

DRAFT CORPORATE PLAN AND BUDGET 2017/18

SECTION 1: INTRODUCTION AND FINANCIAL CONTEXT

1.0 Overall Summary

- 1.1 The financial outlook facing local government in future years will continue to be challenging. Over the last seven years Government funding for Mid Sussex has reduced from £6.4m to £845k. Next year, support grant will reduce to £128k – a significant reduction. The recently announced Autumn Statement shows that finances will be constrained for some time to come.
- 1.2 However, the Council has a well-tested and robust Service and Financial planning process that has enabled it to respond effectively to the very difficult financial challenges local government has faced over a number of years. We must remain prudent in our financial planning and continue to use a combination of savings, increases in income and careful investments over the next 4 years to achieve a balanced budget.
- 1.3 This means we must continue to maintain a tight control over costs by critically examining all our services and expenditure to ensure resources are directed to the Council's priorities. As a result of this prudent and careful approach to financial management over the last decade the Council has secured in excess of £7m of planned savings whilst maintaining service levels in key services.
- 1.4 The draft proposals set out in this report have again been reviewed by the Member Working Group on Service and Financial Planning. The Member Working Group met a number of times through the autumn and was chaired by the Cabinet Member.
- 1.5 In summary, as in previous years the proposals offer a balanced budget for 2017/18 that:
 - Allocates resources to the Council's priorities;
 - Protects key frontline services;
 - Continues the journey to financial independence;
 - Increases efficiency in some service areas;
 - Invests in key projects over the longer term;
 - Continues to protect the Council's reserves position and fund the proposed capital programme.

2.0 Key Factors taken into consideration

2.1 The Council's Revised Corporate Priorities

2.1.1 The Council's corporate priorities link to the Sustainable Communities Strategy 2008-18. This is produced by the Mid Sussex Partnership and is a multi-agency long-term plan for the District. This was refreshed in 2012 and has 4 key themes:

- Protecting and Enhancing the Environment
- Economic Vitality
- Cohesive and Safe Communities
- Healthy Lifestyles

2.1.2 The Council's statement of main purpose "Working in partnership for the well-being of all in the community" and corporate priorities of "Better Lives, Better Environment and Better Services" date back to 2005. These have served the Council well over the past 10 years. However, as the economic climate has changed so have the challenges and opportunities facing the Council and it has become timely to undertake a review. Of particular importance are recognition of the Council's role in supporting economic growth in the District and the need to work towards financial independence, given the reducing levels of Government grant.

2.1.3 The proposed new statement of main purpose and Council priorities are:

2.2 New Statement of Main Purpose

2.2.1 To be an effective Council delivering value for money services and helping to create a strong economy, environment and community.

2.3 New Council Priorities

- Effective and responsive services.
- Sustainable economic growth.
- Strong and resilient communities.
- Financial independence.

2.3.1 These are judged to provide a degree of continuity with the previous priorities, while reflecting the current challenges facing the Council and the themes to be addressed in the Sustainable Communities Strategy.

2.4 Flagship Activities

2.4.1 A further change to the Council's corporate planning process this year is the identification of "flagship" activities under each priority that the Council will commit to achieving in the year ahead. These will provide a focus for the Council in delivering its priorities, with progress reported in the following year's Plan. Flagship activities for 2017/18 under each of the new priorities are shown below:

2.5 Effective and responsive services

2.5.1 The Council wishes to build on the performance of all of its services with a particular focus on further improving customer experience. Flagship activities for 2017/18 are:

- Improving our customer service with more enquiries dealt with at the first point of contact.
- Increasingly digitising our services to make them more customer-friendly by improving efficiency.

2.6 Sustainable economic growth

2.6.1 The Council has an important role in supporting businesses, encouraging new ones and attracting inward investment. Flagship activities for 2017/18 are:

- Progressing the Town Centre redevelopment at Burgess Hill.
- Redevelopment of the station quarter at Haywards Heath including the opening of the new Waitrose store and also work on East Grinstead Town Centre.
- Working towards the provision of new business parks at Burgess Hill.
- Providing Economic Development grants to support business.
- Production of a new Economic Development Strategy.

2.7 Strong and resilient communities

2.7.1 Continuing to work with partner organisations to build sustainable communities that will deliver a better quality of life for all. Flagship activities for 2017/18 are:

- Continue to support our community through grants to local organisations.
- Ensure that the “Think Family” community initiatives are delivered and supported.
- Providing an effective Wellbeing Service that helps residents to make healthy lifestyle choices.
- Enable the provision of 200 new affordable homes.
- Supporting communities with new facilities and playgrounds, such as at Ansty recreation ground, Hickmans Lane, Lindfield and Finches Field, Pease Pottage.

2.8 Financial Independence

2.8.1 Reduced Government financial support brings the need for robust management of budgets and maximising of income to be as financially self-sufficient as possible. Flagship activities for 2017/18 relate to the development of services and assets that will generate revenue for the Council such as:

- the delivery of improvements to the leisure centres
- extension of the green waste service to a further 2,000 users
- making best use of our land and commercial property holdings.

2.9 Previous Actions and Initiatives

2.9.1 The proposals set out in this report should also be seen in the light of the wide range of initiatives that have been implemented over the last nine years.

- Robustly managing budgets to identify savings on an ongoing basis including revenue and controlling costs;
- Reviewing and redesigning services to deliver more efficient and effective services for our customers;
- Seeking to maximise income to support the Council’s ambition to be financially independent by 2019/20;
- Working in partnership with other neighbouring Councils and our contractors.

2.9.2 Over the decade, the programme of budget savings has been extensive for a low spending authority such as Mid Sussex. This achievement should also be set in the context of the work that has been done over the same period to maintain and where possible improve service performance despite these budget reductions. As Members of the scrutiny committees can confirm, service performance across the Council has improved in most areas over the last few years and continues to be good across the Council.

2.9.3 For this year's budget there is a mild change in emphasis towards longer term investment. Where though there is a service change or budget reduction proposal, officers have assessed the potential impact on services and identified any necessary mitigating actions required to enable as smooth as possible an introduction of the change. This has been central to ensuring the Council has been intelligent in its service and financial planning. In tandem with this prudent approach to cost control and change, the Council has also worked hard on its ambition to be as financially independent as possible. The intention behind this objective is to protect and enhance services to local people. During 2017/18 we will see this work beginning to mature. The Council will not only be able to maintain services but also begin to invest in them in order to deliver further improvements.

2.9.4 Members will note that this includes key areas such as ICT and digitisation, Economic Growth especially around Burgess Hill and increased grant provision for local groups.

2.10 Service Plans and Performance

2.10.1 The proposals in this report are underpinned by the service plans that have been produced by each Business Unit.

2.10.2 Members of the Scrutiny Committee will be familiar with the quarterly service performance statistics received. These have shown for some time that the Council's services are generally performing well and that we do not have any failing services, although in some key areas recruitment continues to be problematic as the building trade recovers strongly. Members of this Committee will be aware that there continues to be a strong performance culture throughout the Council and particularly amongst the Business Unit Leaders to ensure that when performance levels are not as expected, remedial actions are quickly put in place.

2.10.3 Members will also note from the service plans that services are still gradually improving and delivering many positive initiatives that will benefit local people.

2.11 Central Government Funding of Local Government

2.11.1 In developing the proposals in this report, the Member Working Group, Cabinet and the officers have continued to be very mindful of the continuing changes to the way councils are funded. The Autumn Statement made no changes to the direction taken by the Government to:

- phase out Revenue Support Grant by 2018/19 for MSDC, to be replaced by a tariff in 2019/20;
- develop the Rate Retention Scheme to enable the sector to retain 100% of business rates (though the detail of this is still awaited);
- provide an opportunity for councils to increase their Council Tax levels in 2017/18 by up to 1.99% or £5 whichever is the greater.

2.11.2 We set out last year our analysis of the effect this regime will have. Our guiding principle has been that the Council needs to be as financially self-sufficient as possible, to ensure it is best placed to address further funding challenges and is not dependent on Government funding, while continuing to deliver a wide range of value for money services to local people.

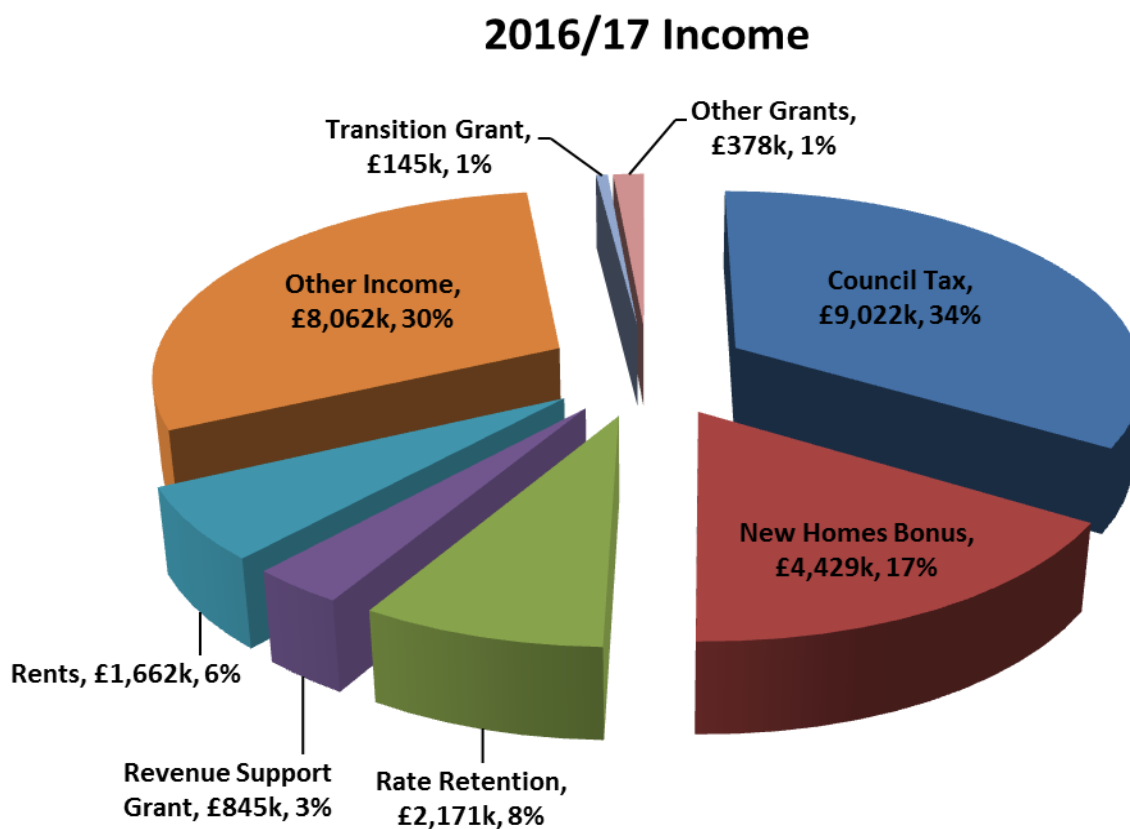
3.0 The Financial Outlook for 2017/18

(a) Income

3.1 Government Funding

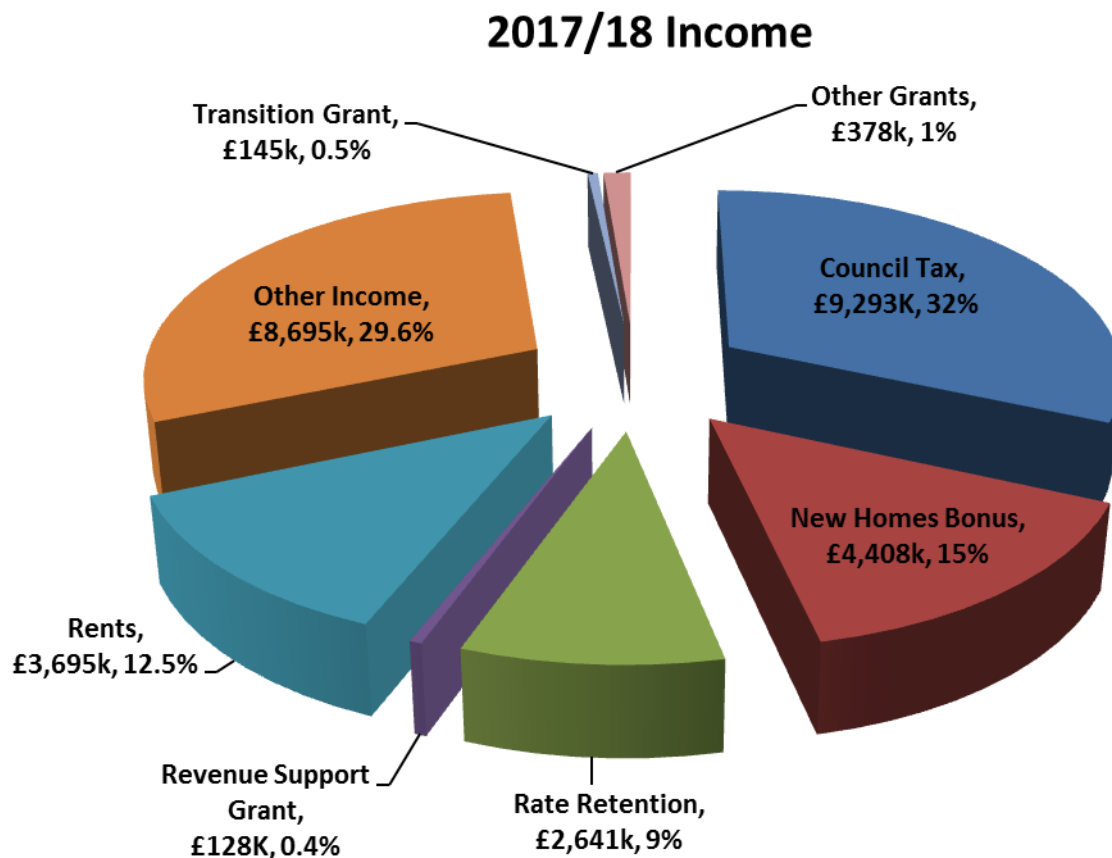
3.1.1 Revenue funding of local government is changing as Revenue Support Grant (RSG) reduces and is phased out by 2020, to be replaced by 100% retained Business Rates. Last year we signed up to a four-year settlement deal which should give more certainly over our RSG, albeit that it is reducing to £128k in 2017/18.

