

Agenda Item No: 9.1 **Report No:** 89/17
Report Title: Finance Update – Performance Report - 2016/2017
Report To: Cabinet **Date:** 26 June 2017
Cabinet Member: Councillor Bill Giles
Ward(s) Affected: All
Report By: Alan Osborne, Deputy Chief Executive
Contact Officer(s)-

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Purpose of Report:

To provide an update on the Council's financial performance in 2016/2017 and explain the impact on the Council's current financial position..

Officers Recommendation(s):

That Cabinet:

- 1 Agrees the financial position on the General Fund, Housing Revenue Account and Collection Fund accounts for 2016/2017.
- 2 Confirms the allocation of Reserves at 31 March 2017 shown in paragraph 4.2.9.
- 3 Agrees the Capital Programme outturn for 2016/2017 as shown in Appendix 2.
- 4 Approves the updated 2017/2018 Capital Programme set out in Appendix 3.
- 5 Approves the write-off of irrecoverable debts noted in paragraph 4.5.

Recommends to Council

- 6 That the Annual Treasury Management Report for 2016/2017 (Appendix 4) be approved.
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Reasons for Recommendations

- 1 A report on financial performance following the end of each quarter is made to Cabinet to ensure that the financial health of the General Fund, Housing Revenue Account, Council Tax and Business Rates Collection Funds and the Capital Programme are kept under continual review. It is essential to ensure that the Council

has a sound financial base from which to respond to changing activity levels and demand for statutory services and to ensure that, when appropriate, its finances are adjusted in response to reducing income levels and inflationary pressures on expenditure.

- 2 At the end of the financial year, Cabinet should review the impact of the financial performance on its current financial position, determine the level of Reserves available for use and variations, if any, which may be required to the revenue budget or capital programme.
- 3 The Council's Treasury Management function deals with very large value transactions on a daily basis. It is essential that the Council is satisfied that appropriate controls are in place and in accordance with the Code of Practice on Treasury Management in the Public Services (the Code) prepared by CIPFA (the Chartered Institute of Public Finance and Accountancy) and adopted by the Council. The Code requires the Council to receive an Annual Treasury Management Report at the end of each financial year.

Information

4 Closure of 2016/2017 Accounts

4.1 The Council's 2016/2017 Accounts have now been closed. At the time of writing this report, the Deputy Chief Executive is expected to approve the draft Statement of Accounts in the week beginning 26 June 2017, immediately following which they will be released to the Council's external auditor, BDO, and made available to the public for inspection.

4.2 General Fund

4.2.1 The General Fund year end position for 2016/2017 is in line with the forecast made when updating the Medium Term Financial Strategy at the time of preparing the 2017/2018 budget, and with the quarterly performance reports made to Cabinet during the course of the year.

4.2.2 Table 1 shows the final net expenditure/income for 2016/2017 analysed by management area, the format used in the Quarterly financial performance reports to Cabinet during the year.

Table 1 - General Fund Services Net expenditure

(a)	(b) 2016/17 budget £'000	(c) 2016/17 actual £'000	(d) = (c)-(b) variance £'000
Management area			
Director of Regeneration and Planning	44	(483)	(527)
Director of Service Delivery	9,151	8,873	(278)
Director of Tourism	759	781	22
Deputy Chief Executive	4,489	4,889	400
Corporate costs and income	662	1,167	505
Netting off of Central Support Services recharges included above	(3,288)	(3,581)	(293)
Net cost of Service provision	11,817	11,646	(171)

4.2.3 Table 1 indicates that net spending on services was £171,000 less than budgeted. Details of each service are given at Appendix 1. Table 2 below summarises the variations which led to the overall net saving. The key variations are consistent with those reported to Cabinet in the Quarterly Finance reports through the year. Those reports noted that trends in housing benefit awarded and the associated Government subsidy receivable can have a net impact on the General Fund: in 2016/2017, the net budget variation, £0.277m, was less than 1% of the total value of benefits awarded, £36.048m.

