



1st REVENUE BUDGET MONITORING 2018/19 (Q1)

REPORT BY THE DIRECTOR FOR DIGITAL AND RESOURCES

EXECUTIVE SUMMARY

1. PURPOSE

1.1 This report updates the Joint Strategic Committee with the latest expenditure and income projections for each Council in the current financial year 2018/19, compared to the Revenue Budget approved by both Councils in February. Whilst the 'spend to date' will be the position as at the 30th June 2018, the forecast position will reflect the latest information available to ensure an up-to-date forecast is presented.

1.2 The following appendices have been attached to this report:

- (i) **Appendix 1** (a) Adur Summary
(b) Adur Use of Earmarked Reserves
- (ii) **Appendix 2** (a) Worthing Summary
(b) Worthing Use of Earmarked Reserves
- (iii) **Appendix 3** HRA Summary
- (iv) **Appendix 4** Table of Variations over £20,000

2. RECOMMENDATIONS

2.1 The Joint Strategic Committee is asked to note the report and projected outturn position for the Joint Strategic Committee, Adur District Council and Worthing Borough Council against the approved revenue budgets and proposed use of reserves (Appendix 1b and 2b).

3. CONTEXT

- 3.1 The Joint Strategic Committee considered the '5-year forecast for 2018/19 to 2022/23 on 5th December 2017.
- 3.2 This report outlined the Financial Context, and update of the outline 5 year forecast, the Key Budget Pressures and the savings proposals for addressing the budget gap for Adur and Worthing Councils. The report built on the strategy first proposed in 2016/17 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.
- 3.3 The successful delivery of the strategy is fundamentally changing how the Councils are funded. The Councils are moving increasingly away from ever reducing government funding towards funding from the local community via Council Tax and Business Rates, and will become increasingly reliant on income from commercial activities.

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

- 4.1 As part of the 2018/19 budget, and to address the reduction in Government support, the Councils committed to savings of £1.365m for Adur District Council and £1.981m for Worthing Borough Council to produce a balanced budget. Services have been required to carry out efficiency, procurement and base budget reviews.
- 4.2 The current year-end forecasts indicate, that at this early stage, that Adur will overspend by £23,000 and Worthing will underspend by £189,000. Considering the extensive commitments included in the current years budgets, overall, services are successfully achieving these targets by reviewing their services, thinking more commercially and changing how these are delivered.
- 4.3 In summary the overall revenue outturns reported for Q1 are as follows:-

Summary of 1st Quarter Budget Monitoring Report			
	Joint	Adur	Worthing
	£000s	£000s	£000s
Current Budget 2018/19	22,281	9,185	15,526
Projected outturn	22,144	9,208	15,337
Projected Forecast over/ (underspend)	(137)	23	(189)
Projected over/(underspend) percentage	(0.6%)	0.3%	(1.2%)

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

The Joint underspend is transferred to Adur and Worthing Councils in line with their allocated share. The reported budget variances in Adur and Worthing, in the table above, include the total share transferred from the Joint.

4.4 The Joint Strategic Committee (JSC) is asked to consider:-

- the current projections of variations in the two Councils General Fund Revenue Budgets;
- the current projections of variations in the Adur Housing Revenue Account; and
- any amendments and virements to budgets for each Council which may require a recommendation onto Council for approval;

4.5 We adopt a more structured approach to services which have more volatile budgets or hard to predict income streams. For 2018/19, these services are:-

- Crematorium
- Development Control
- Homelessness
- Theatres
- Commercial Waste

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

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

4.7 **Headline budget variations across both the Councils' and the Joint account**

4.7.1 **Car Parks**

Worthing

Income from parking charges is currently exceeding the budget by £50,000, this is after funding the financing costs associated with improving the lighting at the car parks. This increased income is due to last year's tariff review, which was implemented in early 2018. This excess income will in future years be used to fund MSCP improvements.

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.7 Headline budget variations across both the Councils' and the Joint account

4.7.2 Housing Management

The continued increased spend on providing emergency and temporary accommodation reflects rising demand across the South East, including Adur and Worthing and the lack of housing supply for those needing affordable accommodation, whether this is to prevent homelessness or to move people on from emergency accommodation.