3.1.2 The Provisional Settlement announcement of 15th December gave more certainty to the New Homes Bonus scheme, described below. Now that we have these income figures, we can show the proportion of the different funding sources received:



Source: Corporate Plan 2016/17 Actuals

3.1.3 This position continues to change in line with expectations that Revenue Support Grant will diminish in significance, while our own earned income from rent, council tax and the Rate Retention Scheme income increase. Only when we receive more details about the Government's proposals for the full Rate Retention Scheme will we be able to assess the impact of the changes on the Council's finances. This is unlikely to be known for some time.



Source: Various budgeted and projected as at 19 December 2016

Rates Retention Scheme (RRS)

- 3.1.4 This was a major change to the funding of local authorities in 2013/14 and for Mid Sussex there has been some moderate growth in our Business Rate taxbase. After allowing for the effect of the levy payment on the excess income and a payment into the RRS reserve (which is there to mitigate potential variations in income from year to year) we can forecast income of £2.641m in 2017/18 with modest increases thereafter to 2020/21. Also, as referred to above, we will need to assess the impact of the Chancellor's announcement that 100% of business rates will be retained within the sector in the future.

Revenue Support Grant (RSG)

- 3.1.5 RSG is the residual part of Formula Grant under the new financial model and it is forecast that it will continue to diminish to zero over the next few years to the end of the decade. For next year we have £128k allocated – a reduction of some £717k.

New Homes Bonus (NHB)

- 3.1.6 As Members are aware, the level of NHB received under the present scheme is dependent on the scale of new housing completed each year. NHB is calculated on net housing developed (i.e. the figure is reduced by demolitions and empty homes). The table below shows the actual funds received to date and the estimated return in future years. However, as outlined above, the recent 2015 Spending Review announced a significant reduction in the amount of NHB available nationally and that the period over which it would be paid would reduce from 6 to 4 years. This has now been confirmed in the Provisional Settlement and is reflected in the forecasts below. This announcement vindicates this Council's decision not to rely on NHB within the revenue budget.

Year	2011/12 £000s	2012/13 £000s	2013/14 £000s	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	2018/19 £000s
1 st actual	360	360	360	360	360	360		
2 nd actual		506	506	506	506	506		
3 rd actual			735	735	735	735	735	
4 th actual				894	894	894	894	
5 th actual					761	761	761	761
6 th actual						1,173	1,173	1,173
7 th actual							845	845
8 th forecast								800
Total	360	866	1,601	2,495	3,256	4,429	4,408	3,579

3.1.7 Reflecting on the above, for 2017/18 there are no draws on the Bonus within the revenue budget; the income therefore replenishes our general reserve. .

3.2 Income from Fees, Charges and Rents

3.2.1 The Council continues to generate substantial income from charging for a number of its own services. Added together, fees and charges are expected to represent about 30% of the Council's overall income. i.e. a greater proportion than that received in funding from Government. To agree a budget, assumptions have been made about the state of the local economy, particularly the building related sectors that affect income from Land Charges, Building Control and Development Management and the income associated with the management of off-street car parking. We are not expecting any significant variations in any of these markets next year but will of course monitor and report variances to Cabinet in the usual way.

3.3 The Orchards Shopping Centre, Haywards Heath

3.3.1 The acquisition of The Orchards head lease was completed on 24th November. From that date we are responsible for all aspects of the income and expenditure including maintenance of the building fabric, overall insurance etc. We have appointed a managing agent for an initial 12 month period to manage the centre for us, which includes agreeing the service charge budget and its collection including dispute resolution, rent collection and account preparation, collection of residential ground rents and mall and concession income. The agent will also employ the centre manager and direct her work on a day to day basis.

3.3.2 Most costs will be met from the service charge budget which is recharged to tenants. However, some, like rent collection, are landlord costs only.

3.3.3 Borrowing costs are fixed for 2017/18 so that year is as below:

Cash Flow summary	2017/18
	£'000s
Rental Income	2,253
Service Charge recovery	256
Service Charge expenditure	(277)
Net Property Operating Cashflow	2,232
Vacancy Allowance	(45)
Asset Management Fees	(66)
Leasing Costs	(17)
Net Operating income	2,104
Interest paid	(154)
Net Corporate surplus	1,950
other expenditure eg incentives	(100)
Total Net Cash Return - Annual	1,850

3.3.4 The effect of this is that we have some ability to fund projects from revenue which might otherwise have been financed from general reserve. This protects our reserves position over the medium term and gives us more flexibility in the future were circumstances to change.

3.4 Calls on income

Orchards Reserve

3.4.1 The first priority is to set up a Reserve for The Orchards itself. There will be some expenses that remain the landlord's responsibility and which cannot be recharged through the service charge. For example, repair or replacement of flat roofs. We may also want to use this fund over the medium to long term to invest in the centre, for example, to increase unit size in response to a particular tenant demand. It is proposed that we add £900k to this reserve initially and review the contribution in light of circumstances on an annual basis.

3.4.2 Clearly, very significant investment will be needed to make a step change in the performance of the Centre and, as Members are aware, this cannot be achieved in the short term. However, establishing a reserve means that the Council can consider annually whether it can make a contribution to the reserve and at what level. In the medium to long term this should mean the Council can consider improvements, possibly in conjunction with a development partner.

ICT Reserve

3.4.3 The proposal here is to annually devote £400k into this reserve to carry on the drive towards digitisation of the council's services and move towards being infrastructure free. In time, this will lead to a reduction in spend on the Census ICT Partnership of a similar or more sum. It will also facilitate improved customer service and increased productivity.

3.4.4 Developments for 2017/18 include:

- (a) development of in-cab technology, jointly with SERCO our waste contractor, to improve response times, customer service and scale existing services;
- (b) replacement of the Council's telephony system including the 18 year old exchange. This will improve internal and external customer service, increase resilience and reduce call and hardware costs.
- (c) Redesign and improve the Mid Sussex website, reducing the need for pdf forms and integrating transactions directly to 'host' applications. This will improve transaction times for customers and residents and reduce processing costs and times internally

Economic Development and Burgess Hill Growth Area Reserve

3.4.5 The development of the Northern Arc in Burgess Hill together with the town centre and commercial space to the west represents a very significant workstream for the authority. In total it represents well over £1bn of inward investment to Mid Sussex. Until now, we have resourced the project mainly within existing resources, supplemented by some funding from reserve approved by Council in February (£440k) and Cabinet in November (a further £200k). These sums finance two senior officers (one FT, one PT) and consultants and advisors. It is recognised that managing a project of this scale is well beyond the scope of the District Council and therefore we must make funding available to secure specialist support. To complement this, the Council is currently bidding to the Government for Capacity Funding, but the outcome of this will not be known for some time. In addition, Economic Development is a priority for Mid Sussex and the management restructure undertaken in the summer recognises the need to put more resources in this area of activity. The development of a reserve to support this new team means that there will be flexibility to respond in an agile way to issues that arise in year and continue to support economic growth effectively.

3.4.6 Given the scale of the combined projects it is now proposed to build this funding into the revenue account in the sum of £500k per year. Were this to prove insufficient, this can be flagged in the usual way.

Environmental Health

3.4.7 The Environmental Health service has seen an increase in the request for their services such as new food business, planning applications, complex contaminated land and nuisance enquires.

3.4.8 This reflects the favourable economic conditions and also the population increase of the District. This has caused work pressures within the team. The additional increase in the environmental health budget will enable the service to have the capacity and expertise to address the work, through the use of temporary staff and market supplements.

3.5 Council Tax

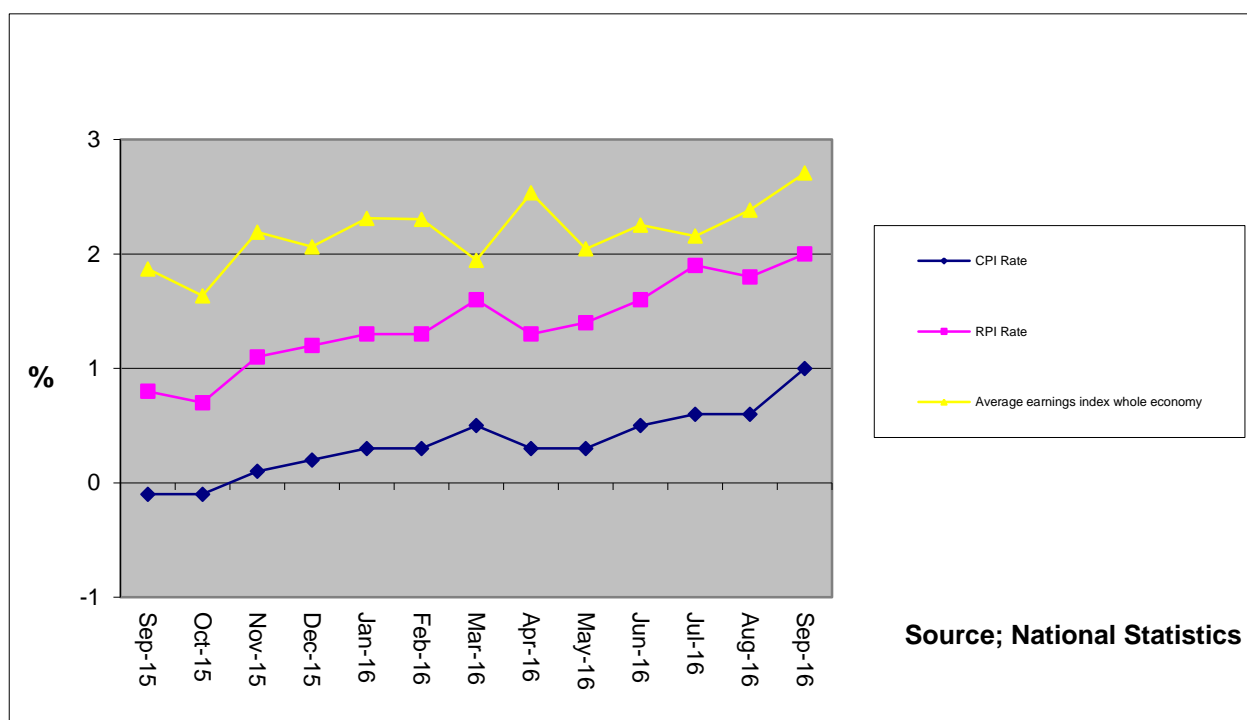
3.5.1 The MSDC element of the Council Tax charged across the district is set each year by Members and it is the single largest proportion of the Council's income, expected to be equivalent to 32% in 2017/18.

3.5.2 For next year Members have indicated that a modest rise of 1.99% should be budgeted in order that the Council moves towards being financially independent by the end of the decade. This provides an extra £178k of yearly income over the medium term whilst increasing the tax at Band D by £3.06. Recipients of the Council Tax Reduction Scheme are not affected by this increase due to the scheme parameters being appropriately updated. Members should note that in the proposals announced by the Chancellor in the 2015 Spending Review, when calculating the spending power available to Councils, he assumes Councils will increase their Council Tax by the maximum possible over the parliamentary term.

(b) Expenditure

3.6 Inflation and Staff Salaries

3.6.1 The Consumer Price Index measure of inflation rose to 1% in the year to September 2016 up from 0.6% in August as the chart below shows:



3.6.2 The inflation index is important to us, since it is used to calculate price increases on contracts and gives an indication of the general level of price increases that the Council should apply to its expenditure figures. Overall, net inflation relating to contracts and other expenditure is expected to be **£212k** in 2017/18. The details of this calculation are set out below. The principal increase is in relation to contracts £58k, other supplies and services £35k and maintenance £22k. The inflation figure assumes a 1% pay increase for staff in 2017/18, equivalent to £109k.