Table 2 - General Fund summary of variations

	£'000	£'000
One-off costs associated with voluntary severance	383	
Reduced cost of salaries	(156)	
Net increase in employee costs		227
Additional expenditure:		
- Joint Transformation Programme (net of HRA share)	317	
- Housing Benefits	277	
- Operating costs	399	
- Regeneration portfolio	137	
- Energy Joint Venture	48	
- Business Engagement	22	
		1,200
Reduced Service income:		192
Reduced Service expenditure and efficiency savings		(677)
Increased Service income		
- Government Grants	(253)	
- Waste and Recycling	(147)	
- Investment Properties	(157)	
- Other Services	(556)	
		(1,113)
Total		(171)

4.2.4 In addition to spending on services, contributions to Reserves were made in 2016/2017 as shown in Table 3. Further details are given in Table 5.

Table 3 – Contributions to Reserves

(a)	(b) 2016/2017 Budget £'000	(c) 2016/2017 Actual £'000	(d) =(c) – (b) Variance £'000
Net cost of Service provision	11,817	11,646	(171)
Net Transfers to Reserves	780	1,180	400
Total cost to be financed	12,597	12,826	229

4.2.5 The £400,000 increase in the net amount transferred to Reserves shown in Table 3, comprises £618,000 additional transfers into Reserves (primarily the result of activities where balances are retained to smooth out costs between years and the transfer of Government grants received in 2016/17 ahead of future years' spending) offset by £218,000 increased use (primarily due to the phasing of the JTP programme).

4.2.6 Table 4 shows the sources of General Fund financing in 2016/2017.

Table 4 - General Fund financing

(a)	(b) 2016/2017 Budget £'000	(c) 2016/2017 Actual £'000	(d) =(c) – (b) Variance £'000
Retained Business Rates	(2,430)	(2,638)	(208)
Non-specific Government Grants	(3,171)	(3,188)	(17)
Council Tax	(6,996)	(6,996)	0
Sub-total	(12,597)	(12,822)	(225)
Use of Uncommitted Reserve	0	(4)	(4)
Total Financing	(12,597)	(12,826)	(229)

4.2.7 Income from retained business rates, including Government grants received as compensation for the impact of Government measures which reduced the rates that businesses pay (eg small business rates relief) was £208,000 more than budgeted. This benefit to the General Fund is largely transitional, however, with the deficit on the Business Rates Collection Fund at the end of year being higher than anticipated (see paragraph 4.4.2 below). In order to smooth business rates movements between years, a contribution of £123,000 has been made into the Strategic Change Reserve.

4.2.8 As noted in paragraph 4.2.4 above, an additional £229,000 compared with the budget was to be financed in 2016/2017. This has been funded from increased external finance, £225,000, and a minor use of the General Fund uncommitted reserve, £4,000.

4.2.9 General Fund Reserves

Table 5 lists the contributions to and use of each General Fund Reserve in 2016/2017, and the balance held at the end of the year. It also identifies the anticipated movement on each Reserve in 2017/2018, reflecting the approved General Fund budget and the capital programme.

Table 5 - Reserves 2016/2017 and 2017/2018 projection

Ref	Reserve	Balance at 1 April 2016	Contribution/transfer 2016/2017	Use 2016/2017	Balance at 31 March 2017	Contribution/transfer 2017/2018	Use 2017/2018	Projected Balance at 31 March 2018
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
	General Fund							
1	Strategic Change	(3,657)	(2,642)	2,631	(3,668)	(1,473)	3,489	(1,652)
2	Asset Maintenance	(2,653)	(418)	480	(2,591)	(283)	887	(1,987)
3	Vehicle and Equipment Replacements	(2,440)	(320)	169	(2,591)	(320)	1,388	(1,523)
4	Economic Regeneration	(351)	0	77	(274)	0	66	(208)
5	Revenue Grants and Contributions pending use	(253)	(244)	96	(401)	0	267	(134)
6	Unallocated Reserve	(3,105)	813	4	(2,288)	226	0	(2,062)
7	General Fund Sub-total	(12,459)	(2,811)	3,457	(11,813)	(1,850)	6,097	(7,566)
	HRA							
8	Major Repairs Reserve	(2,158)	(5,160)	2,384	(4,934)	(5,173)	8,432	(1,675)
9	HRA Balance	(2,726)	(542)	396	(2,872)	0	0	(2,872)
10	Total	(17,343)	(8,513)	6,237	(19,619)	(7,023)	14,529	(12,113)

4.3 Housing Revenue Account

4.3.1 As shown in Table 6 the HRA outturn for 2016/2017 (after financing specific one-off costs from the Special Projects element of the working balance as planned) was a net surplus of £542,000 compared with a surplus of £519,000 projected when setting the budget for the year, a net positive variation of £23,000.

