2,589.00	6,011.00	8,618.00	6,677.00	4,109.00	1,907.00	706.00	4.00	30,623.00
25% Discount (Including Adj for SP dis)	3.00	4,960.00	4,931.00	4,041.00	2,444.00	1,154.00	372.00	127.00	0.00	18,032.00
50% Discount	0.00	93.00	115.00	129.00	120.00	73.00	60.00	43.00	3.00	636.00
0% Discount (Long Term Empty Homes)	0.00	270.00	252.00	139.00	92.00	51.00	12.00	5.00	0.00	821.00
Total Equivalent Number of Dwellings	4.25	6,351.50	9,740.75	11,659.75	8,526.00	4,986.00	2,205.50	816.75	5.50	44,296.00
Reduction in tax base due to Council Tax Support	2.12	1,408.92	1,449.35	1,027.95	376.94	113.61	21.73	4.99	0.00	4,405.62
Adjusted equivalent total dwellings	2.13	4,942.58	8,291.40	10,631.80	8,149.06	4,872.39	2,183.77	811.76	5.50	39,890.38
Band D Equivalents										
Revenue Support Settlement	1.20	3,295.10	6,449.00	9,450.50	8,149.10	5,955.10	3,154.30	1,352.90	11.00	37,818.20
Add: Forecast new homes	0.00	13.30	40.10	184.40	59.50	2.40	0.70	0.70	0.00	301.10
Add: Second Homes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Adjustments for Losses on Collection, and Void Properties	0.00	0.00	0.00	0.00	290.00	0.00	0.00	0.00	0.00	290.00
COUNCIL TAX BASE	1.20	3,308.40	6,489.10	9,634.90	7,918.60	5,957.50	3,155.00	1,353.60	11.00	37,829.30

APPENDIX 5
CIVIC BUDGET TABLE 2017/18
Summary of Executive Member Requirements

INDIVIDUAL MEMBER PORTFOLIOS
Summary and Variance Pages

WORTHING BUDGET 2017/2018 Summary
of Executive Member Portfolios



APPENDIX 5

EXECUTIVE PORTFOLIO	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
Environment	3,201,790	2,884,900
Health and Wellbeing	1,225,150	1,257,200
Customer Services	4,625,800	5,479,590
Leader	996,520	1,054,600
Regeneration	2,605,470	2,586,020
Resources	3,024,250	2,465,060
Support Services Depreciation Not Charged To Services	237,900	(165,700)
NET SERVICE EXPENDITURE	15,916,880	15,561,670
Credit Back Depreciation / Impairments	(3,272,280)	(3,323,380)
Minimum Revenue Provision	1,307,770	1,072,620
	13,952,370	13,310,910
Transfer to / from Reserves	86,250	86,250
Balance Available to Transfer To / (From) Reserves	-	71,470
Total budget requirement before external support from government	14,038,620	13,468,630
Baseline Funding	(2,464,180)	(2,514,490)
Additional business rate income	(345,440)	(505,750)
Revenue Support Grant	(1,193,380)	(452,930)
Transition Grant	(99,860)	(99,860)
Council Tax Reduction Scheme Grant	(60,000)	-
Council Tax Freeze Grant	-	-
Other unfenced grants (New homes bonus & Ctax Transition)	(1,599,440)	(1,388,230)
Contribution to/ (from) Collection Fund	(48,460)	(9,400)
Amount required from Council Tax	8,227,860	8,497,970
Council Tax Base	37,360.3	37,829.3
Average Band D Council Tax - Worthing Borough	220.23	224.64
% increase	-	2.00%

