

4. BUDGET MANAGEMENT 2016/17 – PROGRESS REPORT APRIL TO DECEMBER 2016

REPORT OF: Head of Finance
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Wards Affected: All
Key Decision: No
Report to: Cabinet
13th February 2017

EXECUTIVE SUMMARY AND RECOMMENDATIONS

Purpose of Report

1. This report reviews the progress on the Revenue Budget, Capital Programme and Treasury Management for 2016/17.

Summary

2. The forecast revenue outturn position for 2016/17 at the end of December is showing a projected net underspend of £563,000 against the original estimate, after a £20,000 transfer to Specific Reserve approved by Council on 21 September 2016.
3. This net variance mainly relates to the unbudgeted rental income following the purchase of The Orchards Shopping Centre in November. This is in addition to the over-performance of income in Development Management and Car Park Charges, which gives us the opportunity to consider using part of this underspend for a limited range of discrete purposes.

Recommendations

4. To recommend to Council for approval:

- (i) that £7,705 grant income relating to Property Searches New Burdens funding be transferred to a General Reserve as detailed in paragraph 22;
- (ii) that £20,000 grant income relating to Neighbourhood Planning funding be transferred to a Specific Reserve as detailed in paragraph 23;
- (iii) that £200,000 of the revenue underspend be transferred to General Reserve as detailed in paragraph 25 (a);
- (iv) that £150,000 of the revenue underspend be transferred to the ICT Specific Reserve as detailed in paragraph 25 (b);
- (v) that £50,000 of the revenue underspend be transferred to the CenSus Transition Specific Reserve as detailed in paragraph 25 (c);
- (vi) that £100,000 of the revenue underspend be transferred to Asset Management Specific Reserve as detailed in paragraph 25 (d);
- (vii) the variations to the Capital Programme contained in paragraph 37 in accordance with the Council's Financial Procedure rule B4.

To note:

- (viii) the remainder of the report;

REVENUE SPENDING

Position to the end of December 2016

5. This is the fifth budget management report for the current financial year. This is intended to inform Members how key income and expenditure targets are performing after the first three quarters of 2016/17, and to give an indication of the likely position at the end of the year.

Expenditure and Income to date

6. Table 1 details 'actuals' to date for the key income categories and salaries expenditure, compared to their profiled budgets. It gives a snapshot position on performance to the end of December only, together with comparative figures for the previously reported period, in order to show movement trends. This table also details the projected year-end position for these key income categories, but this only forms part of the consideration for the year-end predictions for the Council's overall revenue budget.

Table 1: Key income/expenditure to the end of December 2016						
INCOME	2016/17 Actual to December £'000	Profiled 2016/17 Budget £'000	2016/17 Original Budget £'000	Pressure/ (Saving) To end December £'000	Pressure/ (Saving) To end October £'000	Projected Year-end Variance £'000
Car Park Charges	(1,560)	(1,439)	(1,908)	(121)	(87)	(158)
Development Management Fees	(954)	(690)	(919)	(264)	(166)	(406)
Building Control Fees	(419)	(366)	(486)	(53)	(30)	(60)
Land Charges	(142)	(123)	(150)	(19)	(9)	(15)
Licensing Act Fees	(132)	(127)	(138)	(5)	(48)	(5)
Hackney Carriage Fees	(96)	(93)	(124)	(3)	(0)	(3)
Outdoor Facilities Income	(207)	(247)	(295)	40	37	30
Garden Waste	(846)	(818)	(1,020)	(28)	14	0
Leisure Contract Income	(1,179)	(1,153)	(1,537)	(26)	(10)	(42)
Industrial Estates Rents	(442)	(474)	(600)	32	15	43
Town Centre Rents	(926)	(626)	(659)	(300)	0	(600)
Depots Rents	(57)	(54)	(72)	(3)	(2)	(3)
General/Miscellaneous Property	(191)	(155)	(201)	(36)	(26)	(36)
Total Income	(7,151)	(6,365)	(8,109)	(786)	(312)	(1,255)
EXPENDITURE						
Salaries	8,386	8,123	10,831	263	244	14

7. Car parking income is above budget by £121,000 in the first nine months operation of the service. This is detailed in Table 2 below. This includes additional Pay and Display Income of £111,000, and additional season ticket income of £10,000. Season ticket Income has improved since last reporting by £10,000. Recent improvement is the result of increased take up of the new Boltro Road car park and additional income from Corporate parking customers. Additional Pay and Display income totalling £135,000 was previously forecast to year-end. A further £13,000 has been identified by projecting forward the additional income as at the end of December, resulting in a revised forecast of £148,000 for the year. Therefore, in total, Appendix A details an additional £23,000 not reported to date.