Table 6 - Housing Revenue Account Summary 2016/2017

(a) Service area	(b) 2016/17 budget £'000	(c) 2016/17 actual £'000	(d) = (c)-(b) variance £'000
Income:			
Rents	(15,290)	(15,212)	78
Service charges	(1,156)	(1,211)	(55)
Contributions towards expenditure	(220)	(183)	37
	<u>(16,666)</u>	<u>(16,606)</u>	<u>60</u>
Expenditure:			
Repairs and maintenance	4,666	4,873	207
Supervision and Management	1,657	1,596	(61)
Special Services eg sheltered	1,468	1,233	(235)
Rents, rates, etc	202	171	(31)
Provision for debt repayment	787	807	20
HRA share of corporate costs	547	777	230
Net interest and debt management	1,866	1,843	(23)
	<u>11,193</u>	<u>11,300</u>	<u>107</u>
Net cost of Service provision	(5,473)	(5,306)	167
One-off costs above funded from	0	(396)	(396)
Balance			
Transfer to Major Repairs Reserve	4,954	5,160	206
Surplus for year	<u>(519)</u>	<u>(542)</u>	<u>(23)</u>

4.3.2 Table 7 summarises the main variations compared with that projection.

Table 7 - HRA variations

	£'000	£'000
Reduced income – rents and service charges		36
Increased income		(37)
Increased expenditure		
- employees including severance costs	186	
- external advice	77	
- Joint Transformation Programme	<u>254</u>	
		517
Reduced expenditure		
- Repairs	(35)	
- utility costs	(26)	
- insurance excesses	(24)	
- corporate recharges	(79)	
- cleaning	(31)	
- uncollectable debt	<u>(54)</u>	
		(249)
Use of Special Projects element of Working Balance		(396)
Increase in contribution to Major Repairs Reserve		206
Miscellaneous net variations		<u>(100)</u>
Total variation		(23)

- 4.3.1** An appropriate share (£305,000 in total) of JTP costs, including severance payments, has been allocated to the HRA. The HRA holds funding for these one-off costs within the Special Projects element of the HRA balance, which has been applied.
- 4.3.2** Active management of planned and responsive repairs (which are accounted for as revenue expenditure) alongside major repairs, replacements and improvements (which fall within the HRA capital programme) has been in place. Variations in the HRA capital programme are explained elsewhere in this report. A stock condition survey was completed in the year, with the cost (£91,000) financed from the Special Projects element of the HRA balance.
- 4.3.3** The contribution to the Major Repairs Reserve is calculated in accordance with accounting guidance and is based on the depreciation of the various components of the housing stock (windows, bathrooms, heating systems, etc) over time. The total contribution made is higher than the original budget to reflect the current cost of replacing these components. This increase is consistent with the projection made at the time of setting the 2017/2018 HRA budget. The Major Repairs Reserve is used to fund capital expenditure.
- 4.3.4** The net surplus generated in 2016/2017, £542,000, is added to the Housing Revenue Account balance, which is £2,872,000 at 31 March 2017. Table 8 identifies the components of the balance. The Special Projects element of the balance will continue to provide funding in 2017/2018 for costs of the Council's Joint Transformation Programme which can be attributed to the HRA.