Inflation Calculation for 2017/18 Budget		
Item	Inflation	
	%	£'000
	age	
<i>Employees</i>		
Pay		
Salaries have been forecast to increase by 1.0% in 2017/18 to allow for an estimated pay award to all staff.	1.0	109
Other employee costs		
The inflationary percentage on this category is linked to the estimated pay award for 2017/18 of 1.0%.	1.0	1
<i>Buildings and Premises</i>		
Maintenance		
An estimate of the increase for 2017/18 is based on the CPI index for September 2016.	1.0	22
Energy		
Our energy suppliers have advised us of a 2.0% inflationary increase for electricity and 2.0% increase for gas respectively.	2.0	3
NNDR		
No price increase for NNDR (usually based on September RPI) due to a revaluation for 2017/18.	-	-
Water		
This increase is based on the CPI index for September 2016 for both metered water and sewerage as no notifications of alternative increases have been received.	1.0	1
<i>Transport</i>		
Travel Allowances		
The inflationary percentage on this category is based on the CPI index for September 2016	1.0	2
<i>Supplies and Services</i>		
Postage		
An estimate of the increase for 2017/18 is based on the CPI index for September 2016	1.0	3
Subscriptions		
An estimate of the increase for 2017/18 is based on the CPI index for September 2016.	1.0	1
Telephones		
An estimate of the increase for 2017/18 is based on the CPI index for September 2016.	1.0	1

Inflation Calculation for 2017/18 Budget		
Item	Inflation	
	%	£'000
	age	
Insurance		
An estimate of the increase for 2017/18 is based on the weighted average of property and other insurances where property premiums correlate to property values.	1.01	2
Grants		
An increase for Grants to organisations (e.g. CAB) has been allowed based on the CPI index for September 2016.	1.0	2
Other Supplies and Services		
A 'basket' of items which will increase by different allowances, or remain static.	1.0	35
<i>Third Party Payments</i>		
Contracts		
The contract terms for refuse collection, street sweeping and highway maintenance are subject to increases relating to NJC Labour rates for Local Government (60%), price adjustment formulae for construction contracts civil engineering, Index No 2 plant and road vehicles (10%), price adjustment formulae for construction contracts civil engineering, Index No 10 derv fuel (5%) and National Statistics index RPI all items (25%).	1.47	58
<i>Fees and Charges</i>		
Discretionary Charges		
An allowance based on the CPI index for September 2016 has not increased discretionary charges (car park fees excluded).	1.0	-
Mandatory Charges		
No further increases have been announced.	-	-
Rents		
Increases of rents are currently dependent on the review of individual leases rather than annual growth. Therefore rental income streams are not inflated but are reported as corporate savings if applicable.	-	-
<i>Recharges</i>		
Census Revenues and Benefits		
The amount of inflation from various types of expenditure recovered from our Census Partner		(22)
CPE		
The amount of inflation from various types of expenditure recovered from WSCC in relation to Controlled Parking Enforcement.		(6)
Total		212

3.7 Council Tax Collection Fund Surplus/Deficit

3.7.1 At this stage, we are forecasting a surplus on the Mid Sussex part of the Collection Fund of £110k by the end of the year. This is as a result of increased house building leading to more tax being billed, a reduction in claims for Council Tax Support and a slightly better than expected overall Council Tax collection rate which we forecast at 99.3% and have now increased to 99.4%.

3.8 Council Tax Support Scheme

3.8.1 Members will recall that the Council agreed and implemented a new local Council Tax Support Scheme in 2013/14. Given its policy success, it is proposed that the Council retains this scheme for 2017/18 with the accompanying financial factors unchanged.

3.9 Housing Benefit Administration Grant /Local Council Tax Support Grant (LCTS)

3.9.1 We have not been advised that we will lose any grant next year. However, in previous years efficiency savings by the Department of Work and Pensions have translated into grant reductions but we have not assumed any reduction so far.

3.10 Tax Base

3.10.1 The tax base for the year was set at Council on 14th December 2016. For this year we are predicting growth of 1.79% which reflects the increased level of house building in the district, along with a reduced level of exemptions and discounts.

3.11 Balance Unallocated

3.11.1 This forms a contingency for the year and has been kept low for the last few years. In effect, we accurately balance the budget by appropriately varying this figure by small amounts, and for 2017/18 we need to set it at **£26k**.

3.12 Capital Programme

3.12.1 The proposed Capital Programme is set out in Section 4. It comprises a modest range of projects to be delivered although Members should note that more projects are in the pipeline and will come forward to start during the year.

3.12.2 Major Capital Renewals (MCR) are listed and detailed separately. In 2017/18 one playground will get new play equipment and two recreation grounds will receive renovated and new changing facilities respectively. Members will be consulted in the usual way.

3.12.3 Following successful work to modestly improve the office accommodation for staff, 2017/18 will see a project to look at improving the Oaklands council chamber and Member accommodation. The intent is to stay within the existing building envelope but to use the space more effectively and to enhance the audio-visual capability for users. The feasibility work has already started and it is envisaged that a Member advisory board could provide the essential user feedback to guide the project.

3.13 Land and Property Specific Reserve

3.13.1 Members will know that we have now invested £6m in the Local Authorities Property Fund and that this is generating a dividend of around 4% annually.

3.13.2 We have also utilised the Land and Property Specific Reserve to acquire two more properties under sale and leaseback arrangements and a third as a straightforward purchase that are yielding some 7%. This income has been included in the revenue budget.

3.13.3 The reserve has some £500k remaining of the original £2m earmarked until another opportunity presents itself for an investment.

3.14 Four Year Position

3.14.1 The financial outlook for the Council over the next four years is summarised in the Medium Term Financial Plan (MTFP) below. It is always prudent to treat such projections with caution as circumstances can change quickly and the assumptions underpinning the figures may change. We have also had to use estimated figures for some key income grants not yet announced – such as the DWP housing benefit administration grant.

3.14.2 Notwithstanding that, most of our income has certainty and we are therefore able to forecast that the gap / (surplus) in the Council's budget over the next 4 years is predicted to be:

Year 1 2017/18	£0k
Year 2 2018/19	£(315k)
Year 3 2019/20	£97k
Year 4 2020/21	£152k

Medium Term Financial Plan
Scrutiny Committee For Leader, Resources and Economic Growth 18th January 17

<i>Revenue Spending</i>	<u>Year 0</u> 2016/17 £'000	<u>Year 1</u> 2017/18 £'000	<u>Year 2</u> 2018/19 £'000	<u>Year 3</u> 2019/20 £'000	<u>Year 4</u> 2020/21 £'000
Base Net Expenditure	12,799	12,502	12,037	11,839	11,878
Benefits	(119)	(119)	(119)	(119)	(119)
Drainage levies	-	-	-	-	-
Base Revenue Spending	12,680	12,383	11,918	11,720	11,759
Balance Unallocated	41	26	26	26	26
Council Net Expenditure	12,721	12,409	11,944	11,746	11,785
Net on-going savings 2015/16	-	(44)	(44)	(44)	(44)
Net (savings)/pressures from Bwps	-	(150)	(3)	14	31
Reduction in contribution to Leisure Reserve	-	(200)	-	-	-
Pension fund adjustments	-	(122)	(122)	(122)	(122)
Contribution to Rate Retention Scheme Equalisation Reserve	-	300	300	300	300
Additional net rental income from Orchards shopping centre	-	(1,850)	(1,850)	(1,850)	(1,850)
Additional Contribution to ICT Reserve (Digital)	-	600	400	400	400
Contribution to Economic Development & Burgess Hill Growth Area Reserve	-	500	500	500	500
Contribution to Orchards Reserve	-	900	900	900	900
Contribution to Environmental Health staffing	-	50	50	50	50
Contribution to Economic & Community Development Fund	-	220	-	-	-
Net General inflation	-	212	424	636	848
Total Revenue Spending	12,721	12,825	12,499	12,530	12,798
External Funding (RSG)	(845)	(128)	-	767	767
Rates Retention Scheme (RRS) funding	(2,564)	(2,641)	(2,720)	(2,802)	(2,700)
Transitional Grant 16/17 & 17/18	(145)	(145)	-	-	-
HB Admin Grant / LCTS Grant	(378)	(378)	(378)	(378)	(378)
Council Tax Requirement @ 1.99%	(8,844)	(9,183)	(9,476)	(9,780)	(10,095)
Dividend income LAPF	(160)	(240)	(240)	(240)	(240)
Collection Fund:					
- Council Tax deficit / (surplus)	(178)	(110)	-	-	-
-Rates Retention Scheme deficit / (surplus)	697	-	-	-	-
Contribution from Rate Retention Scheme Equalisation Reserve	(304)	-	-	-	-
Cumulative Balance deficit; / (surplus)	0	0	(315)	97	152
Difference year on year		0	(315)	412	55

Financing Revenue Spending	<u>Year 0</u> 2016/17	<u>Year 1</u> 2017/18	<u>Year 2</u> 2018/19	<u>Year 3</u> 2019/20	<u>Year 4</u> 2020/21
Council Taxbase	57,975.6	59,012.1	59,720	60,437	61,162
Change in Taxbase	1.77%	1.79%	1.20%	1.20%	1.20%
	£'000	£'000	£'000	£'000	£'000
Revenue Budget	12,721	12,825	12,499	12,530	12,798
% change in Formula Grant /External Funding	-49.4%	-84.9%	-100.0%		
External Funding (RSG)	(845)	(128)	0	767	767
Rates Retention Scheme (RRS) funding	(2,564)	(2,641)	(2,720)	(2,802)	(2,700)
Transitional Grant 16/17 & 17/18	(145)	(145)	0	0	0
HB Admin Grant / LCTS Grant	(378)	(378)	(378)	(378)	(378)
Council Tax Requirement	(8,844)	(9,183)	(9,476)	(9,780)	(10,095)
Dividend income LAPF	(160)	(240)	(240)	(240)	(240)
Collection Fund:					
- Council Tax deficit / (surplus)	(178)	(110)	-	-	-
-Rates Retention Scheme deficit / (surplus)	697	-	-	-	-
Contribution from Rate Retention Scheme Equalisation Reserve	(304)	-	-	-	-
Total Financing	(12,721)	(12,825)	(12,814)	(12,433)	(12,646)
<i>Balance [(deficit); /surplus]</i>	(0)	(0)	315	(97)	(152)
	(12,721)	(12,825)	(12,499)	(12,530)	(12,798)
Council Tax at Band D	£ 152.55	£ 155.61	£ 158.67	£ 161.82	£ 165.06
Change from previous year	1.99%	1.99%	1.99%	1.99%	1.99%

Notes on Medium Term Financial Plan

Year 1 (2017/18): This is the year for which the budget is being proposed. It is balanced with a total spending requirement of £12.825m financed from a combination of Revenue Support Grant, Rates Retention scheme, Council Tax, Dividend income and other grants. Inflation is assumed to make up £212k of that expenditure and Council Tax is set to rise by 1.99%.

Year 2 (2018/19): In this year, Revenue Support Grant is forecast to reduce to zero, with a further 1.99% increase in Council Tax. Inflationary pressures add a further £212k to expenditure which includes a 1% average pay rise on payroll. The net result is a forecast surplus of £315k.

Year 3 (2019/20): In this year, Revenue support Grant is forecast at zero. Once again, inflationary pressures add a further £212k to expenditure and Council Tax continues to rise by 1.99%. The net result is a forecast deficit of some £97k, which is mainly due a £767k tariff payable to DCLG which is forecast to replace the Revenue Support Grant funding. This is a decrease of £412k compared to the 2018/19 surplus of £315k.

Year 4 (2020/21): This is obviously the more difficult year to forecast given that it starts in some 42 months time and is beyond the scope of the current spending review timeframe. It is expected that changes will have taken place by this time so any projections must be treated with caution. Given what we know at this time, a further £767k tariff is forecast to be payable to DCLG, council tax rises by 1.99% and inflationary pressures of some £212k result in a deficit of £152k, which is a slightly worsening position compared to the 2019/20 deficit.

SECTION 2: PLANS FOR SERVICE CHANGES, INCOME GENERATION AND EFFICIENCY SAVINGS FOR 2017/18

1. Introduction

- 1.1 As in previous years the plans described below have been carefully developed to ensure that services for residents and service users are not affected by the financial challenges facing the Council. As outlined above, it is now known that RSG will dramatically reduce and disappear completely for us by 2018/19. On this basis it is important that the Council plans to be financially independent of RSG by 2018. Alongside this, the Council's aim continues to be to protect frontline services and ensure performance levels are maintained.
- 1.2 As usual, the service changes described below are a mixture of:
- in-year savings from 16/17 carried forward into 2017/18;
 - savings by making changes in service provision without impacting on frontline services; and
 - generating additional income where appropriate, including investing in income generating initiatives.
- 1.3 It is important to note that while this Council continues to focus on finding ways of doing more for less and increase efficiency we still deliver new and innovative projects aimed at improving services for the residents of Mid Sussex.
- 1.4 Members will recall that at the Cabinet meeting of 6th September 2016, we reported a small revenue surplus of **£35k**. Since that time we have worked up a full budget and taken account of some increased income forecast and some increased and new pressures. As a result of this work, we can report that the budget is now balanced as set out in the following paragraphs which contain some of the more significant changes.

2. Pressures

2.1 Pressures arising from Service Planning

- 2.1.1 Development Management is a service that has identified both increased income for next year and accompanying pressures. These relate to fees for consultants and specialist legal advice in defending appeals – these total **£60k**. We will also be entering into an agreement with Rother District Council to provide specialist contaminated land consultancy after the withdrawal of the County Council from that service. This will cost some **£20k** pa.
- 2.1.2 We are also building in a **£54k** pressure from withdrawing from performing the Development Management service for the South Downs National Park. Whilst this is a loss of income it will also improve the capacity of the service to process applications to this authority and thereby improve efficiency.
- 2.1.3 As Members will know from the Budget Management reports, there is a significant rise in our Temporary Accommodation costs in the current year. This trend looks set to continue into 2017/18 and we are therefore increasing our budget by **£139k** as a direct result, on top of the £30k increase in the current year.
- 2.1.4 The introduction of the Apprenticeship Levy will cost a net **£25k** next year. We do have two very successful apprenticeships for which we receive back some funding – this is included within the figure.