Across the South East there is competing demand between local authorities for both emergency and temporary accommodation, the latter often being leased private sector accommodation. Whilst Adur and Worthing have made significant progress in leasing more affordable units of temporary accommodation, competition does mean that prices in some areas (e.g. Worthing) are being pushed beyond the reach of the Councils, and the supply of suitable emergency and temporary accommodation within the Borough is reduced. The Councils are still faced with placing some clients in costly budget accommodation hotel chains when no other suitable options are available.

There is currently a projected overspend of £274,000 in Worthing and £54,000 in Adur. This estimate assumes the current caseload numbers in temporary accommodation remains static with an average room rate of £50 per night. More affordable units are projected to come on stream in the coming months, and the team continues to explore other avenues to prevent homelessness and consequently the need for temporary accommodation, as well as the potential purchase of suitable properties for this purpose.

Housing Management - Full Year forecast						
	2017/18			2018/19 - Full Year Projection		
	Budget for Year	Actual for Year	Variance for Year Over / (Under)	Budget for Year	Forecast for Year	Projected Variance for year Over / (Under)
	£'000	£'000	£'000	£'000	£'000	£'000
ADUR						
ETA Expenditure	318	643	325	635	764	129
ETA rental income	(102)	(261)	(159)	(411)	(279)	131
Grant funding	-	(184)	(184)	-	(206)	(206)
	215	199	(16)	224	279	54
WORTHING						
ETA Expenditure	748	1,402	654	1,405	1,974	569
ETA rental income	(259)	(548)	(289)	(725)	(883)	(157)
Grant funding	-	(120)	(120)	-	(138)	(138)
	489	735	245	679	953	274
	704	933	229	904	1,232	328

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.7 Headline budget variations across both the Councils' and the Joint account

4.7.2 Housing Management

Housing Management - Comparative Financial position at June						
	2017/18 Year to Date			2018/19 Year to Date		
	Budget to P3	Actual to P3	Variance to P3 Over / (Under)	Budget to P3	Actual to P3	Variance to P3 Over / (Under)
	£'000	£'000	£'000	£'000	£'000	£'000
ADUR						
ETA Expenditure	79	109	30	159	173	14
ETA rental income	(25)	(42)	(17)	(103)	(71)	31
Grant Funding	-	(184)	(184)	-	(206)	(206)
	54	(117)	(171)	56	(104)	(161)
WORTHING						
ETA Expenditure	187	302	116	351	401	50
ETA rental income	(65)	(125)	(61)	(181)	(164)	18
Grant Funding	-	(120)	(120)	-	(138)	(138)
	122	57	(65)	170	99	(70)
	176	(59)	(236)	226	(6)	(231)

For Adur, there is an additional overspend on Private Sector Leasing accommodation, £50,000 where there is an income shortfall over the cost of rent payable, in addition to a number of void properties.

Whilst for Worthing, the temporary accommodation overspend is currently partially offset by an underspend in the housing initiatives budget £120,000. It is projected that this budget will be used to support preventing homelessness projects over the course of the year.

4.7.3 Waste and Cleansing

Worthing Commercial Waste income is projected to exceed the budget by £40,000. Disposal costs, however, are expected to be over budget by £120,000. This is in line with the overspend in 2017/18. Adur is on target to meet its budget.

In 2018/19, growth was approved to create two additional rounds to service new properties being constructed, these have not yet been implemented. However this budget is being used to offset the changes to the timeline of the service redesign and the continued use of agency staff, particularly during the good weather experienced in recent weeks where it has been essential to keep cleansing work at full capacity (6am -10pm) due to the increased footfall in our towns, parks and on our beaches. Plans however are being developed to ensure that these costs are minimised during the winter months.

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.7 Headline budget variations across both the Councils' and the Joint account

4.7.4 Environment

Crematorium - Income is currently on target despite one chapel being closed at present for improvements to the office accommodation area. This will continue to be closely monitored, but is not currently deemed at risk.

Parks & Open Spaces – Worthing has received a one off receipt of £80,000 relating to an inconvenience payment from Rampion for the continued use of Brooklands park during the construction of the Rampion wind farm. This will be used in part to offset a projected shortfall of income of £40,000.