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

WORTHING - ENVIRONMENT PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS

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

WORTHING - ENVIRONMENT PORTFOLIO - 2017/2018 - VARIANCE ANALYSIS



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

HEALTH AND WELLBEING PORTFOLIO

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

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



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

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



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

CUSTOMER SERVICES PORTFOLIO

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF COMMUNITIES		
Environment		
Lido/Pier/Pavilion	180,500	229,000
Worthing Symphony	-	24,400
Community Parks & Open Spaces - Brooklands	-	-
	180,500	253,400
Housing		
Housing	927,170	1,363,440
Housing Improvement Assistance	95,190	71,330
Housing Strategy	60,160	32,270
	1,082,520	1,467,040
Wellbeing		
Community Wellbeing	183,030	80,270
	183,030	80,270
DIRECTOR OF ECONOMY		
Culture		
Theatres	1,423,430	1,584,870
Museums	536,600	489,580
	1,960,030	2,074,450
DIRECTOR OF DIGITAL AND RESOURCES		
Finance		
Fraud, Verification & Adjudication	20,800	31,610
	20,800	31,610
DIRECTOR OF CUSTOMER SERVICES		
Revenues and Benefits		
Revenues	392,740	511,470
Benefits	806,180	1,061,350
	1,198,920	1,572,820
TOTAL CUSTOMER SERVICES PORTFOLIO	4,625,800	5,479,590

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

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
	£		£	£	£	£	£	£	£	£	£
DIRECTOR OF COMMUNITIES											
Lido/Pier/Pavilion	-	38,300	240,550	-	8,960	-	(120,070)	167,740	31,590	29,670	229,000
Worthing Symphony	-	-	5,150	-	19,250	-	-	24,400	-	-	24,400
Brooklands	-	-	-	-	-	-	-	0	-	-	0
Culture											
Theatres	1,671,560	151,390	436,620	8,110	1,931,060	-	(3,340,700)	858,040	404,050	322,780	1,584,870
Museums	170,150	38,130	96,030	1,060	43,040	-	(58,740)	289,670	132,480	67,430	489,580
Housing											
Housing	-	440,690	-	-	792,670	153,500	(278,110)	1,108,750	253,070	1,620	1,363,440
Housing Improvement Assistance	-	105,110	-	-	-	-	(41,160)	63,950	7,380	-	71,330
Housing Strategy	-	-	-	-	-	-	-	0	32,270	-	32,270
Wellbeing											
Community Wellbeing	-	54,460	19,670	-	630	-	-	74,760	2,620	2,890	80,270
DIRECTOR FOR DIGITAL AND RESOURCES											
Finance											
Fraud, Verification & Adjudication	-	-	-	-	91,610	-	(60,000)	31,610	-	-	31,610
DIRECTOR OF CUSTOMER SERVICES											
Revenues and Benefits											
Revenues	355,300	24,100	-	3,280	87,500	-	(540,100)	(69,920)	581,390	-	511,470
Benefits	469,810	479,970	-	310	84,020	36,661,040	(37,373,790)	321,360	739,990	-	1,061,350
	2,666,820	1,332,150	798,020	12,760	3,058,740	36,814,540	(41,812,670)	2,870,360	2,184,840	424,390	5,479,590

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



SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Impact of Capital programme	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
	£		£	£		£	£	£	£
DIRECTOR OF COMMUNITIES									
Lido/Pier/Pavilion	180,500	910	-	3,700	-	-	-	43,890	229,000
Worthing Symphony	-	240	-	-	-	-	-	24,160	24,400
Brooklands	-	-	-	-	-	-	-	-	0
Culture									
Theatres	1,423,430	(41,550)	-	3,300	-	-	(40,000)	239,690	1,584,870
Museums	536,600	290	-	400	-	-	-	(47,710)	489,580
Housing									
Housing	927,170	2,910	-	529,000	-	-	(157,500)	61,860	1,363,440
Housing Improvement Assistance	95,190	(810)	-	-	-	-	-	(23,050)	71,330
Housing Strategy	60,160	-	-	-	-	-	-	(27,890)	32,270
Wellbeing									
Community Wellbeing	183,030	170	-	-	-	-	-	(102,930)	80,270
DIRECTOR FOR DIGITAL AND RESOURCES									
Finance									
Fraud, Verification & Adjudication	20,800	810	-	-	-	-	-	10,000	31,610
DIRECTOR OF CUSTOMER SERVICES									
Revenues and Benefits									
Revenues	392,740	(7,070)	-	-	-	-	(10,000)	135,800	511,470
Benefits	806,180	(3,360)	-	17,650	-	-	(10,000)	250,880	1,061,350
	4,625,800	(47,460)	0	554,050	0	0	(217,500)	564,700	5,479,590