2.1.5 As the district grows as more properties are built and occupied, the waste contract expands to meet the increased demand. Since these increases are 'stepped' their impact is difficult to predict. There are two such increases for next year, which adds **£34k** to our costs. The contract price also increases by **£24k** over forecast inflation because the appropriate indices are not known at the time of assembling the inflation tables.

2.1.6 The same principle regarding growth of the district also applies to the soft landscape. We are adopting more land in new developments and this is increasing our maintenance expenditure by **£21k** next year; similarly we are caring for more large trees which is driving costs upwards by **£18K**.

2.2 Pressures arising from Service Enhancement

2.2.1 The warmer environment is leading to grass growing for longer and our playing pitches need more frequent cutting to keep them useable for hirers – three additional cuts across our stock increases costs by **£15k** pa.

2.2.2 Earlier in the report we describe the effect that the purchase of the Orchards Head Lease has on the Council's finances. The accompanying revenue income presents a major opportunity for us and Members will be keen to invest a proportion of this in local services. One method of directly helping community, voluntary and sporting groups is by grant-aiding them through the Economic and Community Development grants.

2.2.3 This is the main grant 'pot' now allocated by the Cabinet Grants Panel on a regular basis and subject to a bidding and scrutiny process. The grants are very well received and enable the pursuance of a range of projects, by a variety of applicants, and comprise bids from small running costs for discrete events to larger set-up sums for capital projects. We started the year with £113k and a significant proportion of this has now been committed.

2.3.4 Adding a further **£220k** into this grant reserve will enable the continuation of these grants for at least the next 12 months and possibly longer

3. Savings

3.1 Savings arising from Service Planning

3.1.2 Over the past three years income from Development Management fees has exceeded that budgeted by a significant margin. This has arisen as a result of application fees accompanying developments in advance of the authority publishing a District Plan. For 2017/18 we are proposing to recognise that situation in our budget and increase the total fee income by **£300k** for one year only. There are two pressures on fees described within the previous sections.

3.1.3 The Census ICT service will be gradually changing over the next 24 months as the partners move to a Cloud-based set of services. This is described within Census Joint Committee papers. Whilst this will involve investing in the change (for which we have set up and funded an ICT reserve) it will lead to a reduction in expenditure in the partnership. This process starts next year and will yield a saving of **£67k**.

3.2 Savings arising from Service Enhancements

3.2.1 The method by which the districts and boroughs within the county calculate the split of recycling credits is changing for next year, by mutual agreement. As a district which has a good recycling rate and accompanies that with an educational package on how households can improve their individual recycling, we will benefit from this recalculation by **£52k** for 2017/18 and future years.

3.2.2 Over the summer, an external review of the Council's structure and capacity was undertaken. Implementation of the proposals is well underway and will be completed by March 2017. The proposals reduce the size of the Management Team and reinvest the savings into the management tiers below. The aim being to build operational capacity and refocus the Management Team on strategic management, in order to ensure the organisation can respond well to the challenges ahead. The financial impact of these changes is a saving of **£44k**.

3.2.3 In summary the key strategic characteristics of the proposals outlined above are

- Positive and prudent planning for the delivery of significant housing and economic growth of Burgess Hill
- An acceleration of our move towards an infrastructure-free ICT service by investing in 'software as a service' across key systems.
- Investing in key district assets to generate a revenue stream that support the Council's ambition to be financially independent
- Support the community by increasing our contribution to the Economic and Community Development grants funding by £220k in 2017/18.

3.3 Conclusion

3.3.1 The effect of the changes described above is to achieve a balanced budget position for 2017/18. This is summarised in the table below and overleaf. Further detail is set out in Sections 3 of this report.

Summary of Changes since Cabinet 6th September 16				
		Pressures	Savings	Total
		£'000	£'000	£'000
Revenue Spending				
Deficit / (Surplus) (Cabinet 06/09/16)		-	(35)	(35)
Pressures / Savings arising from service planning		684	(834)	(150)
Reversal of other known pressures /savings		(100)	300	200
Reversal of Pension fund adjustments			(66)	(66)
Base estimate changes for salary increments		-	(6)	(6)
Increase in the Council Taxbase from 1.2% to 1.79% for 2017/18		-	(53)	(53)
Collection Fund Council Tax Surplus		-	(110)	(110)
Additional net rental income from Orchards Shopping Centre		-	(1,850)	(1,850)
Additional Contribution to ICT Reserve (Digital)		400	-	400
Contribution to Economic Development & Burgess Hill Growth Area Reserve		500	-	500
Contribution to Orchards Reserve		900	-	900
Contribution to Environmental Health staffing		50	-	50
Contribution to Economic & Community Development Fund		220	-	220
Deficit / (Surplus) Scrutiny Committee for Leader, Resources and Economic Growth 18/01/17		2,654	(2,654)	-

A summary of the draft Budget for 2017/18 is shown below which is the total of all net revenue expenditure for the services the Council provides.

Summary of Revenue Spending 2017/18		
<i>Description</i>	<i>Original Estimate 2017/18 £'000</i>	<i>Notes</i>
Base net expenditure 2017/18	12,502	1
Net Benefits	(119)	
Balance unallocated	26	2
Net ongoing savings from 2015/16	(44)	3
Net Pressures / (savings) from Budget wps	(150)	3
Reduction in contribution to Leisure Reserve	(200)	3
Pension fund adjustments	(122)	3
Contribution to Rate Retention Equalisation Reserve	300	
Additional net rental income from Orchards Shopping Centre	(1,850)	
Additional Contribution to ICT Reserve (Digital)	600	
Contribution to Economic Development & Burgess Hill Growth Area Reserve	500	
Contribution to Orchards Reserve	900	
Contribution to Environmental Health staffing	50	
Contribution to Economic & Community Development Fund	220	
Net general inflation	212	4
Budget Requirement	12,825	
<i>Financed by :</i>		
External Funding (RSG)	(128)	
Rates Retention Scheme (RRS) Funding	(2,641)	
Transitional Grant 17/18	(145)	
HB Admin Grant /Localised CT Support Grant	(378)	
Income from Council Tax	(9,183)	
Dividend Income LAPF	(240)	
Collection Fund:		
Council Tax Deficit / (Surplus)	(110)	
RRS Deficit / (Surplus)	0	
	<u>(12,825)</u>	

Notes:

1. Base net budgets for all services as shown in the tables set out in Section 3 of this report total £12,126k which is inclusive of the on-going savings from 15/16 of £44k, the reduction in contribution to the Leisure Reserve of £200k and the Pension Fund adjustment savings of £122k. This total has been increased as a result of the removal of the on-going savings of £44k, the removal of the reduction in contribution to the Leisure Reserve of £200k and the removal of the Pension Fund adjustment savings of £122k. It has also been increased to include drainage levies of £10k, which is the starting point for the MTFP Base Net Expenditure of £12,502k.
2. The contingency provision for unexpected costs totalling £26k.
3. Detail included in Section 2 of this report, and also detailed in the tables set out in Section 3 of this report.
4. Detail included in Section 1, pages 11 and 12.

SECTION 3: SERVICE COMMENTARIES AND SUMMARY BUDGET TABLES

1. Budgets for 2017/18 for each Business Unit are shown on the next pages. There is a section for each containing :
 - a) an introduction by the Head of Service for 2017/18;
 - b) tables showing the variation for each Business Unit between 2016/17 and 2017/18 budgets.

To assist Members, a guidance note is set out below explaining how the Summary Budget Tables work.

2. **Guidance Note Explaining the Summary Budget Tables**

The Summary Budget tables **exclude** the following :

- a) **Inflation** - This is added to individual Business Unit areas after the Scrutiny Committee for Leader Resources and Economic Growth have considered this report in January 2017, as the Budget estimates are fixed at this point.
- b) **Recharges** - This allows Members to see the true cost of the recharged service. Recharges are the cost of Support Services which are added to a Service to show the full cost of each service. However, if Recharges were included in Services in this report, the tables showing the Support Service costs would be zero, rather than showing their true cost.

Forecast 2016/17 - This is the Forecast Outturn for 2016/17, which includes all pressures and savings highlighted in the 2016/17 Budget Management process to Cabinet 28th November 2016, as well as in-year virements approved under delegated authority. Whilst the forecast can be used to compare with the Original Estimate for 2017/18, only on-going pressures / savings can be included as changes to the Budget each year. These on-going changes impact on the Budget estimate for 2017/18.

Base Net Budget (Original Estimate 2017/18) - This is the Budget set at the start of 2016/17 (with Recharges removed) before allowing for any on-going changes highlighted in the 2016/17 Budget Management process, and any Budget changes highlighted in the Budget working papers (e.g. Council/ Cabinet decisions; salary adjustments; Budget pressures, Budget savings).

Budget Changes (Variations 2017/18) - These are the changes highlighted in the Budget working papers. These include forecast changes to the 2016/17 Base Budget such as salary adjustments which includes salary increments and pension increases (if applicable). Salary adjustments also include any approved establishment changes (e.g. restructures) as well as revisions to staff time allocations between Business Units. Other forecast changes are increases / decreases to the 2016/17 Base Budget arising from Council/ Cabinet decisions, and on-going savings/ pressures highlighted in the 2016/17 Budget Management process. These changes are added to the 2016/17 Base Budget to produce the 2017/18 Base Net Expenditure total.

Base Net Expenditure - This is the 2016/17 Budget (with Recharges removed) after allowing for on-going variations highlighted in the 2016/17 Budget Management process, and Budget changes highlighted in the Budget working papers (e.g. Council/ Cabinet decisions; salary adjustments).

Total Recommended budget for Business Unit for 2017/18 – This is the 2017/18 Budget (without inflation and Recharges) after the inclusion of changes in the Budget as outlined above, and Budget pressures or Budget savings emerging from the Budget working papers.

Assistant Chief Executive

Business Units: **Housing**
 Planning Policy & Economic Development / Development Management
 Development Management
 Contract Management:
 - **Waste and Outdoor Services**
 - **Parking**
 - **Landscapes**
 - **Leisure Partnership**

Housing

The emphasis on home ownership in the Housing and Planning Act 2016 and the focus in the HCA's funding programme for low cost home ownership provides a particular challenge for delivery of affordable rented housing in the District. Despite this the service will aim to enable the delivery of 209 new affordable homes and we will work with the owners of the 115 long term empty properties to bring as many as possible back into use.

The service will work closely with planning services to implement affordable housing policies taking account of the Government's starter homes initiative. To deliver this initiative in 2016 the Council has bid for starter homes funding from the HCA; at the time of writing the Council was waiting to hear whether the bid had been successful.

The Government's welfare reforms programme will continue to challenge some of our resident's ability to access affordable private rented housing. The new lower benefit cap and linking social housing rents to the Local Housing Allowance is also likely to impact on the affordability of social housing for some residents.

This will potentially impact on the number of households approaching the Council for assistance.

Numbers of homeless households in temporary accommodation in 2016/17 increased from 29 in April 2015 to 45 in April 2016 and this number is predicted to increase to approximately 55 by April 2017.

The time households are spending in temporary accommodation also increased from 10 weeks in April 2015 to 14 weeks in April 2016 and this is predicted to be 21 weeks by April 2017. The main reason for these increases is difficulties in accessing affordable private rented accommodation and social rented housing. This is placing pressure on the Council's temporary accommodation budget which is predicted to be £169k over spend by the end of March 2017. .

Officers continue to work hard to increase access to temporary accommodation and private rented accommodation and to increase the number of affordable social housing to avoid the use of expensive and inappropriate guest house accommodation.

As at 1 April 2016 there were 1420 households on the Council waiting list. We continue to meet with registered providers to ensure we are assisting those registered on the Council's housing register.

Planning Policy and Economic Development / Development Management

In response to the changing environment, from austerity to preparing for growth and service improvement particularly in relation to regeneration, it is recognised that this is a significant growth area for the Council.

The Council's development management function continues to receive high volumes of planning applications, in the first 6 months of 2016/17 there was an 18% increase in applications compared to 2015/16. This is anticipated to increase with 2,700 applications expected in 2017/18.

A key Council project, the Burgess Hill Growth area is recognised by the Government to be of strategic significance, the Coast to Capital (C2C) Local Enterprise Partnership has identified it as a spatial priority and West Sussex County Council has made it one of their top three priorities. It is unsurprising that this scale of development has attracted significant Government attention and support. The planned growth enjoys political support from all tiers of local government, the Homes and Communities Agency (HCA), Cabinet Office Delivery Unit and Local MPs.

Burgess Hill has a population of 30,600 and with the addition of 5,000 homes is likely to increase the population to 45,000 over the next 15 years

The key outcomes from the Burgess Hill growth are:

- 5,000 new homes and an additional 400 starter homes (subject to bid to HCA),
- 100,000 sqm of employment space,
- £65 million private investment in the development of a new town centre,
- Science and technology park,
- Creation of 13,600 jobs.

Whilst the majority of the planned development is on the northern edge of the town it is crucial that it is not seen as a separate settlement but is properly and fully integrated into the existing town in order to promote and support a sustainable economy and community.