	<i>Outturn 2015/16</i>	<i>Forecast 2016/17 April to October</i>	<i>Actual April to December</i>	<i>Forecast 2016/17</i>
	<i>(Over)/ under target £'000</i>	<i>(Over)/ under target £'000</i>	<i>(Over)/ under target £'000</i>	<i>(Over)/ under target £'000</i>
Pay & Display tickets	(82)	(135)	(111)	(148)
Season Tickets	17	(0)	(10)	(10)
Total additional income	(65)	(135)	(121)	(158)

8. Development management income is £264,000 above forecast for April and December. There remains a £40,000 shortfall in respect of South Downs National park income, for which is payment is expected in January. £305,000 is the additional Planning Fee income total. Additional Planning Fee income is expected in the short term, pending approval of the District Plan and £323,000 was previously forecast for the year. A further £83,000 has been identified by projecting forward the additional income as at the end of December, resulting in a revised forecast of £406,000 for the year. The £83,000 variation is included in Appendix A of this report.
9. At the end of December, Building Control Income is above budget by £53,000. A previous forecast of £30,000 was reported to the end of October to allow for the additional income. The forecast has now been revised to reflect the further variance to date of £23,000 and a further £7,000 allowance for a full year projection based on the income to date. This is included in Appendix A of this report.
10. At the end of December Land Charges income is above budget by £19,000. An active property market has seen increased income from search requests resulting in additional income. However, income is likely to be reduced during January and February and therefore the year-end forecast remains unchanged at £15,000 as previously reported in October.
11. Licencing income is £5,000 above target for April to December. The forecast has been revised to reflect the variance to date, with no allowance for a full year projection.
12. Hackney Carriage Fees is above target for the first nine months of the financial year by £3,000. The forecast has been revised to reflect the variance to date, with no allowance for a full year projection.

13. Outdoor facilities income is £40,000 below budget after the first nine months of the year. This is mainly the result of the loss of playgroup income at Whitemans Green (£22,000) and loss of pavilion income for cricket teams at Clayton and London Road (£8,000), which has been previously reported. However, no further variation to the full year forecast is anticipated at this stage.
14. Based on the current budget profile, Garden Waste income is £28,000 above target at the end of December. The previous forecast for Garden waste income included £25,000 additional income for bringing forward the expansion of the service, by purging the existing waiting list. This was offset by a £25,000 pressure as a result of increased cancellations above target for 2016/17. The latest position shows that the £28,000 overachievement of income against profile for December is entirely the result of the purge on the waiting list, and all the additional income relating to this has been received in December. However, the remainder of the year is expected to remain below budget as a result of the cancellations forecast and therefore the projection to year end remains unchanged.
15. Leisure contract income is above budget in the first nine months of the year. The value of the Leisure Contract is subject to annual indexation and the forecast was amended previously by £21,000 to reflect an ongoing saving from the 2015/16 calculation. The contract sum for 2016/17 has now been agreed resulting in a further £21,000 indexation increase. The forecast for additional income for the year has therefore been revised to £42,000.
16. Industrial Estates rent are £32,000 below target at the end of December and this is expected to increase to £43,000 by the end of the year. A number of rent reviews have been carried out during the year but additional income as a result of these has been lower than anticipated. This is included in Appendix A of this report.
17. Town Centre rent is £300,000 above target at the end of December. This is due to the receipt of additional rental income following the purchase of The Orchards Shopping Centre in November. Additional income is expected before the end of the year. The forecast for the year is estimated to be £600,000. This is included in Appendix A of this report.
18. Depots rent is £3,000 above target at the end of December. The forecast for the year has been amended to reflect this. This is included in Appendix A of this report.
19. General/miscellaneous Property income is £36,000 above target at the end of December. This is as a result of rent reviews resulting in additional rental income. The forecast for the year was reported as £26,000 in October. It is estimated that there will be additional income of £10,000 by the end of the year and the forecast has been amended to reflect this. This is included in Appendix A of this report.
20. The salaries expenditure to the end of December is showing a pressure of £263,000 against the profiled budget. As previously reported, additional costs are partly a consequence of the use of Census Revenues and Benefits agency staff to backfill posts, and the emerging consequences of the changes to the CenSus Partnership. There are also additional staffing requirements as a result of new burdens, for which additional grant income has been received from DWP to offset this. Any census staffing cost in excess of budget is partly rechargeable to our shared service partners. The variance to date is also the result of unbudgeted staffing costs which will be partly met from compensating savings identified within the service and partly met from Specific Reserve at year-end. Therefore, the forecast year-end variation on salaries is net £14,000 overspend as set out in Table 1 above. Further detail is set out in Appendix A of the previous Budget Management Reports to Cabinet on 11 July 16, 6 September 16, 17 October 16 and 28 November 16.