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

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

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

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



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

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF DIGITAL AND RESOURCES		
Business and Technical Services		
Business Services	51,780	53,520
Engineering	190,720	191,600
Energy and Sustainability	56,680	52,510
	299,180	297,630
DIRECTOR OF COMMUNITIES		
Environment		
Foreshores	738,430	668,930
	738,430	668,930
DIRECTOR OF ECONOMY		
Growth		
Planning Policy	338,990	369,990
Major Projects	76,410	85,060
Development Control	523,860	533,480
	939,260	988,530
Place & Investment		
Economic Development	339,770	520,940
	339,770	520,940
Regeneration		
Tourism	170,890	1,810
	170,890	1,810
DIRECTOR OF CUSTOMER SERVICES		
Building Control & Land Charges		
Building Control	117,940	108,180
	117,940	108,180
TOTAL REGENERATION PORTFOLIO	2,605,470	2,586,020

WORTHING - REGENERATION PORTFOLIO - 2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Transport	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
DIRECTOR FOR DIGITAL & RESOURCES	£		£	£	£	£	£	£	£	£	£
Business and Technical Services											
Business Services	-	43,630	-	-	-	-	-	43,630	9,890	-	53,520
Engineering	-	5,000	100,890	-	4,770	-	(23,170)	87,490	85,460	18,650	191,600
Energy and Sustainability	-	5,000	-	-	-	-	-	5,000	47,510	-	52,510
DIRECTOR OF COMMUNITIES											
Environment	-	-	-	-	-	-	-	0	-	-	0
Foreshores	-	237,000	385,410	5,590	30,930	-	(413,500)	245,430	154,830	268,670	668,930
DIRECTOR OF ECONOMY											
Growth											
Planning Policy	-	26,300	-	-	67,890	-	-	94,190	275,800	-	369,990
Major Projects	-	-	-	-	-	-	-	0	85,060	-	85,060
Development Control	-	779,290	-	-	48,970	5,250	(495,350)	338,160	193,450	1,870	533,480
Place & Investment											
Economic Development	-	274,420	8,510	-	129,920	-	-	412,850	87,570	20,520	520,940
Regeneration											
Tourism	-	160	1,130	-	-	-	-	1,290	-	520	1,810
DIRECTOR OF CUSTOMER SERVICES											
Building Control & Land Charges											
Building Control	-	394,060	-	-	3,920	-	(369,730)	28,250	79,930	-	108,180
	0	1,764,860	495,940	5,590	286,400	5,250	(1,301,750)	1,256,290	1,019,500	310,230	2,586,020
Percentage Direct Cost	0%	69%	19%	0%	11%	0%					

WORTHING - REGENERATION PORTFOLIO - 2017/2018 - VARIANCE ANALYSIS



SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Impact of Capital programme	Additional Income	Savings	Non-MTFP Other Changes	TOTAL BUDGET
DIRECTOR FOR DIGITAL & RESOURCES	£		£	£	£	£			£
Business and Technical Services									
Business Services	51,780	-	-	-	-	-	-	1,740	53,520
Engineering	190,720	580	-	-	-	-	-	300	191,600
Energy and Sustainability	56,680	-	-	-	-	-	-	(4,170)	52,510
DIRECTOR OF COMMUNITIES									
Environment	-	-	-	-	-	-	-	-	0
Foreshores	738,430	(3,110)	-	4,000	-	-	(34,240)	(36,150)	668,930
DIRECTOR OF ECONOMY									
Growth									
Planning Policy	338,990	670	-	-	-	-	-	30,330	369,990
Major Projects	76,410	-	-	-	-	-	-	8,650	85,060
Development Control	523,860	(9,080)	-	-	-	-	(10,000)	28,700	533,480
Place & Investment									
Economic Development	339,770	1,420	-	8,260	-	-	(12,730)	184,220	520,940
Regeneration									
Tourism	170,890	-	-	-	-	-	-	(169,080)	1,810
DIRECTOR OF CUSTOMER SERVICES									
Building Control & Land Charges									
Building Control	117,940	(6,490)	-	-	-	-	(37,200)	33,930	108,180
	2,605,470	(16,010)	0	12,260	0	0			2,586,020