The vast majority of the investment required to support the key developments in Burgess Hill will be provided by the private sector, 93% or £947m will be funded that way. However, some public sector/ Government will be necessary. We estimate that the whole package of growth planned for Burgess Hill investment will generate an estimated Gross Value Added of £283m. The Council is anticipating receiving financial assistance from the HCA and C2C) in order to deliver the coherent infrastructure required to secure the full benefits of the planned growth.

The service will also continue to work with CEF to promote economic growth across the district by working with the private sector to encourage investment in our town centres and by directly investing ourselves in the district through procurement of assets to promote economic development and provide a revenue stream for the Council to support service delivery.

More generally the Council during 2017/18 will review the Council's economic development strategy to ensure it supports delivery of a strong Mid Sussex economy. The Council will also continue the administration of a grant programme to support the growth of micro-businesses (until September 2017).

A key Council ambition is to adopt the District Plan during 2017/18.

During 2017/18 the Council will work to adopt community infrastructure levy, and review current supplementary planning documents to ensure they are consistent with current planning policy and legislative requirements.

Contract Management

The management of the Council's key external contracts has been brought together to provide a more commercial approach and improve services through digital delivery. This provides the platform to strengthen the resilience, management and monitoring of the Council's key contracts.

In 2017/18 the service is planning to continue to exploit new technologies aimed at streamlining processes and improving customer experience.

Waste Services

The service continues to work with West Sussex Waste Partnership to deliver the joint Waste Strategy aimed at improving recycling targets.

During 2016/17 the Council successfully rolled out the green waste service to over 2000 customers eradicating the waiting list. It is anticipated that this will increase the Council's recycling rates by 2.6% by March 2017/18.

As part of the waste strategy a capital bid will be made during 2017/18 for a wheelie bin replacement programme to support improved recycling rates to be achieved. This will include a phased replacement of bins and proposals to increase the size of recycling bins in high demand areas.

Parking Services

The service deals with over 1.6 million pay and display transactions and issues approximately 14,000 parking enforcement notices (PCNs). The team will continue to ensure the service meets the needs of residents and visitors to the district particularly in supporting our town centres.

This will involve working with West Sussex County Council to:

- Improve lines and signs to support enforcement
- Commission two parking audits in Burgess Hill and East Grinstead to support town centre regeneration
- Consider parking payment options and technology that meet customer and business requirements in a cost effective way
- Automate and streamline processes to reduce paperwork and improve customer response times
- Review car parking assets, provision and utilisation to ensure they are fit for purpose and sufficient in capacity of meet future requirements.
- Improve enforcement on foreign registered vehicles and blue badge fraud.

Landscapes

The Council currently manages almost 400 public open spaces, 130 play areas and 55 playing pitches

This year the team will work with Corporate Estates and Facilities to implement a programme of parks refurbishment projects for soft landscaping as part of the annual works programme including work at :- Beech Hurst Gardens, St Johns Park and Brooklands park.

Leisure

Attendance and membership at our leisure centres has increased over the last 2 years of the Places for People (PfPL) contract.

Joint investment of £3.1m by the Council's contractor, PfPL and the Council will deliver the following improvements in 2017/18.

- Climbing facility at The Triangle

- Extended gym at the Triangle
- Upgraded changing facilities at Kings Centre and Dolphin

The Council will continue to work a partnership with PfPL to ensure the leisure services in the district meet the needs of local residents.

Housing Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Housing Needs	770		607
Housing Enabling	129		124
Other Council Property	2		2
Housing Staff Control	0		0
	901		733
Budget Changes			
2015/16 Ongoing pressure – Temporary accommodation		30	
Ongoing saving – Minor variations		(6)	
Staff transfer from Housing to Performance and Partnerships		(44)	
Salary adjustments		2	(18)
			715
Base Net Expenditure			
Pressure – Temporary accommodation		139	
Pressure – Management restructure		64	203
			918
Total recommended budget for Business Unit for 2017/18			918

Planning Policy and Economic Development Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Planning Policy	265		265
Economic Development	68		68
Planning Policy Staff Control	0		0
	<hr/>		<hr/>
Base Net Budget	333		333
Budget Changes			
Salary adjustments		(12)	(12)
			<hr/>
Base Net Expenditure			321
Pressure – Management restructure		11	
Pressure – Community Infrastructure Levy - New administration software maintenance		9	20
			<hr/>
Total recommended budget for Business Unit for 2017/18			341
			<hr/>

Development Management Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Development Management	(136)		179
Development Management Staff	23		0
	<hr/>		<hr/>
Base Net Budget	(113)		179
Budget Changes			
Salary adjustments		31	
Ongoing Planning fee income to offset Assistant Tree Officer		(23)	
Ongoing pressure – New post - Assistant Tree Officer		23	
Ongoing Planning fee income to offset new Application Officer in Planning Services Support		(25)	
Staff training budget moved to Personnel		(5)	1
			<hr/>
Base Net Expenditure			180
Saving – Planning income		(300)	
Pressure – Consultants fees		50	
Pressure – Counsels fees		10	
Pressure – Discontinue Development Management function for South Downs National Park		54	(186)
			<hr/>
Total recommended budget for Business Unit for 2017/18			(6) <hr/>

Leisure Partnership Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Leisure Centres	(108)		(84)
Base Net Budget	(108)		(84)
Budget Changes			
Salary adjustments		14	
Reduction in payment to Leisure Improvement Reserve		(300)	
Ongoing saving – Leisure contract indexation		(21)	
2015/16 Ongoing saving – Minor variations		(3)	
Budgeted payment to reserves to fund Major Capital Renewals - moved to Property		(654)	
Life cycle costing - Part of £72k scheduled saving for repairs		(5)	(969)
Base Net Expenditure			(1,053)
Total recommended budget for Business Unit for 2017/18			(1,053)

Parking Services Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Car Parks	(1,396)		(1,345)
Base Net Budget	(1,396)		(1,345)
Budget Changes			
Salary Adjustments		(34)	
2015/16 Ongoing pressure – Minor variations		3	
2015/16 Ongoing pressure – Season tickets		17	
2015/16 Ongoing saving – Pay and Display income		(69)	(83)
Base Net Expenditure			(1,428)
Saving – Season Tickets		(12)	
Pressure – NNDR revaluation		2	(10)
Total recommended budget for Business Unit for 2017/18			(1,438)

Cleansing Services Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Refuse Collection	2,055		2,025
Recycling	(650)		(659)
Highway Cleansing	1,123		1,123
Highway Maintenance	40		40
Cleansing Staff Control	5		0
	<hr/>		<hr/>
Base Net Budget	2,573		2,529
Budget Changes			
Salary adjustments		(25)	
New income – Garden waste		(159)	(184)
			<hr/>
Base Net Expenditure			2,345
Saving – Recycling credits		(52)	
Pressure – Refuse contract indexation		24	
Pressure – Waste contract variation - Growth in properties		34	
Pressure – Waste contract variation – Additional cost of new vehicle		8	
Pressure – Management restructure		43	57
			<hr/>
Total recommended budget for Business Unit for 2017/18			<u>2,402</u>

Landscapes Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Outdoor Facilities Landscapes*	0		0
	<hr/>		<hr/>
Base Net Budget	0		0
Budget Changes			
Salary adjustments		(49)	
Landscapes restructure *		754	
Staff split from Emergency and Outdoor Services*		153	858
			<hr/>
Base Net Expenditure			858
Pressure – Additional grounds maintenance costs resulting from land adoptions		21	
Pressure – Grounds maintenance contract increase due to additional grass cuts		15	
Pressure – Arboriculture contract increase		18	54
			<hr/>
Total recommended budget for Business Unit for 2017/18			912 <hr/> <hr/>

* Base adjustments required due to management restructure which have been accounted for as an in-year movement. (refer Emergency and Outdoor Services Table).

Head of Corporate Resources

**Business Units: Performance and Partnerships
 Corporate Estates and Facilities
 Finance
 CenSus Revenues and Benefits**

Performance and Partnerships

This business unit is responsible for a wide range of functions, some of which are partially or fully funded by our partners.

Health and Wellbeing

The Wellbeing service supports and advises people who wish to make improvement to their lifestyle. In 2016/17 we delivered over 1,500 health and wellbeing interventions with an average of 85% of clients reporting a health improvement. This level of demand for the service is expected to continue in 2017/18.

The Wellbeing Service continues to consolidate its links with the Clinical Commissioning Group (CCG), through the well-received pre-diabetes and weight management programme. Jointly these projects are on target to deliver over 350 interventions this year and subject to funding a further 400 plus interventions will be delivered in 2017/18. There is high demand for our commissioned services including Falls Prevention, Back to Exercise and Workplace Health and this is expected to continue in 2017/18.

West Sussex County Council's Public Health Service is currently reviewing the future of all its prevention programmes and early indications are that the service may be facing a budget cut of up to 25%. A budget cut of this size will obviously have an impact on the services that can be delivered and work is underway to determine what this will mean in terms of service delivery for 2017/18.

Community Safety

During the coming year, we will make further progress in implementing key tools and powers to tackle anti-social behaviour as set out in the Anti-Social Behaviour, Crime and Policing Act 2014. This will include extending the use of Fixed Penalty Notices and changing Dog Orders to Public Space Protection Orders.

The CCTV cameras within the District are reaching the end of their operational life. Working with our partners and following consultation with the public, procurement of new CCTV cameras will be completed in 2017/18.

Mid Sussex Partnership

The Partnership Team will continue to support the Leader of the Council, the Cabinet Portfolio Holder and the Chief Executive in their work with partners through the Mid Sussex Partnership (MSP) and its operational sub groups. During 2016/17 a significant amount of work was undertaken on a Strategic Intelligence Assessment (SIA) to establish areas of greatest need across the District. In 2017/18 this SIA will be used to better target the commissioning of projects, particularly the "Mid Sussex Funding for All" grant which will support the most vulnerable people in the district.

Subject to continued funding from the Police and Crime Commissioner, we hope to continue our Early Intervention project. In 2016/17 our Early Intervention Project (working in collaboration with Sussex University trainee social workers) helped more than 20 families to make positive changes by helping them address issues such as debt, domestic abuse and poor school attendance.

Assistance will be provided to those Not in Education Employment or Training (NEETS) through continued support for the NEETS Forum and commissioning of the Positive Placements Scheme through the YMCA Downlink. This provides mentor support for 16-19 year olds on their journey towards education, employment or training.

Community Services

In 2017/18 we will continue to build upon the projects and developments which were delivered last year. Key projects for the team will include:

- Working with Better Young Lives partner organisations to plan and organise a Schools Day / Young Citizens Day.
- Working with West Sussex County Council to ensure a smooth transition from current funding arrangements to new Day Activities Contracts to provide support services for older people. We will also be holding another Silver Sunday event for older people, building on the success of the musical afternoon tea held last year.
- Developing the Armed Forces Community Covenant in order to ensure that ex and serving personnel and their families are not disadvantaged and their needs are recognised.
- Delivering a programme of Play Days and the Youth Awards to recognise young volunteers in the District.
- Supporting third sector partners to provide effective services for older people, rural communities, local voluntary organisations and residents needing information and advice on money, benefit, housing or employment problems.
- Providing grants and support for capital improvements to the leisure infrastructure across the District and community activities.

Policy and Performance Management

The team will continue to work with business units to ensure that appropriate remedial action is taken when performance falls below targets and that indicators are relevant, appropriate and challenging.

Corporate Estates and Facilities

2017/18 will be a busy year for the team, with the economic upturn driving property transactions both in our own estate and that under our stewardship and requiring advice and guidance on behalf of the other Business Units.

Internally we will introduce effective processes for managing work flow and workload visibility within the service by using Technology Forge as a single point of access, rather than relying on multiple systems. We also aim to introduce performance indicators to enable us to measure and evaluate service improvements and individual property performance.

Crucially, we will create a Council-wide Property Strategy which will guide all property and asset management decisions. This will build on current life-cycle costings, enable us to agree details of building life-cycle costs with business units, and review suitability and performance to identify the potential for asset rationalisation and re-provision of facilities.

This strategy will also include the completion of a drainage asset condition survey to produce a 20 year forward maintenance plan for funding approval.

The Team will also be a central partner in the 'flagship' Burgess Hill growth programme, assisting with accessing the land necessary for the Science and Technology Park, developing out the Brow, and agreeing pre-lets at the new Hub. We will also commence the decommissioning of Martlets Hall as part of the New River Retail redevelopment.

The Council will review the current Community Toilet Scheme and assess the need for increased Changing Places provision across the district.

We will work with partners to deliver Community projects on Council land to enhance the leisure experience being offered. As the projects are being externally funded the Council's role is to facilitate only, but these include development of new community and sports facilities at Ansty Recreation ground, Finches Field, Pease Pottage Community Hall, and Hickmans Lane, Lindfield.

We will also implement a programme of refurbishment projects for soft landscaping within parks and deliver play projects as set out in the corporate plan which are primarily funded from S106 monies.

Finance

Some challenging targets are expected for 2017/18. We need to complete the dry run for the earlier closedown process and auditing reporting deadlines required for the 2017/18 Accounts, as set out in the Accounts and Audit Regulations 2015. The dry run will require communication of new deadlines across the organisation and a change to Cabinet and Audit Committee reporting dates. There will need to be changes in the way that the Council works with External Audit to achieve the reporting deadline of July. The outcome will be the production of a draft Statement of Accounts by 31 May with a view to the Audited Accounts being signed off by the 31 July – two months earlier than previously.