4.7.5 Building Control and Land Charges

Building Control and Land Charges Income, which is derived from fees which are set on a cost recovery basis, is not predicted to meet its income budget (Worthing £47,000, Adur £45,000). This is a continuing trend from previous years and will need to be addressed in the next budget setting cycle. The Building Control team has recently reviewed fees and is actively pursuing opportunities to generate additional revenues. As a consequence, there has been a growth of 9% in income compared with quarter 1 in 2017/18.

4.7.6 Farmers Markets

Income from farmers market has already met the budget for the year to date and is expected to exceed by an estimate of £20,000 by the year end.

4.7.7 External Borrowing Costs, Investments and Minimum Revenue Provision

The Minimum Revenue Provision (MRP) is a statutory charge to the revenue budget to provide for the repayment of debt. The calculation is based on the level of historic capital spend that has been financed from borrowing. Consequently, once the accounts have been closed and the calculation has been updated for the capital spend in 2017/18, there is certainty about the charge for the forthcoming year.

Both Councils have an underspend on their MRP budgets due to reprofiling to 2018/19 of a proportion of the 2017/18 Capital programmes and the impact of changes to planned financing due to increased levels of capital receipts and capital grants both of which offset the need to borrow.

Adur will underspend by approximately £41,000 and Worthing by approximately £245,000.

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.8 **Budget variations greater than £20,000**

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

The variations greater than £20,000, for this report, are detailed in Appendix 4.

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

They include:-

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

4.9 **Future Risks**

4.9.1 Vacancy provision – There is always a risk that the vacancy provision target, set at £758,000 this year, will not be met. It is currently on target to achieve but will continue to be monitored closely each month.

4.9.2 Commercial rent income - Target new commercial rent income of £416,000 for both Councils was set as part of the 2018/19 revenue budget. The Councils are in the process of acquiring property, but achievement of the budget will be dependent on successfully securing sufficient additional property over the coming months.

4.10 **Cross Cutting Budgets**

The following categories of expenditure are analysed across various services. It is anticipated that this will be on target:

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

More detailed workings on these areas are in progress and will be reported in future if there are any major variances.

Energy

Due to a review of energy cost recharges to external organisations, it has been identified that these had not been completed for a number of years. It is estimated that costs of £100,000 will be recovered in 2018/19 relating to prior years.

4.11 Housing Revenue Account

4.11.1 The Adur Housing Revenue Account is a ring fenced account. The HRA forecast is shown in Appendix 3.

	ORIGINAL ESTIMATE	PROJECTED OUTTURN	PROJECTED OVER/ (UNDERSPEND)
	2018/19	2018/19	2018/19
	£	£	£
General Management and Other	4,132,760	3,986,307	(146,453)
Annual Revenue Maintenance costs	2,823,320	2,939,251	115,931
Capital Financing costs & Depreciation	6,908,980	6,852,978	(56,002)
Provision for Bad Debt	50,000	36,411	(13,589)
Total Expenditure	13,915,060	13,814,947	(100,113)
Less Income	(13,180,490)	(13,085,363)	95,127
Net (Surplus) / Deficit	(13,180,490)	(13,085,363)	95,127
Funded from Reserves	(734,570)	(734,570)	
Overall Position	-	(4,985)	(4,985)

4.11.2 The HRA is forecast to remain within budget for 2018/19. The approved budget includes the use of HRA reserves of £734,570 required to meet the cost pressures from rent limitation and maintenance and repair work required to the housing stock resulting from the condition survey. A number of income shortfalls have arisen during quarter 1 but these can be covered by reductions in expenditure elsewhere in the budget.

5. **ENGAGEMENT AND COMMUNICATION**

5.1 The Corporate Leadership Team and budget managers have all collaborated in the content of this report providing explanation and narrative on the forecast variances.

6. **FINANCIAL IMPLICATIONS**

6.1 At this early stage at the end of the 1st Quarter of the revenue budgetary cycle, it is anticipated that Adur District Council will have an overspend of £23,000, whilst Worthing Borough Council and the Joint Committee be under budget by £137,000 and £189,000 respectively.