SERVICE	ESTIMATE 2016/2017	ESTIMATE 2017/2018
	£	£
DIRECTOR OF DIGITAL AND RESOURCES		
Business and Technical Services		
Administrative Buildings	(730)	(750)
Surveying & Design	(21,920)	6,980
	(22,650)	6,230
Finance		
Corporate Management	2,650,400	2,435,320
Treasury Management	269,990	268,110
	2,920,390	2,703,430
DIRECTOR OF COMMUNITIES		
Adur Homes		
Adur Homes	-	-
	-	-
DIRECTOR OF ECONOMY		
Estates		
Estates	115,840	(424,130)
	115,840	(424,130)
DIRECTOR OF CUSTOMER SERVICES		
Building Control & Land Charges		
Land Charges	10,670	8,630
	10,670	8,630
TOTAL RESOURCES PORTFOLIO	3,024,250	2,294,160

WORTHING - RESOURCES PORTFOLIO -2017/2018 - SUBJECTIVE ANALYSIS

SERVICE / ACTIVITY	Employees	Direct Recharges	Premises	Supplies & Services	Third Party	Income	Service Controlled Budget	Support	Capital Charges	TOTAL BUDGET
	£		£	£	£	£	£	£	£	£
DIRECTOR FOR DIGITAL AND RESOURCES										
Business and Technical Services										
Administrative Buildings	-	-	-	-	-	(750)	(750)	-	-	(750)
Surveying & Design	-	19,280	56,450	3,300	80	(102,520)	(23,410)	10,670	19,720	6,980
Finance										
Corporate Management	2,279,750	(425,270)	(32,450)	244,970	-	(190,090)	1,876,910	557,540	870	2,435,320
Treasury Management	-	-	-	15,030	-	(158,000)	(142,970)	68,590	342,490	268,110
DIRECTOR OF COMMUNITIES										
Adur Homes										
Adur Homes	-	-	-	-	-	-	0	-	-	0
DIRECTOR OF ECONOMY										
Estates										
Estates	-	103,560	401,220	26,670	-	(1,255,910)	(724,460)	248,220	52,110	(424,130)
DIRECTOR OF CUSTOMER SERVICES										
Building Control & Land Charges										
Land Charges	-	113,310	-	45,570	-	(175,690)	(16,810)	25,440	-	8,630
	2,279,750	(189,120)	425,220	335,540	80	(1,882,960)	968,510	910,460	415,190	2,294,160
Percentage Direct Cost	80%	-7%	15%	12%	0%					

WORTHING - RESOURCES PORTFOLIO -2017/2018 - VARIANCE ANALYSIS



SERVICE / ACTIVITY	Original Estimate 2016/2017	Inflation	One off - items	Committed Growth	Impact of Capital programme	Additional Income	Savings	Non Committed Growth	Non-MTFP Other Changes	TOTAL BUDGET
DIRECTOR FOR DIGITAL AND RESOURCES	£		£	£	£	£	£	£		£
Business and Technical Services										
Administrative Buildings	(730)	(20)	-	-	-	-	-	-	-	(750)
Surveying & Design	(21,920)	(1,500)	-	4,440	-	-	-	-	25,960	6,980
Finance										
Corporate Management	2,650,400	(720)	-	14,800	-	-	(7,830)	-	(155,330)	2,501,320
Treasury Management	269,990	-	-	15,000	(134,000)	104,420	(46,880)	-	59,580	268,110
DIRECTOR OF COMMUNITIES										
Adur Homes										
Adur Homes	-	-	-	-	-	-	-	-	-	0
DIRECTOR OF ECONOMY										
Estates										
Estates	115,840	3,670	-	30,400	-	(278,360)	(115,000)	-	(180,680)	(424,130)
DIRECTOR OF CUSTOMER SERVICES										
Building Control & Land Charges										
Land Charges	10,670	(2,790)	-	-	-	-	(10,350)	-	11,100	8,630
	3,024,250	(1,360)	0	64,640	(134,000)	(173,940)	(180,060)	0	(239,370)	2,360,160