We will have to cost the financial implications, and identify the final account requirements in preparation for the withdrawal of Adur DC from the Census shared services partnership in October 2017. This entails Finance involvement in a project team to address all the financial issues arising from the disaggregation of the current membership and the creation of budgets for remaining partners.

Finally, but important to the success of the move to become infrastructure-free, we will investigate the change of the Financial Management System. Using an existing framework we will plan out the project to move systems with a view to the new system being in place for 1st April 2018.

CenSus Revenues and Benefits

In line with other Council services CenSus is improving customer service and digital access while reducing costs. Following completion (during 16/17) of a new CenSus website by the MSDC communications team, exhaustive testing of all self-service modules and advertising of the self-services available during 17/18 annual billing, we will continue to maximise the use of Digital Services (including on-line claim forms and changes of circumstance notifications) with the aim of achieving 40% service access by and to customers via self-service, the internet and e-mail by the end of 17/18.

Customer service will be improved as the need for direct contact with members of CenSus staff and the completion of paper documentation will diminish significantly. Speed of processing times and accuracy of information at the point of claim will improve, particularly in respect of new claims to Benefit and Council Tax Support as claims are made either on-line or, by appointment over the telephone.

We will implement the project plan developed during 16/17 to ensure the smooth and effective departure of Adur from the CenSus partnership and then reorganise following Adur's departure.

Finally, we will continue to explore the options for a simplified replacement for the Council Tax Reduction Scheme (preferably a discount) for both Mid Sussex and Horsham. If change is to be considered a thorough impact assessment will be undertaken during the summer of 2017 and consultation undertaken during the autumn with a view to possible implementation from April 2018.

The following tables detail the proposed budget for 2017/18 excluding internal recharges for each business unit under the responsibility of the Head of Service.

Performance and Partnerships Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Community Services	199		199
Partnership Funding	110		110
Corporate Improvement	60		60
Base Net Budget	<u>369</u>		<u>369</u>
Budget Changes			
Salary adjustments		8	
Restructure – Housing to Performance and Partnerships		44	52
Base Net Expenditure			<u>421</u>
Total recommended budget for Business Unit for 2017/18			<u><u>421</u></u>

Community Leisure Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Grants to Organisations	292		292
Concessionary Fares	0		0
Community Leisure and Development	192		203
Leisure and Well Being Staffing	0		0
	<hr/>		<hr/>
Base Net Budget	484		495
Budget Changes			
Salary adjustments		45	
2015/16 Ongoing saving – Minor variations		(11)	
Staff move to Corporate Estates and Facilities		(39)	(5)
			<hr/>
Base Net Expenditure			490
Saving – Management restructure		(67)	(67)
			<hr/>
Total recommended budget for Business Unit for 2017/18			423 <hr/>

Corporate Estates and Facilities Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Contracts	23		10
Oaklands	810		787
Property Operational	(249)		(223)
Building Maintenance Staff Control	0		0
Investment Property	(1,142)		(1,142)
Property Staff Control	(35)		0
District Drainage	52		52
Better Mid Sussex	31		31
Sustainability Climate Change	57		57
Base Net Budget	(453)		(428)
Budget Changes			
Salary adjustments		(73)	
Payment to reserves to fund MCR moved from leisure		654	
Part of lifecycle costing asset management		(93)	
Part of lifecycle costing repairs		1	
Staff move from Community Leisure		39	
Staff move from Emergency and Outdoor Services		34	562
Base Net Expenditure			134
Saving – Salaries (market factor supplements)		(27)	
Saving – Increase in rental income		(184)	
Saving – NNDR revaluation		(30)	
Pressure – Premises cleaning contract		3	
Pressure – Asset Register software licence and maintenance		12	
Pressure – Minor variations		5	(221)
Total recommended budget for Business Unit for 2017/18			(87)

Emergency & Outdoor Services Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Outdoor Facilities*	1,638		1,581
Trust Fund Accounts	0		0
Facilities Management Staff Control	(2)		0
Public Conveniences	118		127
Emergency Planning	41		41
	<hr/>		<hr/>
Base Net Budget	1,795		1,749
Budget Changes			
Salary adjustments		180	
2015/16 Ongoing saving – Public conveniences cleaning		(9)	
Lifecycle costing - Part of £72k scheduled saving for repairs		(68)	
Landscapes restructure to new heading*		(754)	
Staff move to Corporate Estates and Facilities		(34)	
Staff move to Landscapes*		(153)	(838)
			<hr/>
Base Net Expenditure			911
Saving – Management restructure		(67)	
Pressure – Playground inspections		9	
Pressure – Pavilion and public toilet cleaning contract		16	
Pressure – NNDR revaluation		4	(38)
			<hr/>
Total recommended budget for Business Unit for 2017/18			873 <hr/>

* Base adjustments required due to management restructure which have been accounted for as an in-year movement. (refer Landscapes Table).

Finance Accountancy Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Accountancy Support	585		585
Base Net Budget	585		585
Budget Changes			
Salary adjustments		1	1
Base Net Expenditure			586
Total recommended budget for Business Unit for 2017/18			586

Finance Corporate Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Other Corporate & Democratic Core	143		138
Non Distributed Costs	1,308		1,330
Insurance	(5)		(5)
Finance Control Support	56		56
Base Net Budget	1,502		1,519
Budget Changes			
Triennial revaluation of the pension fund		0	
2015/16 Ongoing saving – Pre-74 pension contributions		(12)	(12)
Base Net Expenditure			1,507
Pressure – Apprenticeship levy		25	
Pressure – Credit card charges		3	28
Total recommended budget for Business Unit for 2017/18			1,535

CenSus Revenues & Benefits Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Benefits Administration	52		52
Revenue Collection	(124)		(137)
CenSus Benefits Administration	636		636
CenSus Revenue Collection	424		449
	<hr/>		<hr/>
Base Net Budget	988		1,000
Budget Changes			
Salary adjustments		5	5
			<hr/>
Base Net Expenditure			1,005
Pressure – Credit card charges		6	6
			<hr/>
Total recommended budget for Business Unit for 2017/18			1,011 <hr/> <hr/>

Head of Digital

**Business Units: Customer Services and Communications
 CenSus ICT & Digital Shared Service
 Human Resources & Payroll**

Customer Services Business Unit will continue to support, develop and provide the first point of contact across all channels for the majority of Council customers. This will be delivered through the Council's main reception at Oaklands, the contact centre, the internet and social media. Where possible we will provide a single point of contact for all Council services, including planning and building control.

During the year the Customer Services team will be focusing on refining the new Customer Relationship Management system (CRM) introducing new services so that more can be resolved at the first point of contact. We will become more proactive, providing customers and residents with information about our services so that they do not need to contact us. They will also be focussing on using the information from customer contacts to identify service improvements that can help to redesign services so that they are better for our residents and customers.

The Digital team will redesign the Census Revenues and Benefits and Mid Sussex websites with an unapologetic focus on resident and customer needs. They will work with users of the sites to ensure transactions and journeys are as good as they can be, facilitating a faster and improved customer digital experience. This work will support the work of the Customer Services team, ensuring our residents and customers have as positive an experience when they call us as when they use online services.

The Digital Team, alongside Census ICT will focus on delivering the next phase of the Council's Digital Strategy. This will support delivering better services, for example so that staff do less administration and can focus more on the services that provide value to residents and customers. This work will include working alongside partners to review and change the Census ICT partnership so that we can take advantage of new infrastructure technology and support. This will simplify the infrastructure and systems the Council uses. The teams will also support colleagues in digital skills to enable more effective working practices that reflect changing customer needs and expectations.

The Communications team is to focus its efforts on understanding the Council's audiences and their preferred means of contact through a range of communications channels. Communications and Social Media monitoring is in place, providing analysis of the effectiveness of the team's work. In 2017/18 the team will ensure that all communications are evaluated, develop social marketing techniques and multi-media skills. This will support the Council in building on its successes in providing information to specific audiences and developing ongoing engagement with specific communities. The team will continue to offer marketing and communications support to business units. This in turn can help them identify communities of interest and place so that they can deliver effective campaigns and better understand resident and customer needs.

The Communications team will continue to ensure the Council's publications are of appropriate quality and will monitor the spend and continued need for these. Mid Sussex Matters (MSM) magazine, is delivered to every household in the district three times a year and in 2014 the Council launched an online newsletter for residents, Mid Sussex Matters More, to support and complement this activity. This will be further enhanced through our social media channels where we will support audiences in sharing their community activities.

The key aim for Human Resources (HR) will be to increasingly support managers and employees to maximise their productivity and flexibility to reflect the changing demands on the Council. This will include employee development to ensure they have the skills for the future and not the past. New systems will be implemented to underpin this aim.

The HR team, alongside the digital team, will be replacing the HR, payroll and training systems as well as continuing to develop and improve management practice. This will reduce the amount of

administration required, improve information for managers and support all staff to be flexible and adaptable for the changing needs of the Council's business.

The following tables detail the proposed budget for 2017/18 excluding internal recharges for each business unit under the responsibility of the Head of Digital & Customer Services.

Customer Services and Communications Draft Budget 2017/18			
<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Customer Service & Communications	476		476
Base Net Budget	476		476
Budget Changes			
Salary adjustments		(1)	
Lagan partnership		(20)	(21)
Base Net Expenditure			455
Total recommended budget for Business Unit for 2017/18			455

CenSus ICT Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Central Computer Costs	353		353
CenSus ICT	967		960
Corporate Systems Accounts	6		(4)
Base Net Budget	<u>1,326</u>		<u>1,309</u>
Budget Changes			
Scanning Contract for Land Charges moved to Land Charges		(20)	(20)
Base Net Expenditure			<u>1,289</u>
CenSus ICT – Operational and revenue projects		(67)	
Pressure - Printing		5	
Pressure – Telephones		11	
Pressure – Aerial photography		4	(47)
Total recommended budget for Business Unit for 2017/18			<u><u>1,242</u></u>

HR & Payroll Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
HR & Payroll	399		375
Base Net Budget	<u>399</u>		<u>375</u>
Budget Changes			
Training budget moved from Development Management to Personnel		5	5
Base Net Expenditure			<u>380</u>
Total recommended budget for Business Unit for 2017/18			<u><u>380</u></u>

Head of Regulatory Services (and Monitoring Officer)

Business Units: **Legal Services**
 Environmental Health
 Building Control
 Land Charges
 Democratic Services

Legal

The legal team will continue to deal with a large number of planning agreements, and property work relating to the Council's land holdings and new acquisitions. In addition legal becomes involved in some community work.

The IKEN computer system continues to be developed to ensure third parties pay appropriate fees in any recharge situation.

Environmental Health.

There is a local shortage of trained environmental health staff and staff turnover has been quite high as people move Councils for better conditions. With the public's use of the internet, complaints have been more complex and more difficult to deal with. The team are working to further digitalise to improve efficiency. Processing Disabled facility Grants in a timely manner remains a priority.

Building Control.

There remains plenty of activity in the building market and the team, now fully staffed, will be kept busy with fee producing work. To assist with recruitment the team are now training from within and this process is likely to continue in 2017/18.

Land Charges

As the District population increases the work of the Land Charges and Planning, Building Control support teams increases. A new contract will be let for the scanning of data. Records are being digitalised to improve efficiency.

Democratic Services

The Democratic Services team will continue to service meetings of the Council and committees. They also deal with other member issues.

County Council elections will be held in May 2017 based on revised boundaries which raises polling station issues particularly in Burgess Hill. In addition the team continue to conduct Neighbourhood Plan referendums as and when these are needed. The Referendums for the three towns have now been completed.

Legal Services Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Legal Support Costs	256		247
Base Net Budget	<hr/> 256		<hr/> 247
Budget Changes			
Salary adjustments		1	1
Base Net Expenditure			<hr/> 248
Total recommended budget for Business Unit for 2017/18			<hr/> <hr/> 248

Democratic Services Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Elections & Registrations	280		270
Members Services	547		547
Base Net Budget	<hr/> 827		<hr/> 817
Budget Changes			
Salary adjustments		1	1
Base Net Expenditure			<hr/> 818
Pressure – Postage		18	
Pressure – Printing		22	40
Total recommended budget for Business Unit for 2017/18			<hr/> <hr/> 858

Land Charges Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Local Land Charges	(44)		(29)
Land Charge Admin Staff Control	0		0
Base Net Budget	(44)		(29)
Budget Changes			
Salary adjustments		(3)	
Scanning contract for Land Charges moved from ICT		20	
Savings relating from computerisation project		(20)	(3)
Base Net Expenditure			(32)
Pressure – Delay achieving savings from computerisation project		16	16
Total recommended budget for Business Unit for 2017/18			(16)

Planning and Building Control Service Support Draft Budget 2016/17

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Planning Service Support	25		0
Base Net Budget	25		0
Budget Changes			
Salary adjustments		(31)	
Permanent staff change – Application Officer		25	(6)
Base Net Expenditure			(6)
Pressure - Salaries		3	3
Total recommended budget for Business Unit for 2016/17			(3)

Environmental Health Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Contaminated Land	34		34
Housing Standards	150		150
Safety & Licensing	250		247
Environmental Protection	246		199
Environmental Health Staffing	(31)		0
Health and Safety	63		64
	712		694
Budget Changes			
Salary adjustments		(29)	(29)
Base Net Expenditure			665
Pressure – Contaminated land consultants		20	20
Total recommended budget for Business Unit for 2017/18			685

Building Control Draft Budget 2017/18

<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Building Control	88		90
Building Control Staff Control	22		0
	110		90
Budget Changes			
Salary adjustments		43	
2015/16 Ongoing saving – Minor variations		(2)	
2015/16 Ongoing pressure – Salary Market Enhancements		39	80
Base Net Expenditure			170
Total recommended budget for Business Unit for 2017/18			170

Strategic Core

This section covers those costs that are related to the strategic management of the Authority and cannot be allocated to the specific service areas set out in the previous tables. It includes various items of expenditure including the cost of the Chief Executive, Heads of Service and the Council's share of the shared procurement service.