Finance Officer: Sarah Gobey

Date: 24.8.18

7. LEGAL IMPLICATIONS

7.1 Section 151 of the Local Government Act, 1972 requires the Councils to make arrangements for the proper administration of their financial affairs. Further, Local authorities have a statutory duty under the Local Government Act 2003, to monitor their income and expenditure against their budget, and be ready to take action if overspends or shortfalls in income emerge.

Legal Officer: Edwina Adefehinti **Date:** 30.08.2018

Local Government Act 1972

Background Papers

Revenue Budget 2018/19 Joint, Adur and Worthing – 2018/19 Budget Book

<https://www.adur-worthing.gov.uk/media/media,148471,en.pdf>

Joint Overall Budget Estimates 2018/19–

<https://www.adur-worthing.gov.uk/media/media,147643,en.pdf>

Adur District Council Budget Estimates 2018/19 and Setting of the 2018/19 Council Tax –

<https://www.adur-worthing.gov.uk/media/media,147719,en.pdf>

Worthing Overall Budget Estimates 2017/18 and Setting of 2017/18 Council Tax –

<https://www.adur-worthing.gov.uk/media/media,147660,en.pdf>

Financial Performance 2017/18 - Revenue Outturn

<https://www.adur-worthing.gov.uk/media/media,149798,en.pdf>

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SUSTAINABILITY AND RISK ASSESSMENT

1. ECONOMIC

Matter considered and no issues identified

2. SOCIAL

2.1 Social Value

Matter considered and no issues identified

2.2 Equality Issues

Matter considered and no issues identified

2.3 Community Safety Issues (Section 17)

Matter considered and no issues identified

2.4 Human Rights Issues

Matter considered and no issues identified

3. ENVIRONMENTAL

Matter considered and no issues identified


4. GOVERNANCE

Matter considered and no issues identified

SUMMARY - 1st QUARTER PROJECTED OUTTURN 2018/19

APPENDIX 1a


Actual Previous year 2017/18	ADUR CABINET MEMBER PORTFOLIOS	Original Estimate 2018/19	Current Estimate 2018/19	Projected Outturn to 31st March 2019	Forecast Over/(Under)
2,904,564	CM for Environment	2,844,860	2,844,860	2,844,860	-
1,002,320	CM for Health & Wellbeing	1,103,700	1,144,250	1,144,250	-
1,486,629	CM for Customer Services	1,164,740	1,164,740	1,258,740	94,000
583,779	Leader	598,120	598,120	598,120	-
1,345,284	CM for Regeneration	1,659,300	1,659,300	1,684,300	25,000
2,132,249	CM for Resources	1,963,740	1,993,740	1,938,740	(55,000)
-	Holding Accounts	(7,520)	(7,520)	(7,520)	-
9,454,824	Total Cabinet Member	9,326,940	9,397,490	9,461,490	64,000
(1,512,074)	Credit Back Depreciation	(1,821,540)	(1,821,540)	(1,821,540)	-
712,431	Minimum Revenue Provision	1,097,860	1,097,860	1,056,860	(41,000)
33,938	Non ring fenced grants	-	-	-	-
2,270	Financial Instruments Adjustment Account	-	-	-	-
8,691,389		8,603,260	8,673,810	8,696,810	23,000
	Transfer to/from reserves				
-	Contribution to/(from reserves)	14,000	14,000	14,000	-
	Budgeted contribution to/(from) Reserves	10,500	10,500	10,500	-
(20,552)	Transfer from reserves to fund specific expenditure (inc carry forwards)	-	(70,550)	(70,550)	-
110,000	General Fund Working balance	-	-	-	-
385,023	Net Underspend/(Overspend) Recommended For Transfer To/(From) Reserves	-	-	(23,000)	(23,000)
9,165,860	Total Budget requirement before External Support from Government	8,627,760	8,627,760	8,627,760	-