GLOSSARY OF TECHNICAL TERMS FROM THE PROVISIONAL LOCAL GOVERNMENT SETTLEMENT CONSULTATION DOCUMENT

Baseline funding level

The amount of an individual council's Start-up Funding Assessment for 2013-14 provided through the local share of the Estimated Business Rates Aggregate, uprated in line with the small business rates multiplier (set at the September forecast of the Retail Price Index, unless otherwise decided).

Billing authorities

A unitary council, or a lower tier council in a two-tier area, which collects the Council Tax for its own activities, and for those of the precepting authorities in its area. The billing authority passes on the precept receipts to each precepting authority in its area. These are the 326 billing authorities that collect Council Tax and business rates: district councils, London boroughs, and unitary councils. Before 1 April 2009 there were 354.

Business Rates

These rates, formally called national non-domestic rates, are the means by which local businesses contribute to the cost of providing local council services.

Business rates baseline

Determined for individual councils at the outset of the business rates retention scheme by dividing the local share of the Estimated Business Rates Aggregate (England) between billing authorities on the basis of their proportionate shares, before the payment of any major precepting authority share.

Business Rates Retention Scheme

The name given to the current system of funding local authorities through the local government finance settlement, set out in the Local Government Finance Act 2013. The local government sector retains 50% of the business rates they collect. In addition they also receive Revenue Support Grant to help support their services.

Council Tax

A local tax on domestic property, set by councils – calculated by deducting any funding from reserves, income it expects to raise and general funding it will receive from the Government – in order to meet its planned spending. 31

Council Tax Base

This is the number of Band D equivalent dwellings in a council area. To calculate the tax base for an area, the number of dwellings in each Council Tax band is reduced to take account of discounts and exemptions. The resulting figure for each band is then multiplied by its proportion relative to Band D (from 6/9 for Band A to 18/9 for Band H) and the total across all eight bands is calculated. An adjustment is then made for the collection rate.

GLOSSARY OF TECHNICAL TERMS FROM THE PROVISIONAL LOCAL GOVERNMENT SETTLEMENT CONSULTATION DOCUMENT

Council Tax Bands

There are eight Council Tax bands. How much Council Tax each household pays depends on the value of the homes. The bands are set out below.

Value of home estimated at 1 April 1991			Proportion of the tax due April 1991 for a band D property	
Band A	Under	£40,000	66.7%	(6/9)
Band B	£40,001 -	£52,000	77.8%	7/9)
Band C	£52,001 -	£68,000	8.9%	8/9)
Band D	£68,001 -	£88,000	100%	(9/9)
Band E	£88,001 -	£120,000	122.2%	(11/9)
Band F	£120,001 -	£160,000	144.4%	(13/9)
Band G	£160,001 -	£320,000	166.7%	(15/9)
Band H	Over	£320,001	200%	(18/9)

Estimated Business Rates Aggregate

The total business rates forecast at the outset of the business rate retention scheme to be collected by all billing authorities in England in 2013-14. The Estimated Business Rates Aggregate is uprated year on year in line with the change in the small business multiplier (usually the September Retail Price Index).

Floor damping

A method by which stability in funding is protected through limiting the effect of wide variations in grant. A floor guarantees a lower limit to a year-on-year change in grant. The grant amounts of councils who receive changes above the floor are scaled back by a fixed proportion to help pay for the floor.