Table 8 - HRA Balance

		£'000
1	General Working Balance	(1,585)
2	Special Projects	(1,012)
3	Self Insurance	(275)
4	Total	<u>(2,872)</u>

4.4 Collection Fund

- 4.4.1** The actual balance on the Council Tax Collection Fund at 31 March 2017 was a surplus of £1.792m, compared with a surplus of £1.700m which had been estimated at the time of setting the Council Tax for 2017/2018. This positive variation, at 0.1% of income, reflects growth in the taxbase, changes in entitlement to discounts and a decrease in the value of Council Tax Reduction Scheme awards compared with the projection. The variation is well within the acceptable level of tolerance given that the total annual amount of Council Tax due was £64.7m. The earliest that this additional surplus can be distributed is during 2018/2019. The distribution would be between Lewes District Council, East Sussex County Council, East Sussex Fire Authority and the Sussex Police and Crime Commissioner, based on 2017/2018 Council Tax amounts. Approximately 15% of the surplus will be returned to this Council.
- 4.4.2** The actual balance on the Business Rates Collection Fund at 31 March 2017 was a deficit of £1.598m (of which this Council's share will be £0.639m)

compared with a deficit of £1.386m which had been estimated at the time of setting the 2017/2018 budget. This increased deficit is largely the result of backdated transitional relief and an increased provision for non-collectable debt. Appeals against business rate valuations, which are beyond the Council's control remain a key risk. At 31 March 2017, 180 appeals against the LDC rating list were yet to be settled. The provision for business rates appeals was reduced by £0.100m to £1.8m at 31 March 2017.

4.5 Debts written off

4.5.1 Financial Procedure Rules authorise the Deputy Chief Executive to write-off a debt which is below £10,000 or where the amount involved is claimable in bankruptcy or liquidation proceedings. Cabinet or Council approval is required to write off a single debt in excess of £10,000 or £50,000 respectively. It is important to ensure that only those debts for which a realistic prospect of recovery exists remain active, and the Council's external auditor can be expected to review this as part of the statutory audit of accounts. There is nothing to prevent the Council from reinstating a debt, following its write-off, if new information comes to light about the debtor's circumstances.

4.5.2 In 2016/2017, the following amounts have been written off in total when action to recover individual debts has proved to be unsuccessful or uneconomic to pursue. No individual case was in excess of £10,000.

	Total value £
Sundry debtors	34,725
Housing Benefit overpayments	117,890
Housing Rents	39,530
Council Tax	56,305
Business Rates	67,150
Total	315,600

4.5.3 Cabinet is recommended to approve the following two write-offs where continuing recovery action is no longer considered to be appropriate.

- i Housing Benefit overpayment, period 2003 to 2015, £38,294. The claimant gave full and correct information to the Council at the start of his claim, which was erroneously treated as a passported claim although the claimant was not in receipt of Income Support or Pension Guarantee Credit. The claimant would not have been aware of the overpayment at the time and is now in his 80's and no longer capable of dealing with his own financial affairs due to illness.
- ii Temporary accommodation (bed and breakfast) charge, period May 2014 to October 2015, £18,370. A couple with a large family presented homeless at end of April 2014. The Council accepted a duty to house them on an interim basis in self-contained B&B accommodation. The family challenged the Council's subsequent decision that it was 'intentionally homeless' and remained in B&B accommodation while the case was reviewed. The Council accepted a duty to house the family in

March 2015 but finding adequate permanent accommodation was problematic and the family was only able to leave the B&B in October 2015. As a result of the cap on total benefits paid to non-working claimants, there was a significant shortfall between the B&B charge and the family's benefit entitlement, allowing this debt to accrue. There is no realistic prospect of recovery.

4.6 Capital Programme 2016/2017 and 2017/2018

4.6.1 The Capital Programme is an allocation of resources (principally capital receipts from the sale of assets, grants or contributions received with specific conditions attached, and reserves) to projects relating to the major repair, enhancement or purchase of long-term assets. In many cases these projects will span financial years.

4.6.2 Table 9 summarises the final position of the 2016/2017 Capital Programme. Appendix 2 gives a detailed analysis.

Table 9 - Capital Programme 2016/2017 Summary

	£'000
Original allocation for year	12,204
Variations agreed in year including allocations c/fwd from 2015/16	13,342
Revised allocation for the 2016/2017 year and beyond	25,546
Further variations (explained in paragraph 4.6.3)	(1)
Final allocation	25,545
Less: Actual spend in 2016/17	(19,239)
Remaining allocations to be used in 2017/18 and beyond	<u>6,306</u>

4.6.3 In some cases, further variations to the allocations previously agreed during 2016/2017 are necessary. Details of the most significant changes noted on Appendix 2 are shown in Table 10:

Table 10 - 2016/2017 Capital Programme variations

HRA Capital Programme	
Line 2	<p>New Homes – the construction of new homes on former garage sites is close to completion. The project is part-financed from Right to Buy receipts (including retained receipts under the Governments 1-4-1 scheme) with 60% funding from borrowing. The project has spanned three financial years and an adjustment of £325,000 to the 2016/17 capital programme allocation is necessary to realign the project costs between years.</p> <p>A provision of £185,000 had been made to enable the re-purchase of homes sold under Right to Buy. No suitable opportunity arose in 2016/17.</p>
Line 3	<p>Improvements to stock - there are a number of amendments to the individual elements of the programme (kitchen and bathroom replacements, roofing works, etc) which has been managed as a whole and in conjunction with the revenue budget for planned and responsive repairs. The net variation represented an</p>

	increase of just over 1% against the £5m total value of the programme. This will be funded by an additional call on the Major Repairs Reserve.
Line 12	Common Room conversions – 7 sheltered housing common rooms/offices have been converted into housing units. A £27,000 addition to the allocation is needed to enable the completion of the conversion of the hub office at Meridian Court into 2 housing units.
General Fund Housing Investment	
Line 10	Disabled Facilities Grant – an adjustment to the programme is necessary to ensure that the allocation carried forward into 2017/18 is fully financed from external funding made available by the Government via East Sussex County Council
General Fund Capital Programme	
Line 13	Commercial Property Acquisition and Development – when acquiring the lease of Newhaven Square a budget of £305,000 was allowed for improvement works and fees. An increase of £57,000 in this initial budget has been required to fund the actual cost of refurbishment.
Line 19	New Depot: as reported to Cabinet in November 2016, the intended site of a new depot at Avis Way, Newhaven proved to be unsuitable as a result of particularly poor ground conditions and the capital programme allocation was deleted. A final adjustment of £32,000 is needed in respect of fees that had been incurred but not paid at that time.
Line 21	Coastal Defence: New Forest District Council is the lead authority for a programme of coastal monitoring in South East England. Costs, which are funded by DEFRA, are apportioned between local authorities in the region pro-rata to the length of coastline. This Council's allocated share for 2016/17 was £50,000.
Lines 23, 24, 26	Provisional allocations are made in the capital programme in respect of major repairs and improvements to Council-owned property, to be drawn down as individual schemes are brought forward. Unused allocations are not rolled forward to supplement the following year's capital programme, but funding is retained in the Asset Maintenance Reserve should it be required.

4.6.4 The Capital Programme for 2017/2018 (Appendix 3) has been updated to include the amounts brought forward from 2016/2017. Proposed variations to the 2017/18 programme comprise:

- New Homes (line 2): a £99,000 reduction in the allocation is required to reflect the final contractual commitments for the construction of new homes on former garage sites
- Disabled Facilities Grants (line 10): East Sussex County Council have now confirmed the funding that will be available for DFG's and the allocation is increased by £82,000 accordingly

- Commercial Property (line 13): the reduction of £48,000 reflects the expected cost of works at the Turkish Baths, Lewes
- IT Equipment Replacement (line 19): since the formation of the shared ICT service in late 2016, a review of the Council's ICT infrastructure has taken place. Elements of the infrastructure which received investment during the agile working programme, such as the network, meet modern standards and are fit for purpose for some years forward. However, it has become clear that a number of business critical systems are end of life and need to be replaced to ensure ongoing service delivery. This includes the entire data storage infrastructure and key security systems. There are other systems, such as the VMware server farm, which are in need of some additional capacity to support immediate business requirements. These are requirements separate to the Joint Transformation Programme and would have needed to be addressed irrespective of that programme, and thus should be funded separately. For this reason, the ICT capital allocation has been increased from £50,000 to £300,000 for 2017/2018, with additional financing being drawn from the Strategic Change Reserve. At this time, an annual allocation of £150,000 is considered appropriate from 2018/2019 onwards.
- Parks, Recreation and Play Areas (line 24): this technical adjustment, £147,000, ensures that the 2017/18 allocation to the Big Parks Project matches the balance of funding available from developers' (s106) contributions
- Property Assets Major Works (line 25): additional funding of £58,000 is made available from the Asset Maintenance Reserve to ensure that a number of priority projects can take place in 2017/18. These include external works at Lewes House and The Maltings; relocating the power supply to Lewes Bowls Club (facilitating essential tree works to take place on The Mount, a scheduled ancient monument); and high priority internal work at Stanley Turner pavilion.