 ADUR DISTRICT COUNCIL EARMARKED REVENUE RESERVE ACCOUNTS	Opening Balance 2018/19	Estimated Decrease 2018/19	Estimated Increase 2018/19	Projected Closing Balance 2018/19
Capacity Issues Fund including General Fund Carry Forward Reserve Carry forwards approved at JSC 10th July 2018 Budgeted contribution (to)/from revenue Balance	£ 384,093	£ (88,680)	£ 10,500	£ 305,913
Insurance Fund	174,943	(62,870)	30,000	142,073
Investment Property Maintenance Fund - Revenue Maintenance Programme	38,387			38,387
Business Rates Smoothing Reserve	74,000			74,000
Grants and Contributions held in Reserves	552,668			552,668
Election Reserve	7,880			7,880
Special and Other Emergency Reserve	81,080			81,080
Projected Underspend/(Overspend) (Reserve to be identified at outturn)		(23,000)		(23,000)
General Fund Reserve	518,171	-	-	518,171
TOTALS	1,831,222	(174,550)	40,500	1,697,172

SUMMARY - 1st QUARTER PROJECTED OUTTURN 2018/19

APPENDIX 2a

Actual Previous year 2017/18	WORTHING CABINET MEMBER PORTFOLIOS	Original Estimate 2018/19	Current Estimate 2018/19	Projected Outturn to 31st March 2019	Forecast Over/(Under)
1,079,949	CM for Environment	2,139,780	2,139,780	2,131,780	(8,000)
3,408,498	CM for Health & Wellbeing	1,702,990	1,722,990	1,722,990	-
1,304,543	CM for Customer Services	4,779,360	4,793,360	4,912,360	119,000
5,196,703	Leader	852,870	852,870	852,870	-
2,699,126	CM for Regeneration	3,039,710	3,169,840	3,196,840	27,000
1,746,447	CM for Resources	2,389,670	2,434,670	2,352,670	(82,000)
-	Holding Accounts	710,270	710,270	710,270	-
15,435,265	Total Cabinet Member	15,614,650	15,823,780	15,879,780	56,000
(3,531,618)	Credit Back Depreciation	(3,633,620)	(3,633,620)	(3,633,620)	-
809,289	Minimum Revenue Provision	1,408,260	1,408,260	1,163,260	(245,000)
(270,026)	Non ring fenced grants	-	-	-	-
12,442,910		13,389,290	13,598,420	13,409,420	(189,000)
	Transfer to/from reserves				
	Contribution to/(from reserves)	86,250	86,250	86,250	-
	Budgeted contribution to/(from) Reserves	41,050	41,050	41,050	-
212,932	Transfer from reserves to fund specific expenditure (inc carry forwards)	-	(209,130)	(209,130)	-
812,788	Net Underspend/(Overspend) Recommended For Transfer To/(From) Reserves	-		189,000	189,000
13,468,630	Total Budget requirement before External Support from Government	13,516,590	13,516,590	13,516,590	-

 WORTHING BOROUGH COUNCIL EARMARKED REVENUE RESERVE ACCOUNTS	Opening Balance 2018/19	Estimated Decrease 2018/19	Estimated Increase 2018/19	Projected Closing Balance 2018/19
	£	£	£	£
Capacity Issue Reserve - Marketing/legal costs re disposal of High St & Civic Centre car park sites (28/02/12 JSC/094/11-12) up to £50k each - Funding for Decoy Farm survey (22/7/14 JSC/031/14-15) - Preliminary costs of Theatre Trust bid (10 July 2018 JSC/026/18-19) Expenditure funded from approved carry forwards from 2017/18 - Worthing carry forwards agreed Joint Strategic Committee 10th July, 2018 - Budgeted contribution (to)/from revenue Balance	1,439,822	(100,000) (150,000) (100,000) (241,330)	41,050	889,542
Insurance Reserve	296,907	(37,870)	30,700	289,737
Joint Health Promotion Reserve	7,810			7,810
Leisure Lottery & Other Partnerships - 01/02/18 JSC/078/17-18 for Museum Costume Research Centre	77,766	(50,000)		27,766
Museum reserve - 12/09/17 JSC/037/17-18 release of funds to support grant bid	97,702	(60,690)		37,012
Theatres Capital Maintenance Reserve	141,149	(142,000)	70,000	69,149
Special and Other Emergency Reserve	34,292			34,292
Business Rates Smoothing Reserve	425,000			425,000
Grants & Contributions	542,176			542,176
Capital Expenditure Reserve	29,658			29,658
Projected Underspend/ (Overspend) (Reserve to be identified at outturn).			189,000	189,000
General Fund Working Balance	843,625			843,625
TOTAL	3,935,907	(881,890)	330,750	3,384,767