The following table details the proposed budget for 2017/18 excluding internal recharges for Strategic Core.

Strategic Core Draft Budget 2017/18			
<i>Description</i>	<i>Forecast 2016/17 £'000</i>	<i>Variations 2017/18 £'000</i>	<i>Original Estimate 2017/18 £'000</i>
Base Net Budget			
Strategic Core	1,176		1,176
	<hr/>		<hr/>
Base Net Budget	1,176		1,176
Budget Changes			
Salary adjustments		(29)	(29)
			<hr/>
Base Net Expenditure			1,147
Saving – Management restructure		(28)	(28)
			<hr/>
Total recommended budget for Business Unit for 2017/18			1,119
			<hr/> <hr/>

SECTION 4: CAPITAL PROGRAMME

- 1.1 This section sets out a proposed Capital Programme and Capital Strategy.
- 1.2 Each year, the Council sets out its Capital Programme for the forthcoming year . Members should note that although this varies from year to year, it does contain certain core constituents throughout the four-year timeline. On this basis, this section sets out an overall Programme for the next four years.

2.0 Capital Strategy

- 2.1. The current strategy for capital spending is outlined below:
- a) The Capital Projects will contribute to achieving the Corporate Plan and must further the Council's corporate priorities. This will be the means that objectively selects, ranks, and recommends projects for inclusion in the Capital Programme, regardless of the source of the funding for the projects.
 - b) The affordability of capital projects must be determined in the context of the Strategy for Revenue Spending and the Strategy for Reserves and Cash Balances and will be governed by the provisions of the Prudential Code.
 - c) The Capital Programme will be financed by the most appropriate mix of:
 - interest;
 - contributions from the Revenue Budget;
 - loan;
 - contributions from stakeholders (including s106 agreements);
 - capital grants;
 - other grants;
 - proceeds from the sale of assets;
 - external funding from partners in both the public and private sectors, which is consistent with this Financial Strategy
 - Use of Revenue Reserves.
 - d) The use of borrowing as a means of financing capital expenditure will be consistent with the Prudential Code and with the Strategy for Revenue Spending.
 - e) The Council will continually review the financial and service benefits of existing assets and, in accordance with prudent asset management best practice, draw up a schedule of those which could be disposed of and the timescale for disposal in accordance with the Asset Management Plan.
 - f) The Council will make every effort to generate funding for capital projects from partners and other sources (including Section 106 agreements). Negotiations on the sources of funding must focus on the Council's priorities at the time.
 - g) The asset base will be continually reviewed to maximise financial benefits including income whilst ensuring the Council, as a local authority, does not compromise its fiduciary duty to the Council Tax payers.
 - h) Projects that can be supported by a business case may be financed from reserves subject to a payback within an appropriate and specified period but subject to the Council's capacity to allow such a commitment.
 - i) Council must approve the Capital Programme as part of the Corporate Plan and

Budget exercise

2.2 The adoption of the foregoing principles results in a modest proposed Capital Programme for 2017/18 as detailed further in the paragraphs below.

3.0 Proposed Projects for 2017/18

3.1 In light of the comments above, the capital projects that have come forward are as follows:

i) ICT /CenSus ICT

These relate to a minimal PC replacement programme at £25k, and a range of projects designed to upgrade our capabilities whilst moving us towards being infrastructure free in the longer term.

ii) Other Schemes

The principal project here is to refurbish the Council Chamber and Members' facilities to provide updated accommodation within the existing building envelope. We also include the second year of the scheme for the expansion of the green waste service which was fully described last year.

iii) Major Capital Renewals

This is the cost of maintaining our assets and will be detailed within the Corporate Plan.

iv) Disabled Facility Grants

This is a mandatory scheme and is currently fully funded from a WSCC grant contribution.

3.2 The proposed capital projects to be included in the 2017/18 Capital Programme are set out on the next page.

Draft Capital Programme 2017/18 - 2020/21						
		Total	Total	Total	Total	Revenue
	Project	2017/18	2018/19	2019/20	2020/21	Implications
Project	Justification	£'000s	£'000s	£'000s	£'000s	£'000s
Major Capital Renewals						
Oaklands:						
- Window Replacements		80				
- Roof Light replacements		55				
- Upgrade Council Chamber toilets & Reception area		81				
- Photovoltaic (PV) panels		62				
- Replacement of reception desk. Rationalisation and extension of personal alarm system.		15				
New Auditorium floor - Clair Hall, Haywards Heath		25				
Resurface Orchards Car Park, Haywards Heath		50				
Drainage works		50				
Renewal of sanitaryware & internal upgrade -Aadastra Park PCs, Hassocks		25				
New disabled WC and access - Ashurst Wood Pavilion, HH		25				
New changing cabin, Fairfield Recreation ground		43				
Replace lighting columns with LED - District Car Parks		15				
New multi-play unit - Fry Crescent Playground, Bhill		35				
Unallocated funding for future years			430	229		
Total Major Capital Renewals		561	430	229	0	0
Housing						
Disabled Facility Grants	n/a	600	600	600	600	
Affordable Housing	n/a	500	583			
Total Housing		1,100	1,183	600	600	0
ICT Projects						
PC Replacement Programme	yes	25	25	25	25	
Switch Replacements	yes	60				
Storage Area Network (SAN) Replacement	yes	65				
New Remote Access	yes	10				
Virtual infrastructure upgrade	yes	20				
Relocation of IDOX UNiform software to Oaklands	yes	68				
Total ICT Projects:		248	25	25	25	0
S106 Fully Funded Schemes:						
		tbd	tbd	tbd	tbd	
Total S106 Fully Funded Schemes:		0	0	0	0	0
Others:						
Council Chamber Modernisation	yes	300				
Expansion of Green Waste Service (year 2)	Yes (submitted in Corporate Plan 16/17)	40				
Total Others:		340	0	0	0	0
Total Proposed New Capital Projects		2,249	1,638	854	625	0
Financed By:						
Grant Contributions WSCC		600	600	600	600	
S106 Agreements -non time limited						
S106 Housing - non time limited		140	228			
Met from Revenue Contributions (for MCR)_		561	430	229		
General Reserve / NHB (Housing)		725	380	25	25	
Specific Reserve		223	0			
Total Financed:		2,249	1,638	854	625	0

Individual schemes are set out in the following pages.

PROJECT JUSTIFICATION DETAILS

PC Replacement Programme

Purpose of project :

The council currently has approximately 400 desktop PCs / Laptops and to ensure efficiency and reliability a replacement programme is required. With the ever-increasing use of ICT systems in all business areas and the demands of new or upgraded systems the average life of a PC is 4 years. This project forms part of the ongoing PC replacement programme and represents the monies required to replace a number of PCs' each year which have been deemed to have reached the end of their useful life.

Total Amount : £25,000

Capitalised Salaries included in the project total : None

Other sources of funding : None

Revenue Implications : None

Value For Money Assessment:

Due to the increasing use of ICT in all areas of the Council's Business and the increased demands made by new systems the average lifespan of a PC is assumed to be 4 years. Due to the current financial climate, the expected lifetime of a PC has been extended and this will be reviewed in future years to make sure that this is still valid. To ensure value for money, Government frameworks will be used in the procurement process.

Current practice / doing nothing:

The rolling programme presented here is the current practice and doing nothing would have a negative impact in the efficient working of the council.

Other alternative approaches:

Due to the increasing demands placed upon the desktop PC's a rolling replacement programme is the most appropriate way forward.

Business Unit/Service: ICT Services

Head of Service : Simon Hughes, Head of Digital and Customer Service

Project Manager : Julie Simpson, Census ICT

CenSus ICT operates projects under PRINCE Lite methodology.
Over all CenSus ICT Strategy is managed by the CenSus Programme Management Board.

Cabinet Members : Cllr Mandy Thomas-Atkin

Continued..

PC Replacement Programme

Ward Members : Not applicable

This project contributes to achieving the Corporate Plan in the following ways :

By maintaining the rolling replacement programme it ensures that PCs are have sufficient processing power to enable business units to work efficiently and provide an effective service to customers.

Summary of discussions with Cabinet Member:.

Clr Mandy Thomas-Atkin is supportive of the rolling programme for the forthcoming years.

Risk Analysis :

The main risks for this project are:

- a) Sufficient resources not being made available
- b) Change of PC specification by Supplier / Manufacturer / MSDC

The likelihood, severity, financial impact (rated low, medium, high) of each of these risks are:

- a) Medium, low, low
- b) Medium, low, low

Mitigation actions:

- a) Slip project completion in to next financial year
- b) Slip project, while new hardware \ software image built and tested.

PROJECT JUSTIFICATION DETAILS

Switch replacements

Purpose of project :

The 2 Core switches are the heart of the network delivering ICT & Telephony throughout the MSDC site. 24 Data switches throughout the Campus route from these 2 Core switches giving users access to the MSDC network, WSCC wide area network, Internet and Telephony. These switches become hardware end of life at the end of 2016. There have been no bug patches for the software since April 2015. This puts the network in a vulnerable position if one of them fails as replacement parts will be difficult, expensive or impossible to obtain. The hardware is no longer PSN compliant due to the end of life software support.

New switches will ensure the network remains secure and able to support any new technology needing connection to the MSDC network.

Total Amount : £50,000 - £60,000

Capitalised Salaries included in the project total : None

Other sources of funding :(i.e. s106/ big lottery etc.) None

Revenue Implications : None

Value For Money Assessment :

As the Core switches underpins the delivery of ICT & Telephony for MSDC the risks and costs associated with out of support equipment increases as the equipment ages therefore doing nothing may increase financial pressures on the budget.

The current software level is the latest level of software that is available for the current hardware. A move up to version 7 would require a (prohibitively expensive) major upgrade of the chassis, fan trays, CPU modules and line modules.

Alternative solutions such as secure Wi-Fi provision would still include core network elements and currently exceed the cost for the switch replacement project when all additional costs are included e.g. full desktop/laptop replacement.

Business Unit/Service : Digital and Customer Services

Head of Service : Simon Hughes

Project Manager : Julie Simpson

Cabinet Members : Cllr Mandy Thomas-Atkin

Ward Members : Not applicable

This project contributes to achieving the Corporate Plan in the following ways :

(use Corporate plan reference numbers for example and confirm that it is in the relevant service plan.)

BS 2.1 - Better Services

Summary of discussions with Cabinet Member : The Cabinet Member agrees with this proposal.

Risk Analysis :

Present hardware is a security risk due to being end of life.

PROJECT JUSTIFICATION DETAILS

Storage Area Network replacement

Purpose of project :

The Storage Area Network (SAN) holds the majority of the Councils information and is one of the core elements of MSDC's ICT provision. It's currently on Extended warranty which is due to expire during 2017. The manufacturer rapidly increases the cost of supporting aging equipment such that replacement with new equipment is more cost efficient (recently other CenSus partners were quoted in excess of £90K for one year vs £65 for new equipment with 3 year support)

While the business is working towards putting as much information as possible in a cloud or hosted environment there will still be some information where it's not possible to move for security reasons (approx. 10%) or because applications/systems are incapable of working in a cloud environment. The data migration will not be complete within the timeframe imposed by the extended warranty expiry date.

Total Amount : £65,000

Capitalised Salaries included in the project total : None

Other sources of funding :(ie s106/ big lottery etc) None

Revenue Implications : The cost of procuring new is cheaper than renewing maintenance support costs. Support costs are included for the first 3 years.

Value For Money Assessment :

The option of doing nothing will greatly increase the revenue cost for support and expose MSDC to a significant Business Continuity risk in the event of a fault, including the possibility of breaching the Data Protection Act if sensitive information is lost.

As part of the specification phase of the project work will be an undertaking to size the environment such that it takes into account the amount of data that will be transferred to a Cloud or hosted infrastructure as part of the Digital Transformation Programme.

Business Unit/Service : Digital and Customer Services

Head of Service : Simon Hughes

Project Manager : Howard Knowelden

Cabinet Members : Cllr Mandy Thomas-Atkins

Ward Members : Not applicable

This project contributes to achieving the Corporate Plan in the following ways :

(use Corporate plan reference numbers for example and confirm that it is in the relevant service plan.)

BS 2.1 - Better Services

Summary of discussions with Cabinet Member : The Cabinet Member agrees with this proposal.

Risk Analysis : Ageing unsupported equipment which stores sensitive information is a security risk. The proposal provisions support for the MSDC SAN for the next 3 years enabling information to be held securely whilst the Digital Transformation Programme is put in place.

PROJECT JUSTIFICATION DETAILS

New Remote Access

Purpose of project :

As part of the Digital Transformation Programme Investigate and evaluate Microsoft Remote Desktop Services (RDS) through a proof of concept. It's expected this system will give a better user performance for our larger systems that are presently accessed via Citrix remote access (i.e. Academy). The new system will also be more compatible with the Census ICT skills working at MSDC to manage and support.