21. In summary, based on current information available and as outlined in Appendix A, the current forecast year-end position (at the end of December 2016), is an under spend of £563,000.

Miscellaneous

22. In November we received a grant payment of £7,705 from the Department of Communities and Local Government in respect of Property Searches New Burdens. This payment is not ring-fenced, and as we have already provided for outstanding claims in our accounts, Members are requested to approve the transfer of this sum to General Reserve.
23. In September, grant totalling £20,000 was received from the Department of Communities and Local Government in respect of Neighbourhood Planning costs. Members are requested to approve the transfer of this sum to a Specific Reserve created for this grant which will be used to support Neighborhood Plans.
24. In November, we received notification from the Department for Work and Pensions of £10,204 allocation for 2016/17 in respect of a New Burdens for Local Authority Data Sharing programme. This sum will be pooled along with similar allocations received by our Census Partners to meet this additional cost.

Use of Underspend

25. This latest report shows that income levels, in particular, in respect of Orchards Shopping Centre rents, Development Management and Car Parks, continue to be well above target, which allows Members to consider further allocation of monies as detailed below:
- (a) Members previously approved an additional £200,000 for the Local Development Framework Reserve (Cabinet – 28th November 2016), which was initially funded from General Reserve, with the intention of reimbursement from revenue underspend should funds become available. Members are now requested to approve this reimbursement and transfer £200,000 of the revenue underspend to General Reserve.
 - (b) £150,000 to replenish the ICT Reserve which has been significantly utilised on several projects to improve technology capability throughout the council. This additional funding will provide reassurance for bringing forward projects such as development of InCab for Waste Services, cabling works associated with office changes, implementing Sharepoint to replace Shared and Public folders currently on the network and accelerating Infrastructure as a Service (Cloud). It will also provide short term capacity to manage the digital programme. Therefore, Members are requested to approve the transfer of £150,000 to this Specific Reserve.
 - (c) £50,000 to create a CenSus Transition Reserve to cover the consultancy costs relating to the departure of CenSus partners and the subsequent reorganisation following their departure. Therefore, Members are requested to approve the transfer of £50,000 to Specific Reserve for this purpose.
 - (d) £100,000 to replenish the Asset Management Specific Reserve. This additional funding will contribute towards the cost of work needed to enable the Council to make best use of its assets through future disposals. Therefore, Members are requested to approve the transfer of £100,000 to this Specific Reserve.

CAPITAL SPENDING

Position to the end of December 2016

26. The Capital Programme for 2016/17 now stands at £3,180,000. This includes slippage from the 2015/16 Capital Programme, and current year capital project variations, as previously reported to Cabinet. The actual and commitments to the end of December 2016 total £27,930,948.

Variations to the 2016/17 Capital Programme

27. At this stage in the year the major variations are set out in table 3 below, the remainder being a number of smaller variations of less than £100,000.

	<i>Variations £'000 (overspend)</i>	<i>Variations £'000 (underspends)</i>	<i>Notes</i>
Disabled Facility Grants		(328)	1
Finches Field Community Pavilion		(473)	2
Space Planning & Office Moves	145		3
Total	145	(801)	

Notes:

Environmental Health

- (1) Demand-led Housing adaptations service for which £250,109 has been committed as at end of December. The balance is expected to be spent by year-end.