HOUSING REVENUE ACCOUNT QUARTER 1 BUDGET MONITORING
APPENDIX 3

	ORIGINAL ESTIMATE 2018/19	REVISED ESTIMATE 2018/19	PROJECTED OUTTURN 2018/19	PROJECTED OVER/ (UNDERSPEND) 2018/19
	£	£	£	£
EXPENDITURE				
Supervision & Management	3,891,890	3,846,920	3,750,355	(96,565)
Special Services	214,570	259,540	207,368	(52,172)
Rent, Rates, Taxes & Other Charges	26,300	26,300	28,584	2,284
Repairs & Maintenance	2,823,320	2,823,320	2,939,251	115,931
Depreciation	4,600,000	4,600,000	4,599,958	(42)
Bad/Doubtful Debt	50,000	50,000	36,411	(13,589)
Capital Financing Costs				
Interest charges	2,308,980	2,308,980	2,253,020	(55,960)
Revenue Contributions to Capital	-	-	-	-
TOTAL EXPENDITURE	13,915,060	13,915,060	13,814,948	(100,112)
INCOME				
Dwelling Rents	(11,991,720)	(11,991,720)	(11,992,916)	(1,196)
Non Dwelling Rents	(566,920)	(566,920)	(546,518)	20,402
Tenants' Service Charges	(374,210)	(374,210)	(326,276)	47,934
Leaseholders' Service Charges	(219,640)	(219,640)	(194,881)	24,759
Commercial Property Service Charges	-	-	-	-
Contributions Towards Expenditure	-	-	3,228	3,228
Reimbursement of Costs	-	-	-	-
Interest Received	(28,000)	(28,000)	(28,000)	-
TOTAL INCOME	(13,180,490)	(13,180,490)	(13,085,363)	95,127
NET (SURPLUS)/DEFICIENCY	734,570	734,570	729,585	(4,985)

Quarter 1 2018/19

The variations greater than £20,000, for this report, are detailed below

Service Area	Joint £000s (under)/ over- spend	Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Significant Variations
NET TRADING				
Parking	-	-	(50)	Additional projected car parking income to July net of debt charges
Total Net Trading	-	-	(50)	
Service Area	Joint £000s (under)/ over- spend	Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Significant Variations
INCOME:				
Economic Development	-	(20)	-	Farmers markets - additional market income anticipated for 2018/19 as budget already achieved in August
Building Control & Land Charges	35	45	47	ADUR: Underachievement of Building Control & Land Charges income WORTHING: Shortfall of Income £70k offset by direct allocation of Value Added Income £23k
Environment - Waste Services	(72)	-	82	JOINT: Cessation of Pest Control service delayed net 6k, Fuel and Maintenance savings £-53k, Addtl recycling payment relating to 2017/18 less reduction in recycling credit from WSCC £-16k, Net impact of delay in staffing restructure £-9k, WORTHING Commercial Waste : Increase in tonnages from 17/18 not fully budgeted for, however, partially offset by additional income
Environment - Parks & Open Spaces	-	-	(40)	Addtl inconvenience payment from Rampion for for the late reinstatement of the par 3 at Brooklands offset in part by shortfall in income of £40000
Environmental Health	-	(10)	(35)	HMO income increase expected due to change in regulations which make more properties eligible for licensing.
Total Income	(37)	15	54	

Service Area	Joint £000s (under)/ over- spend	Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Significant Variations
COSTS:				
Housing	-	-	(20)	Housing Improvement Assistance fee income increase
Homelessness	-	104	154	ADUR:Increased use of temporary accommodation to meet increased demand from homeless applicants £54,000 plus an overspend in PSL accommodation WORTHING:Increased use of temporary accommodation to meet increased demand from homeless applicants £274000 less £120,000 Housing initiatives budget currently not used but will reduced futre TA.
Finance	-	(41)	(245)	MRP unerspends due to reprofiling of capital programme works
Cross Cutting:				
Energy Costs	(100)			Income recharged to law courts for electricity since 2013/14
Allocation of Joint Variance		(55)	(82)	Share of joint services allocated 40:60 to Councils
Total costs	(100)	8	(193)	
Total Variance	(137)	23	(189)	