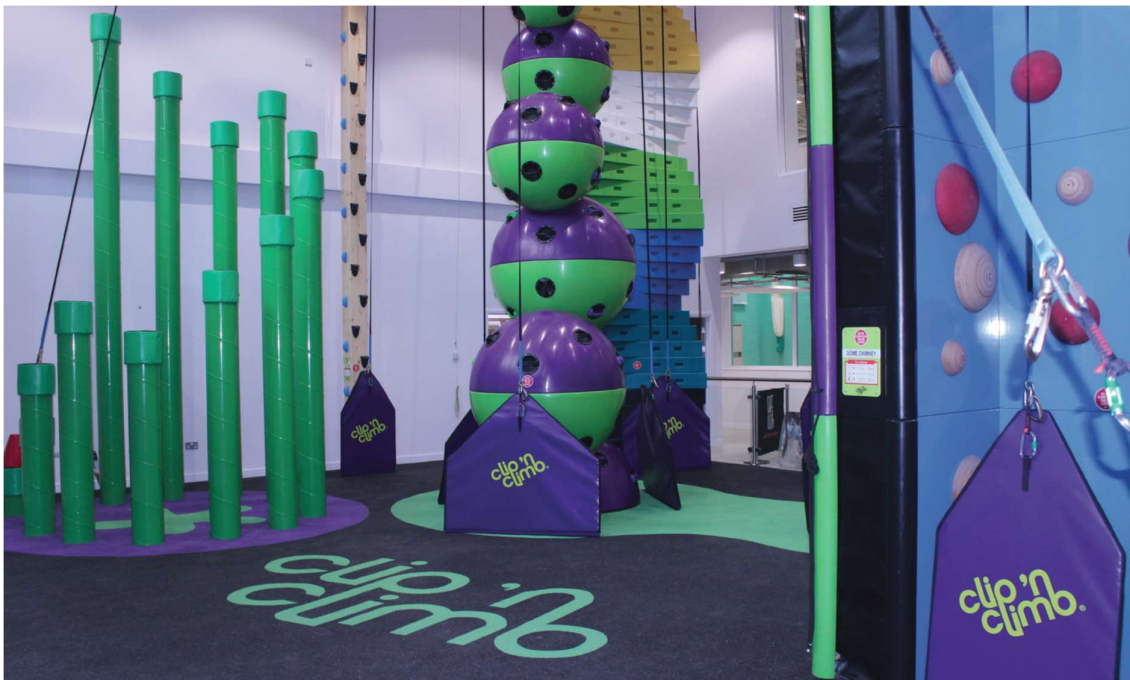


Budget Book

2020-21



Budget Book

2020-21

CONTENTS

Budget Report

Budget report addendum

Council tax Resolution

Capital strategy

New Homes Bonus

Departmental Revenue Budgets

Capital Budgets

Report to Cabinet

23 January 2020

By Ray Dawe (Cabinet Member for Finance and Assets)

DECISION REQUIRED



Not Exempt

The 2020/21 Budget and the Medium Term Financial Strategy to 2023/24

Executive Summary

This report sets out details of the proposed 2020/21 revenue and capital budgets following the receipt of the provisional financial settlement from Government on 20 December 2019. The net budget requirement for 2020/21 at £11.2m is £0.77m higher than in 2019/20. This is largely due to the loss of £0.87m of recycling credits received from West Sussex County Council from 1 April 2020. The Council is able to set a budget that will generate a surplus, which will help towards funding future transformation to maximise efficiency and effectiveness. In the year, the Council will be delivering a £13.3m capital programme, while the level of council tax proposed remains in the lowest quartile nationally and is the lowest in West-Sussex.

The report also reviews the Medium Term Financial Strategy 2020-24 approved by Council in December 2019 in the light of any updated information. The outlooks remains uncertain due to limited detail available on Government's proposed significant changes to the future of business rates and the Fair Funding Review.

The current projection is for the Council to have a budget surplus in 2020/21 and near-balanced budgets over the period of the Medium Term Financial Strategy. This is despite a continued reduction in Government funding although we anticipate any effect to be dampened over the period, rather than a step change in 2021. The near-balanced budgets are dependent on delivering a programme of digital transformation.

The Council plans to continue to deliver savings through a combination of measures including digital transformation, income generation, and other efficiency measures. While the immediate programme focuses on 2020/21, ideas have been extended into 2021/22, looking for new sources of income, reviewing our workforce especially around recruiting and retaining local staff and supporting our people to take on broader and more complex roles. We are also looking at replacing our technology with cheaper, Cloud based options and increasing the amount of self-service and end-to end digital services.

The report also sets out a series of prudential indicators that are a statutory requirement to demonstrate that the Council's capital programme is affordable, and prudent in the context of the Council's overall finances. The report also includes a statement on the robustness of reserves in Appendix I.