Emergency and Outdoor Services

- (2) Works expected to commence in new financial year so this project will slip to 2017/18.

Corporate Estates & Facilities

- (3) Additional works including IT infrastructure and fire alarms.

Proposed Variations to the Capital Programme

28. The Identity & Asset Management Tool is a capital project approved by Council as part of the Corporate Plan and Budget 2016/17. However, as this project now needs to be reclassified as revenue it will be removed from the current Capital Programme. Funding of this project has previously been approved to be met from General Reserve so there is no impact on the current revenue underspend position reported separately in this report. The current Capital Programme has been amended accordingly.

29. Within the current programme is the Modernisation of Corporate Records project totalling £59,000. This project was rolled over to 2016/17 in relation to the continued employment of a member of staff dedicated to cleansing the historic planning data. However, the project has been affected by the proposals of the Land Registry to take over the Local Land Charges function. A meeting with HMLR on 14th September 16 identified that it was in the Council's interest to accelerate the rate of data cleaning in order to fit with the proposed HMLR timeline.. Additional staff are therefore expected to be recruited in 2017/18 and £37,000 will need to be slipped to 2017/18 to accommodate this. The current Capital Programme has been amended to reflect this change.
30. The 2016/17 Capital Programme includes £18,000 for Improvements to Open Space at Spring Copse, EG. However, consultation on the second stage of a revised scheme for a multi-use games area is due to commence in early December 2016, with a revised scheme proposed for 2018 / 2019 implementation. The current Capital Programme has been reduced accordingly.
31. The current Capital Programme currently includes a sum of £473,000 being a S106 contribution to Slaugham Parish Council for the construction of a new community building at Finches Field. As Slaugham Parish Council are still need to appoint a builder before works can commence, the scheme will slip to 2017/18.
32. The Space Planning & Office Moves project totals £500,000. However, since the project commenced there have been approved variations for additional works to the sum of £104,000. £30,000 of this will be funded from the ICT Specific Reserve. The balance will need to be funded from General Reserve. The revised project total is £604,000.
33. The Drainage Capital works project of £80,000 includes Brooklands Way trash screen and Wing Walls works which now need to be partially slipped to 2017/18. Therefore £25,000 will need to be rephased to 2017/18 to cover these works. The current Capital Programme has been amended accordingly.
34. Since the last report the purchase of the leasehold interest at Unit 3 Burrell Road, Haywards Heath Land Acquisition has been completed. This has been funded from the Land and Property Specific Reserve as reported in MIS 44 on 27th October 16. The current Capital Programme has been amended to reflect this change.
35. Since the last report the purchase of the head lease for the Orchards Shopping Centre, Haywards Heath has been completed. This has been funded by borrowing as reported to Council on 14th December 16. The current Capital Programme has been amended to reflect this change.
36. The final account for the build of Bridge Road Starter Units includes a sum for the delay in starting on site. This was caused by the weather and the interplay between this site starting and the Depot site finishing. The final account was £50,000 more than budgeted and has been agreed between the parties.

37. Proposed capital variations are summarised in table 4 below:

	<i>Apr to Dec</i>	<i>Ref</i>
	<i>£'000</i>	
Identity & Asset Management Tool	(10)	<i>Para 28</i>
Modernisation of Corporate Records	(37)	<i>Para 29</i>
Imps to Open Space at Spring Copse, EG	(18)	<i>Para 30</i>
Finches Field Community Pavilion	(473)	<i>Para 31</i>
Space Planning & Office Moves	104	<i>Para 32</i>
Drainage Capital Works	(25)	<i>Para 33</i>
Unit 3 Burrell Road, Haywards Heath Land Acquisition	542	<i>Para 34</i>
The Orchards, Haywards Heath	24,860	<i>Para 35</i>
Bridge Road Starter Units	50	<i>Para 36</i>
Total	<u>24,993</u>	

38. Taking into account the changes detailed above, the overall effect is an increase to the current Capital Programme for 2016/17 of £24,993,000, an increase in 2017/18 of £535,000 and 2018/19 of £18,000. Therefore the revised programme total for 2016/17 now stands at £28,173,000.