As part of the project the usage of Micosoft's RDS as a platform will be investigated e.g. cloud TS

Total Amount : £10,000

Capitalised Salaries included in the project total : None

Other sources of funding :(ie s106/ big lottery etc) None

Revenue Implications : Savings from Citrix maintenance & licensing cost.

Value For Money Assessment :

With the introduction of the new off-site remote access system 'Direct Access' the use of the present Citrix system can be greatly reduced. The Microsoft solution, which we are already paying most of the licence cost for in our Enterprise agreement, will give a saving of £6,000 - £7,000 per annum on Citrix support and licencing that will no longer be required.

There will also be future savings from no longer needing to upgrade the Citrix environment.

Business Unit/Service : Digital and Customer Services

Head of Service : Simon Hughes

Project Manager : Julie Simpson

Cabinet Members : Cllr Mandy Thomas-Atkin

Ward Members : Not applicable

This project contributes to achieving the Corporate Plan in the following ways :

BS 2.1 - Better Services.

Summary of discussions with Cabinet Member : This proposal is agreed by the Cabinet Member.

Risk Analysis :

There are no specific risks that arise from implementing this proof of concept.

PROJECT JUSTIFICATION DETAILS

Virtual infrastructure upgrade

Purpose of project :

To support the Digital Transformation Programme an evaluation of alternative virtualisation technologies e.g. Microsoft HyperV and Azure Stack should be carried out through a proof of concept.

A Microsoft cloud environment is available to MSDC as part of the Office365 migration, this proof of concept will enable us to evaluate whether we can configure our own cloud environment rather than hosting externally. Management and costings can also be compared.

Cost savings against the existing Virtualisation platform could be realised (upgrading, maintenance and licensing).

Total Amount : £20,000

Capitalised Salaries included in the project total : None

Other sources of funding :(ie s106/ big lottery etc) None

Revenue Implications : None – future cost savings

Value For Money Assessment :

Additional hardware and/or expertise may need to be procured.

The project will pave the way for future savings by removing licencing costs and simplify support of systems. Using our own cloud environment would save on extra virtual licencing costs whilst maintaining those services that must be secured in house.

Business Unit/Service : Digital and Customer Services

Head of Service : Simon Hughes

Project Manager : Howard Knowelden

Cabinet Members : Cllr Mandy Thomas-Atkin

Ward Members : Not applicable

This project contributes to achieving the Corporate Plan in the following ways :

BS 2.1 - Better Services

Summary of discussions with Cabinet Member : This project and the overall paradigm is agreed with by the Cabinet Member.

Risk Analysis :

There are no risks with evaluating this proof of concept.

PROJECT JUSTIFICATION DETAILS

Relocation of IDOX UNIFORM software to Oaklands

Purpose of project:

The IDOX UNIFORM system is one of the big three software systems operated by the Council alongside the Academy Revenues & Benefits system and Civica Financial Management System. The IDOX UNIFORM system provides an application and case management platform for the majority of the Council's regulatory functions, including Planning, Building Control, Environmental Health and Licensing. It additionally hosts the core Local Land and Property Gazetteer (LLPG) that is used to power other systems such as the Electoral Registration and Waste Management systems and Customer Contact Centre operations.

Since 2011, the IDOX UNIFORM database and application service has been hosted on the CENSUS network at their Horsham datacentre. A number of factors have arisen that have led to a review of the existing arrangements:

- A major database version upgrade is required which require a significant amount of work and cost regardless of location.
- The Council is currently reviewing its involvement with the CENSUS partnership.
- The Council is implementing a new digital programme, that places greater emphasis on the effective use of integrated data resources. The LLPG is an example of this.

Officers are therefore of the opinion that the time has come to migrate both the database and application server back to the Mid Sussex campus and operate both from the Council's own datacentre.

Costs:

Total Amount : **£67,500**

Capitalised Salaries included in the project total : None.

Other sources of funding : None

Revenue implications:

The immediate revenue implication of migrating the UNIFORM system back to MSDC is an increase of £5,000 per annum related to the database platform licensing cost. This will be added to the existing UNIFORM software maintenance cost of £35,000 per annum.

Value for money assessment:

It has not been possible to make a direct comparison between the costs of the current CENSUS shared service arrangement and the proposed migration; partly due to the fact that payments to CENSUS for the various services that it provides are aggregated together, but also because the hardware and software licensing requirements of the shared service arrangement are different to those required by a single point installation. In migrating the infrastructure back to Mid Sussex, councillors can be certain that there will be far greater transparency to the operating costs of the UNIFORM system.

Alternative options considered:

IDOX are at the early stages of considering alternative approaches to platform delivery, which may include delivering UNIFORM as a wholly web based service. This would fit well with the authority's direction of travel with respect to harnessing internet or 'cloud based' technology, but at this point, IDOX do not have a viable market offering and the existing UNIFORM system was designed to operate in a traditional database / application server environment. The Council also needs to retain control of the data, so that it can be harnessed for other purposes. For this reason, officers have concluded that the only reliable path at this point is to progress the migration using tried and trusted methods.

Business Unit/Service: Digital and Customer Services

Head of Service: Simon Hughes

Project Manager: Keith Stanton

Cabinet Member: Mandy Thomas-Atkin

Ward Member: Not applicable

This project contributes to achieving the Corporate Plan in the following ways:

BS 2.1 - Better Services.

Summary of discussions with Cabinet Member:

Given that this proposal sits within the Strategy objectives, it has been agreed by the Cabinet Member.

Risk Analysis:

The proposal intends to make sensible provision for support of the UNiform system for the next 4-5 years. There are no specific risks that arise from the decision to migrate the UNiform system back to the Council's own datacentre.

PROJECT JUSTIFICATION DETAILS

Expansion of the Garden Waste Service (Year 2):

Purpose of project : Expansion of the Garden Waste Service – Supply of additional bins.

The Council is proposing growth of the Garden Waste Service from 14,200 subscribers to 18,200 subscribers over a 2 to 3 year period to meet customer demand, and to improve the Council's recycling and composting targets. This would be achieved through the operation of a third dedicated collection vehicle and crew. The bins will be purchased and delivered to new customers on the basis of 500 bins per 3 month period.

Total Amount : £80k phased over a two year period (£40k 2016/17; £40k; 2017/18)

Capitalised Salaries included in the project total: None

Other sources of funding: The funding implications of this project are being addressed through an increase in subscription costs.

Revenue Implications: This scheme will require the bins to be replaced in approximately 10 years, as part of a wider bin replacement programme.

Value For Money Assessment:

The existing service has reached 14,200 subscribers. The planned expansion will increase the subscription level to 18,200 subscribers, and therefore the requirement to provide an additional 4000 bins.

Other alternative approaches:

The Council has made a policy decision to cease taking on new Garden waste sack collections, due to advice received from the Health and Safety Executive.

Business Unit/Service: Waste and Outdoor Services

Head of Service : Mark Fisher, Head of Leisure and Sustainability

Project Manager: David Harper

Cabinet Members : Cllr Pru Moore

Ward Members : This project is a district wide scheme and will be available in all wards.

This project contributes to achieving the Corporate Plan in the following ways :

- By improving customer service.
- By improving the Council's recycling and composting performance.

By reducing the amounts of waste going to landfill

Continued..

Expansion of the Garden Waste Service

Summary of discussions with Cabinet Member:

The Cabinet Member has been fully involved in the formulation of this project, and work with WSCC as the Waste Disposal Authority in terms of the processing of this waste stream.

Risk Analysis :

The waste team have produced a full risk assessment for the Garden Waste expansion. The main risks for this project are:

- A risk of subscriber turnover due to a potential price increase. However the price has not changed since April 2012. (Low)
- There is a risk that the additional service will not be fully taken up, but other local authorities have exceeded levels of uptake predicted by this expansion phase. (Low)
- The roll out of the scheme will require most of the collection rounds to be altered to be able to accommodate the increased subscribers, and in most cases it will require days of collection to be changed. This may increase the level of contact with subscribers. (Low)

Mitigation actions:

- Monitor the attrition rate of subscribers, and implement marketing strategy as appropriate.
- Provide early warning of potential round / date changes as required.

Project justification details

Council Chamber Modernisation

Purpose of project :

The project comprises refurbishment of the Council Chamber, to create a modern, flexible space which will meet the Council's business needs for the foreseeable future.

The existing Council Chamber, which was built in the mid-1960s for Cuckfield Urban District Council, has not undergone significant refurbishment in 50 years. There are also a number of specific issues which require attention:

- There is a shortage of space at full Council meetings, principally due to the current use of tables and chairs and the space taken up by the fixed dais.
- There is limited seating in the public gallery. Although overflow space can be provided in the Committee Room and reception hall, the quality of audio feeds to these areas is poor, and there is no video link.
- Facilities for members, staff and visitors with disabilities are inadequate. The wheelchair lift to the lower ground floor level no longer works and the upper wheelchair lift is reaching the end of its serviceable life. The public gallery is not accessible to visitors with impaired mobility. The chamber, public gallery and circulation areas are not suitable for use by blind or partially-sighted people. There are no facilities for people with hearing impairments (such as induction loops) in the chamber, public gallery, Committee Room or reception area.
- The electrical services are old, with insufficient socket outlets for modern-day use.
- The heating system can no longer be effectively controlled. The chamber and public gallery are both prone to over-heating, which is uncomfortable and wasteful. The cooling units which were installed in recent years are noisy and the heating and cooling controls are not linked. Consequently, both the heating and cooling systems are able to operate simultaneously.
- The chamber and public gallery rely on natural ventilation from high-level windows. The ratchet window mechanisms have worn out and the windows can no longer be operated properly. The height of the windows above the chamber floor prevents effective air circulation.
- Audio-visual equipment is rudimentary. In particular, the quality of video projection is poor, making it difficult to view the screen from the public gallery. The view from the gallery is further impaired by columns and the pendant light fittings in the chamber. Microphone equipment is connected for each meeting, and then removed and stored until the next meeting. As mentioned above, there is no video feed to overflow public rooms, and sound quality in these areas is poor.
- Acoustic insulation for the chamber and gallery is inadequate. Meetings are disturbed by staff using the adjacent corridors and stairs.

In order to improve the dated appearance and address the issues outlined above, it is proposed to modernise the chamber and public gallery. The key objectives of refurbishment are:

- To provide an up to date working environment which will support the Council's business needs for the foreseeable future.
- To enhance the public image of Mid Sussex District Council as a modern and professional local authority.
- To ensure that Council and other meetings are accessible to people with disabilities.
- To provide adequate visitor space and deliver quality audio and video feeds to the overflow public areas.
- To facilitate future web-casting of meetings, if desired.
- To create a flexible space and thus encourage greater use between Council meetings. To provide a potential revenue source from external hirers.

- To replace worn-out and obsolete facilities and services, and improve energy efficiently and user comfort.

Total Amount : £300,000 (this must be the total scheme cost incl of any other sources of funding)

The project cost for modernisation of fabric, mechanical and electrical services and furniture within the chamber and public gallery is estimated at £250,000, including professional fees.

An additional cost of £50,000 is estimated for upgrading audio-visual equipment, including audio and video feeds to the overflow spaces.

Capitalised Salaries included in the project total : N/A

Other sources of funding :(ie s106/ big lottery etc) N/A

Revenue Implications : N/A

Value For Money Assessment :

Brief summary of the case for why this project provides value for money for the Council compared to a) current practice/doing nothing and b) other alternative approaches that have been considered.

The Council Chamber is long overdue for modernisation, having been in use for some 50 years without significant refurbishment. A comprehensive modernisation project will enable the issues described above to be addressed in a single scheme. As well as delivering value for money through economies of scale, a compressed project will avoid future closure of the Council Chamber.

Replacement of time-expired and worn out services will reduce future maintenance, with associated costs and inconvenience.

More energy-efficient heating and cooling will reduce both operating costs and CO₂ emissions.

Refurbishment into a more flexible space will provide revenue-earning opportunities.

Upgrade of audio-visual systems will provide the infrastructure to enable future web-casting, if desired.

Business Unit/Service : Corporate Estates & Facilities

Head of Service : Peter Stuart

Project Manager : Lance Kester, Surveyor & Team Leader. Lance has considerable project management experience and attended the MSDC project management training course in 2016.

The project team will comprise managers from Corporate Estates & Facilities, Democratic Services and Communications ; together with Member representatives.

Cabinet Members : Cllr J Ash-Edwards

Ward Members : N/A

This project contributes to achieving the Corporate Plan in the following ways :

Better Services

- A fit for purpose Council Chamber will support Members in providing strong and effective leadership. This in turn will facilitate delivery of efficient and effective services.

Better Environment

- Reduced energy consumption and CO₂ emissions will contribute to achieving a sustainable environment.

Better Lives

- Improved access for members, staff and visitors with disabilities will contribute towards providing opportunities and quality of life for all.

Summary of discussions with Cabinet Member :

On 28 November 2016 Cabinet approved expenditure of £20,000 to undertake a feasibility study for modernisation of the Council Chamber. The feasibility study is the necessary precursor to the project forming the subject of this paper.

Risk Analysis :

The principal risks associated with this project are outlined below :

- Failure to obtain project approval.
- Significant cost over-run.
- Delays in delivering the project.
- Disruption to Council business, due to Council Chamber being out of use.

A risk register will be prepared as part of the feasibility study. The register will be reviewed regularly by the project team throughout the life of the project, and appropriate action taken to manage risks.