Recommendations

Cabinet is recommended to propose the following for consideration by Council on 12 February 2020:

- i) That the level of Council Tax for 2020/21 increases from £149.53 by £2.99 (2.0%) to £152.52 at Band D.
- (ii) That the net revenue budget set out in Appendix A for 2020/21 of £11.201m is approved.
- (iii) That Special Expenses of £309,500 set out in Appendix D and a Band D charge of £25.85 are agreed in respect of the unparished area for 2020/21.
- (iv) That the capital programme for 2020/21 set out in Appendix E be approved and that the indicative capital budgets in the programme for future years be noted.
- (v) That the projected future near-balanced budgets on the revenue account in 2021/22 to 2023/24 are noted and the Medium Term Financial Strategy continues to be reviewed and refined to ensure that decisions are taken to deliver these balanced budgets in these three years.
- (vi) That the Minimum Revenue Provision Statement set out in Appendix F is approved.
- (vii) That the Capital Strategy and prudential indicators and limits for 2019/20 to 2022/23 set out in Appendix G are approved.
- (viii) To note the statement on the robustness of the level of reserves in Appendix I.
- (ix) That the increases to fees and charges set out in Appendix J are approved.
- (xi) That the Council remain in the West Sussex business rates pool for 2020/21.

Reasons for Recommendations

To meet the Council's statutory requirement to approve the budget and the prudential indicators before the start of a new financial year.

Background Papers: Medium Term Financial Strategy, Cabinet, 28 November 2019

Wards affected: All

Contact: Jane Eaton, Director of Corporate Resources, 01403 215300
Dominic Bradley, Head of Finance 01403 215302

Appendices:

- A:** Revenue Budget 2020-21
- B:** Major items of growth and savings
- C:** Grants to voluntary groups
- D:** Special charge summary
- Ei:** Capital expenditure programme
- Eii:** Capital programme new schemes
- F:** Minimum Revenue Provision
- G:** Capital Strategy including Prudential Indicators
- H:** New Homes Bonus
- I:** Reserves
- J:** Schedule of increases in fees and charges

Background Information

1 Introduction and background

- 1.1 This report sets out the Council's budget requirement for 2020/21 for capital and revenue expenditure. The budget is reviewed in the context of the projected outturn for 2019/20, future years' projected budgets and reserves.
- 1.2 The local government finance system is complex and faces an uncertain future. In the autumn the Government postponed its reviews of Business Rates and Fair Funding to focus on Brexit and the parliamentary election. Councils are still not sure how the sector will be financed beyond 2020. While it seemed fairly certain that the direction of travel will remain towards fiscal self-sufficiency and that the amount of money available to district councils will continue to reduce over the next five years, the short term political situation creates an unusually high degree of uncertainty. Funding pressures caused by the demands of social care at upper tier levels indicates that funding is still likely to be 'diverted' from districts towards County / upper tier authorities that are suffering the most.
- 1.3 Each year as the budget is set, unavoidable growth becomes apparent in the services. This is because of increased responsibilities from legislation, contractual obligations and inflationary pressures. The current budget estimate is for the Council to deliver a surplus in 2020/21 and near balanced budgets through to 2023/24. These remain predicted through a combination of income generation and other efficiency measures, as well as some political decisions. The Council is undertaking a major programme of digital transformation to meet the demands and expectations of our customers, funded from any budget surpluses it generates or from reserves.
- 1.4 This review ensures that the 2020/21 budget and resultant Council Tax level will be set within the context of the Council's Corporate Plan priorities and the financial strategy in order to deliver a balanced budget, updated for the latest information and knowledge available to the Council. The report also sets out the prudential indicators used to measure the affordability of the Council's capital programme.

2 Relevant Council policy

- 2.1 To deliver a balanced budget over the medium term.

3 Details

Strategic political, economic and regulatory outlook

- 3.1 In September 2019, the Chancellor announced that the 2019 Spending Review had been postponed until 2020 as Government was focused on Britain's exit from the European Union. A parliamentary election took place on 12 December 2019. The outcome of this political uncertainty is a one-year 'stopgap' spending round covering 2020/21. The 2020/21 budget is produced on this basis, but the Medium Term Financial Strategy remains politically and financially uncertain.
- 3.2 The economic outlook will depend significantly on the outcome of the UK's withdrawal from the EU and how households, businesses and asset prices respond. Both the demand for the Council's services and its income streams are affected by the general economic health of the District, and the prevailing interest rate has a direct impact on interest receipts. Therefore the uncertainty of the economic and regulatory outlook adds risk to the setting of a precise financial strategy. With this in mind, the assumptions within the budget and Medium Term Financial Strategy are revisited in the sections below.

Finance Settlement 2020/21

- 3.3 The provisional finance settlement for 2020/21 was announced on 20 December 2019. It increased core settlement resources including business rates baseline funding levels in line with inflation, providing a stop-gap one-year budget settlement, but no certainty on the medium term.