Capital receipts and contributions received to the end of December 2016

39. S106s and grant contributions of £3,389,577 have been received in the period April to December 2016.

S106 contributions committed/utilised to the end of December 2016

40. The following S106 contributions have been utilised during this period:

	<i>Apr to</i>	<i>Note</i>
	<i>December</i>	
	<i>£'000</i>	
Ashurst Wood Parish Council	3	1
East Grinstead Cricket Club	5	2
St Lawrence Church of England Primary School, Hurstpierpoint	20	3
Sheddingdean Baptist Church, Burgess Hill	27	4
Worth Parish Council	21	5
Ashurst Wood Village Council	6	6
Ansty and Staplefield Parish Council	1	7
Lindfield Rural Parish Council	16	8
Burgess Hill Town Council	75	9
East Grinstead Town Council	9	10
Jubilee Community Centre	10	11
Copthorne Sports and Community Association	35	12
Ansty and Staplefield Parish Council	2	13
Total	<u>230</u>	

Notes

- 1 Utilisation of Play Space contribution (P35/739 £2,603) S106 monies towards the installation of a kick wall game at John Pears Recreation Ground, as agreed by the Cabinet Member for Leisure and Sustainability MIS 18 4 May 2016.
- 2 Utilisation of Formal Sport contribution (P35/514 £5,000) S106 monies towards the cost of refurbishing the cricket squares, as agreed by the Cabinet Grants Panel 7 June 2016 MIS 23 8 June 2016.
- 3 Utilisation of Local Community infrastructure contribution (P35/778 £20,000) S106 monies towards the cost of installing an enclosure for the existing swimming pool at St Lawrence Church of England Primary School, Hurstpierpoint, as agreed by the Cabinet Grants Panel 7 June 2016 MIS 23 8 June 2016.
- 4 Utilisation of Community Buildings contributions (P35/687 £6,104, P35/703 £4,152, PL13/ Kingshead £5,318, PL13-000386 £5,357 & PL12-000682 £6,202) S106 monies towards the cost of constructing a new church with community facilities on land at Maple Drive, Burgess Hill, as agreed by the Cabinet Grants Panel 7 June 2016 MIS 23 8 June 2016.
- 5 Utilisation of Community Buildings contribution (P35/717 £460) and Playspace contributions (PL12-000170 £11,206, P35/728 £1,314 & PL13-000562 £8,331) S106 monies towards the cost of new IT equipment at Copthorne Parish Hub and new play equipment at Bowers Place, Crawley Down, as agreed by the Cabinet Member for Leisure and Sustainability 1 July 2016 MIS 27a 8 July 2016.
- 6 Utilisation of Play Space contribution (P35/739 £918), Formal Sport contribution (P35/739 £1,224) and Local Community Infrastructure contribution (P35/729 £4,230) S106 monies towards the installation of the kick wall and creation of a new footpath, as agreed by the Cabinet Member for Leisure and Sustainability on 1 July 2016 MIS 28 13 July 2016.
- 7 Utilisation of Local Community Infrastructure contribution (P35/723 £515) S016 monies to install a new bench in Brook Street, as agreed by the Cabinet Member for Planning on 18 July 2016 MIS 29 20 July 2016.
- 8 Utilisation of Local Community Infrastructure contribution (P35/594 £16,300) S106 monies towards the purchase of land at Clearwater Lane, Scaynes Hill for use as allotments, a bore hole, fencing and car park, as agreed by the Cabinet Member for Planning September 2016 MIS 38a 23 September 2016.
- 9 Utilisation of Public Arts contributions (P35/614 £3,080, P35/604b £1,540, P35/622 £1,640, P35/618b £1,870, P35/619b £1,200, P35/687 £3,488.50, P35/625a £3,861, P35/716 £29,957, P35/703 £2,162.79 and P35/491 £8,990.71) and Other contributions (P35/491 £8,990.71) S106 monies towards the cost of providing a public art trail on the Green Crescent, as agreed by the Cabinet Grants Panel 12 October 2016 MIS 42 14 October 2016.
- 10 Utilisation of Play Space contributions (P35/632b £189.74, P35/633b £3,921 and P35/694 £4,677.26) S106 monies towards the cost of providing play equipment at East Court, as agreed by the Cabinet Grants Panel 12 October 2016 MIS 42 14 October 2016.
- 11 Utilisation of Community Buildings contributions (P35/581 £3,996.71, P35/588 £5,760 and P35/617 £243.29) S106 monies towards the cost of a Changing Places disability toilet, as agreed by the Cabinet Grants Panel 12 October 2016 MIS 42 14 October 2016.
- 12 Utilisation of Formal Sport contribution (P35/728 £35,000) S106 monies towards the cost of pitch drainage at King Georges Field, as agreed by the Cabinet Grants Panel 12 October 2016 MIS 42 14 October 2016.
- 13 Utilisation of Local Community Infrastructure contribution (P35/723 £1,864.10) S106 monies to replace the existing fencing at Staplefield play park, as agreed by the Cabinet Member for Planning 2 November 2016 MIS 45a 4 November 2016.