5 Financial Performance - Treasury Management

- 5.1** The Council has adopted the CIPFA Code of Practice on Treasury Management in the Public Services Code and complies with its requirements, one of which is that the Council should receive an Annual Treasury Management Report following the end of each financial year. This Report also includes the results of the various indicators which the Council sets each year in accordance with the Prudential Code for Capital Finance in Local Authorities.
- 5.2** The Annual Report for 2016/2017 is attached at Appendix 4. The Audit and Standards Committee considered the report at its meeting on 19 June 2016, following the drafting of this report. Any comments made by the Audit and Standards Committee will be reported verbally to this meeting of Cabinet. Cabinet is asked to recommend that Council approves the Annual Report.

5.3 Temporary borrowing of £4m was taken on 28 March, repayable on 11 April 2017. This covered the cashflow requirement arising from the acquisition of Springman House, Lewes and Railway Quay, Newhaven. Grant funding for each of these acquisitions was received in May 2018.

6 Financial Appraisal - referred to under individual items above.

7 Legal Implications - there are no legal implications arising from this report.

8 Risk Management Implications

8.1 The Council maintains an overview of its policy programme, its Medium Term Financial Strategy and the external factors that affect them. Without this constant analysis and review there is a risk that the underlying recurring revenue expenditure will grow at a faster rate than the resources available to fund them. This risk is mitigated through regular reports to Cabinet on the Council's overall revenue and capital position and Cabinet's correcting actions taken in accordance with the objectives and principles it set for management of the Council's finances.

8.2 An additional risk is that reserves and balances will be drawn upon sooner than is necessary unless an assessment is made of resource implications where activity levels have fallen or risen to any significant degree. This risk is mitigated by identifying such areas, making an assessment covering the short and medium term and taking corrective action.

9 Equality Screening

This is a routine report for which detailed Equality Analysis is not required to be undertaken. The equality implications of individual decisions relating to the projects/services covered in this report are addressed within other relevant Council reports.

Background Papers:

Treasury Strategy Statement <http://www.lewes.gov.uk/council/20987.asp>

Lewes District Council Draft Statement of Accounts 2016/2017 (subject to audit)
<http://www.lewes.gov.uk/council/4055.asp>

Appendices: (all to be completed)

Appendix 1 – General Fund expenditure and income 2016/2017: service analysis

Appendix 2 – Capital Programme 2016/2017

Appendix 3 – Updated Capital Programme 2017/2018

Appendix 4 – Annual Treasury Management Report 2016/2017

General Fund expenditure and income 2016/2017: service analysis

	Budget £'000	Actual £'000	Variance £'000
Director of Regeneration and Planning			
Assets and Property			
: Investment Properties	(197)	(270)	(73)
: Industrial Estates	(669)	(728)	(59)
: Public Conveniences	221	228	7
: Car Parking	(350)	(452)	(102)
: Office Accommodation	466	394	(72)
: Solar Panel installations	(147)	(210)	(63)
: Depots	111	134	23
Sub-total	(565)	(904)	(339)
Planning			
: Development Control	(822)	(843)	(21)
: Planning Policy	0	(1)	(1)
: Planning Policy - Conservation	25	(18)	(43)
Sub-total	(797)	(862)	(65)
Regeneration			
: Economic Development	464	275	(189)
: Newhaven Enterprise Centre	(140)	(144)	(4)
: Property Portfolio/Regeneration	0	137	137
: Street Naming	8	8	0
Sub-total	332	276	(56)
Salaries and Administration			
: Property	385	476	91
: Strategic Policy	444	318	(126)
: Salaries, management, admin costs	245	213	(32)
Sub-total	1,074	1,007	(67)
Director total	44	(483)	(527)
Director of Service Delivery			
Community			
: Building Control	(342)	(297)	45
: Regulatory Services - Travellers sites	17	17	0
: Community Safety	9	24	15
: Voluntary Sector Support	212	212	0
: Town and Parish Council grant	201	201	0
Sub-total	97	157	60
Environmental Health and Licensing			
: Regulatory Services - Licensing	(188)	(218)	(30)
: Regulatory Services - Public Health	36	35	(1)
: Regulatory Services - Food Safety	3	6	3
: Regulatory Services - Environmental Protection	21	16	(5)
: Regulatory Services - Health and Safety	13	18	5