Levy

Mechanism to limit disproportionate benefit from business rates. The levy is applied proportionally on a 1:1 basis (i.e. a 1% increase in business rates income results in an council getting a 1% increase in revenue from the rates retention scheme) but with a limit on the maximum levy rate that is imposed, at 50p in the pound. Levy payments are used to fund the safety net.

Local government finance settlement

The local government finance settlement is the annual determination of funding distribution as made by the Government and debated by Parliament. 32

Local government spending control total

The total amount of expenditure for Revenue Support Grant in the Department for Communities and Local Government's Local Government Departmental Expenditure Limit plus the local share of the Estimated Business Rates Aggregate that is allocated to the local government sector by Government for each year of a Spending Review.

Local share

The percentage share of locally collected business rates that is retained by local government. This is set at 50% of which the Council retains 40% and the County Council retain 10%.

GLOSSARY OF TECHNICAL TERMS FROM THE PROVISIONAL LOCAL GOVERNMENT SETTLEMENT CONSULTATION DOCUMENT

Lower tier councils

Councils that carry out the functions which in shire areas with two tiers of local government are carried out by shire districts. They are the same councils as billing authorities.

Multiplier

The business rates multiplier which, when multiplied by the rateable value of a property, determines a ratepayer's business rate bill. There are two multipliers – one for small businesses and one for larger businesses. These are set nationally. The small business multiplier is updated annually by the Retail Price Index, unless the Government decides otherwise and the other multiplier adjusted accordingly, to fund rate relief for small businesses.

Precept

This is the amount of Council Tax income all billing and precepting authorities need to provide their services. The amounts for all authorities providing services in an area appear on one Council Tax bill, which is administered by the billing authority.

Precepting authority

An authority or body that does not collect Council Tax or business rates but is part of the business rates retention scheme. This is an authority which sets a precept to be collected by billing authorities. County councils, police authorities, the Greater London Authority, single purpose fire and rescue authorities and parish councils are all precepting authorities.

Proportionate share

This is the percentage of the national business rates yield which a council has collected on the basis of the average rates collected by councils over the two years to 2011-12. This percentage was applied to the local share of the 2013-14 Estimated Business Rates Aggregate to determine the billing authority business rates baseline.

Reserves

This is a council's accumulated surplus income (in excess of expenditure) which can be used to finance future spending.

Revenue Support Grant

A Government grant which can be used to finance revenue expenditure on any service.

Ringfenced grant

A grant paid to councils which has conditions attached to it, which restrict the purposes for which it may be spent.

GLOSSARY OF TECHNICAL TERMS FROM THE PROVISIONAL LOCAL GOVERNMENT SETTLEMENT CONSULTATION DOCUMENT

Safety net

Mechanism to protect any council which sees its business rates income drop, in any year, by more than 7.5% below its baseline funding level (with baseline funding levels being uprated by the small business rates multiplier for the purposes of assessing eligibility for support).

Settlement core funding

The definition of settlement core funding for this purpose takes into account the main resources available to councils, which for this purpose comprise:

- Council Tax income from 2015-16 (including any Council Tax Freeze Grant)
- the Settlement Funding Assessment, comprising:
 - estimated business rates income (baseline funding level under the rates retention scheme)
 - Revenue Support Grant.

Settlement Funding Assessment

Previously referred to as Start-Up Funding Assessment. It comprises at a national level the total Revenue Support Grant and the local share of Estimated Business Rates Aggregate for the year in question. On an individual council level it comprises each council's Revenue Support Grant for the year in question and its baseline funding level, uprated year-on-year in line with the September forecast of the Retail Price Index, unless otherwise decided. 34

Specific grants

Grants paid under various specific powers, but excluding Revenue Support Grant or area-based grant. Some specific grants are ringfenced.

Tariffs and top ups

Calculated by comparing at the outset of the business rate retention scheme an individual council's business rates baseline against its baseline funding level. Tariffs and top ups are self-funding, fixed at the start of the scheme and uprated year-on-year in line with the September forecast of the Retail Price Index, unless otherwise decided.