TREASURY MANAGEMENT INTEREST

41. Treasury Management interest for the financial year 2016/17 was projected in the Budget Report to be £346,000 at an average rate of 0.994%. The Budget Report is prepared well before many of the cash flow items are known.
42. As at the end of December 2016, projected Treasury Management interest earnings for 2016/17 were £328,000 at an average rate of 0.860%, being £18,000 under target. This is an improvement on the last reported position which was showing a £32,000 forecast shortfall. This improvement is due to better than expected cashflows which have led to more fixed term investments. However, the average interest rate continues to reduce as maturing investments are being reinvested at lower rates, due to reduced rates available in the market. This position will continue to be monitored closely as we progress through the year.

Local Authority Property Fund Dividends

43. Members will recall that on 30 July 2015 £4m was invested in the Local Authorities' Property Fund administered by the CCLA. A further £2m was invested on 27th May 16, following approval of the Corporate Plan and Budget 2016/17. Dividends on these investments are paid to the Council on a quarterly basis being due for the quarters ending 30 June; 30 September; 31 December and 31 March.
44. We previously reported a net income of £117,786 as at the end of September 2016. Dividends received for the third quarter ending 31 December are £72,098 less management expenses of £8,729, giving a net income to the Council of £63,369. Therefore, in total, we have received a net income of £181,155 in the first three quarters of the year. This exceeds the £160,000 required to finance the 2016/17 Revenue Budget by £21,155. Members will receive an update on the final quarter at Outturn when the full year position is known.

POLICY CONTEXT

45. This report shows actual financial performance against the original budget, which was approved within the context of the Financial Strategy.

FINANCIAL IMPLICATIONS

46. The financial implications are detailed within the body of this report.

RISK MANAGEMENT IMPLICATIONS

47. There are no risk management implications. Financial risks have been seen as a strategic risk in the past but the Council has a proven track record in Budget Management and this is not seen as a strategic risk for 2016/17.

EQUALITY AND CUSTOMER SERVICE IMPLICATIONS

48. There are none.

OTHER MATERIAL IMPLICATIONS

49. There are no legal implications as a direct consequence of this report.

Background Papers

Revenue Budget 2016/17

Appendix A

Forecast Budget Variations for 2016/17 at the end of December 2016

	<i>Pressures in 2016/17</i>	<i>Notes</i>
	<i>£'000</i>	
April to October pressures Cabinet 28 November 2016	752	
Latent Defects Leisure Contract	23	1
Imberhorne Lane Car Park Repairs	10	2
Car parks Gritting	6	3
Building Control Minor variations	7	4
Environmental Health Consultants	10	5
Development Management Counsels Fees	12	6
Development Management Costs Awarded	5	7
Planning Consultants	69	8
Landscapes Grounds Maintenance	15	9
Landscapes Tree Maintenance	18	10
ICT – Storage Area Network	3	11
Printers and telephones	9	12
Training	10	13
HR Consultants	12	14
Treasury Management – brokerage fees	25	15
District Plan Consultant	54	16
Senior management review	45	17
Strategic Core minor variations	6	18
Industrial Estates rental income	43	19
	1,134	

Notes:

- (1) Various outstanding remedial works required following the transfer of the Leisure contract to PfPL, which were initially paid for by PfPL to resolve the issues with agreement that the Council make a financial contribution towards the costs incurred to bring the matter to a close.
- (2) The original capital scheme to resurface Imberhorne lane car park has not commenced due to plans for disposal of this land and has required patch repair work in the interim.
- (3) Emergency gritting costs at car parks.
- (4) Pressure resulting from a number of minor variations below £10K in Building Control.
- (5) Additional cost of consultants required to cover Environmental Protection work.
- (6) Counsels fees pressure forecast for the year relating to Planning enquiries.
- (7) Costs awarded in respect of a Planning Appeal.
- (8) Consultants fees forecast to year end of £29,000 in respect of a Planning enquiry at Folders lane and £40,000 for external Specialist consultees due to the number of major planning applications
- (9) Additional three grass cuts required due to later warm weather, in order to maintain the income base for sports pitches.

- (10) Additional safety works required within the arboriculture contract to inspect and potentially fell large mature trees.
- (11) Higher than estimated hard drive failures resulting in storage replacement being required.
- (12) Based on last year and current year costs the budget for printers and telephones is insufficient and has been increased in 2017/18.
- (13) Due to an increased number of training requests and an investment in high quality middle management and first line manager training.
- (14) Higher than budgeted cost of HR Consultants.
- (15) Cost of brokerage fees relating to the purchase of The Orchards Shopping Centre.
- (16) As the District Plan work reaches its culmination an additional resource has been engaged to prepare for the Examination and oversee the Development Management function.
- (17) An external consultant was engaged to assist with the management review which has resulted in fewer Heads of Service and a greater investment in the next tier engaged in providing services. This generates a saving of £44,000 each year as shown in the Draft Corporate Plan 2017/18.
- (18) Pressure resulting from minor variations relating to Consultancy costs and general subscriptions.
- (19) See paragraph 16.

Forecast Budget Variations for 2016/17 at the end of December 2016

	<i>(Savings) in 2016/17</i>	<i>Notes</i>
	<i>£'000</i>	
April to October savings Cabinet 28 November 2016	(798)	
Revenues and Benefits Partnership saving	(11)	20
Emergency and Outdoor Services Salary saving	(8)	21
Leisure Partnership Contract Indexation	(21)	22
Building Control Income	(30)	23
Licencing Income / Hackney Carriage income	(8)	24
Environmental Health minor variations	(5)	25
Planning Fee income	(83)	26
Landscapes Staffing	(5)	27
Pay and Display income	(13)	28
Season ticket Income	(10)	29
Parking Services minor variations	(3)	30
NNDR saving	(16)	31
Balance Unallocated	(41)	32
Land Charges salaries	(8)	33
Legal income	(8)	34
The Orchards Shopping Centre rental income	(600)	35
General/Miscellaneous Property	(10)	36
Depots rental income	(3)	37
Land Charges Personal Search Claims	(16)	38
	(1,697)	

Notes:

- (20) Forecast net saving for Census Revenues and Benefits Shared Service Partnership of £98,000, of which Mid Sussex receives a 36.56% proportional share, in addition to the share of the previously reported saving of £68,000 to cabinet on 30th November 2016.
- (21) Staff saving resulting from an employee working reduced hours.
- (22) See paragraph 15.
- (23) See paragraph 9.
- (24) See paragraph 11 and 12.
- (25) Saving resulting from a number of minor variations below £10K in Environmental Health.
- (26) See paragraph 8.
- (27) Staff saving resulting from an employee working reduced hours.
- (28) See paragraph 7.
- (29) See paragraph 7.
- (30) Saving resulting from a number of minor variations below £10K for Parking Services.
- (31) NNDR saving in respect of lower than anticipated costs for Oaklands and Car Parks.
- (32) Balance unallocated has an unutilised balance of £41K.
- (33) Saving as a result of staffing adjustments within the section.
- (34) Additional Legal fee income as a result of an increase in work in relation to S106 Planning Obligations.
- (35) See paragraph 17.
- (36) See paragraph 19.
- (37) See paragraph 18.
- (38) Following the recent settlement of Personal Search Claims made against all Local Authorities in England and Wales it is considered that £16k of the £26K set aside for this purpose is no longer required.