	Budget £'000	Actual £'000	Variance £'000
: Regulatory Services - Port Health	2	1	(1)
: Regulatory Services - Animal and Pest Control	19	20	1
: Coast Protection	8	(23)	(31)
: Flood Defence	143	106	(37)
: Cemeteries	(15)	(16)	(1)
Sub-total	42	(55)	(97)
Housing (General Fund)			
: Homelessness	150	32	(118)
: Housing Strategy, Enabling and Advice	20	(166)	(186)
: Private Sector Housing Renewal	11	(4)	(15)
: Contributions to the HRA re shared items	166	164	(2)
: Housing Benefit Administration	82	19	(63)
: Housing Benefit	(460)	(182)	278
Sub-total	(31)	(137)	(106)
Local Taxation			
: Council Tax Support Scheme Mgt	15	(24)	(39)
: Local Tax Collection - Council Tax	(55)	(120)	(65)
: Local Tax Collection - Business Rates	(134)	(118)	16
Sub-total	(174)	(262)	(88)
Parks and Playing Fields			
: Open Spaces	358	399	41
: Sports and Playing Fields	243	254	11
Sub-total	601	653	52
Waste and Recycling			
: Recycling	965	934	(31)
: Waste Collection	956	816	(140)
: Street Cleansing	651	632	(19)
: Vehicle Workshop	(182)	(50)	132
Sub-total	2,390	2,332	(58)
Salaries and Administration			
: Customer Services - Planning Revenues and Benefits	1,945	1,935	(10)
: Housing and Environmental Health	2,656	2,706	50
: Hub, Mobile Team and Parks	1,295	1,229	(66)
: Waste and Recycling	330	315	(15)
Sub-total	6,226	6,185	(41)
Director total	9,151	8,873	(278)
Director of Tourism			
Tourism			
: Tourism	131	140	9
: Culture and Heritage: Arts Development	7	6	(1)
Sub-total	138	146	8
Wave Leisure			
: Culture and Heritage - Newhaven Fort	110	119	9

	Budget £'000	Actual £'000	Variance £'000
: Indoor Leisure - Wave	511	516	5
Sub-total	621	635	14
Director total	759	781	22
Deputy Chief Executive			
Corporate Services			
: Emergency Planning	23	22	(1)
: Organisational Development	120	729	609
: Treasury Management	58	34	(24)
: Local Land Charges	(90)	(60)	30
Sub-total	111	725	614
Democratic Services			
: Democratic Representation	260	268	8
: Electoral Registration	79	25	(54)
: Elections - LDC	8	3	(5)
: Elections - other	0	0	0
Sub-total	347	296	(51)
Salaries and Administration			
: Business Strategy and Performance	493	451	(42)
: Legal Services	417	308	(109)
: Finance	675	633	(42)
: Audit, Fraud and Procurement	265	248	(17)
: Democratic Services	366	365	(1)
: Information Technology	1,420	1,495	75
: HR service	250	250	0
: Recruitment and Training	145	118	(27)
Sub-total	4,031	3,868	(163)
Director Total	4,489	4,889	400
Corporate costs			
: Corporate Management	159	562	403
: CMT - Salaries, management, admin costs	560	453	(107)
: Interest payments and receipts	(180)	(189)	(9)
: Pensions accounting	80	77	(3)
: Service Priority budget and savings target	(287)	0	287
: Provision for Debt Repayment	330	264	(66)
	662	1,167	505
Netting off of Central Support Services recharges included above	(3,288)	(3,581)	(293)
Net cost of Service provision	11,817	11,646	(171)