Revenue Budget 2019/20

- 3.4 Budget holders have monitored income and expenditure against the 2019/20 budget throughout the year. They have also continued to prepare and work up plans to address the future deficits and implement them on an ongoing basis. Despite resourcing pressures on the Democratic Services team from elections, Parks and Countryside and the Capitol creating overspends in these areas, overall, the estimated forecast outturn for 2019/20 at the end of month 8 is a net expenditure surplus of £340k. Development income is significantly higher than budgeted. Officers are still taking a number of actions that may improve this position further by year-end. Any surplus will be used to help fund the Future Horsham transformational changes in 2020/21.

4 Update on the Medium Term Financial Strategy projections

- 4.1 The Medium Term Financial Strategy in Table 1 has been updated for the December 2019 provisional settlement for 2020/21 and other known information. There are no significant changes.

Table 1: MTFS	2019/20	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000	£000
Current net expenditure	10,435	11,201	12,020	11,660	11,770
<i>Income / savings to deliver through transformation</i>	<i>In budget</i>	<i>In budget</i>	(565)	(330)	(280)
Expected net expenditure after transformation	10,435	11,201	11,455	11,330	11,490
Funding: Council Tax	(9,598)	(9,922)	(10,265)	(10,620)	(10,980)
Baseline Business Rates	(2,029)	(2,052)	(1,100)	(500)	(250)
Additional Business Rates	0	0	0	(50)	(50)
Collection Fund (surplus)/deficit	(227)	(53)	-	-	-
Total Funding	(11,854)	(12,027)	(11,365)	(11,170)	(11,280)
Net (Surplus) / Deficit	(1,419)*	(826)	90	160	210

*In December 2018, Government reversed its intention and eliminated negative RSG in 2019/20, meaning the Council was £0.7m better off in 2019/20, and consequently 2020/21, than anticipated.

- 4.2 The assumptions underlying the current Medium Term Financial Strategy projections are summarised in table 2 below and expanded upon in the paragraphs that follow:

Table 2: key budget assumptions used:

Inflation cost non-salaries	2% increase per annum
Increase in salaries budget	2% per annum
Contribution to pension fund	0.5% reduction in 2020/21 and further 1% reduction in 2021/22 and 2022/23. Currently in surplus.
Increase in Council Tax	2% (£2.99) in 2020/21 and 2% thereafter
Local Business Rates	75% localisation of business rates triggering a significant re-baselining in 2021/22.
Increase in dwellings	Around 1,000 per year
New Homes Bonus - revenue	New Homes Bonus ends in 2020/21. Previous legacy payments end in 2022/23. Note: New Homes Bonus does not feed into revenue as tapered down to zero in 2018/19.
Minimum level of reserves	£6m

Interest rates and inflation

- 4.3 Britain's exit from the European Union increases the uncertainty on the rate of inflation over the next three years. The Medium Term Financial Strategy currently budgets for a 2% increase in inflation on the expectation that inflation will remain at or near current levels. The Bank of England suggested in its November 2019 Monetary Policy report that although inflation measured by the Consumer Price Index (CPI) at 1.75% is currently a little below the 2% target, they expect it to rise to a little bit above the target of 2%. Retail Price Index (RPI) though tends to be around 0.7% to 0.8% higher.
- 4.4 Whilst income is also affected by inflation, inflation also increases our expenditure and that offsets the increases in Council Tax and charges. The impact of inflation on the Medium Term Financial Strategy will be revisited on a monthly basis as the data is released by the Office of National Statistics.
- 4.5 The Bank of England base rate increased to 0.75% in August 2018 but remains at a low level, affecting the Council's income streams from investments. The Council has taken action over the past two years to diversify the investment strategy into non-high street bank style deposit holdings. These helped to mitigate low interest rates by generating more income, but nevertheless, this will impact on the Council's ability to generate further levels of income from investments during the period.
- 4.6 The amount of money the Council has on deposit generating interest income is likely to decrease as the proposed strategy to spend commuted sums on affordable housing will lower the amount of funds held by the Council, albeit this will be replenished somewhat by money generated from the Community Infrastructure Levy. Expenditure on the capital programme also reduces other funds held by the Council. The Council had to borrow short term in 2017/18 and this is expected to happen again and may transition into longer-term borrowing towards the end of the medium term financial period. The positive side of the low Bank of England base rate is that the cost of borrowing is also relatively low at present, although the Treasury raised the Public Works Loan Board borrowing rate by one percentage point overnight in October 2019. The Council can borrow from other sources.
- 4.7 Economic forecasters are divided on the future levels of interest rates and much may hinge on the outcome of Brexit negotiations. During 2019, our treasury management

advisors' opinion has reduced the likelihood of a small increase over the three-year period to one that now remains at the current rate of 0.75%. The Bank of England's view is reserved as it includes both the scenario of growth staying weak, meaning interest rates could fall, as well as the economy developing an upward pressure on prices meaning a modest interest rate rise may be needed to keep inflation at the 2% target. The former would adversely affect the returns that the Council makes on its investments, whereas the latter would benefit the Council.

Salaries

- 4.8 Local Government pay is negotiated nationally and the Council has no direct influence on the settlement. The local government pay award was 2% in 2019/20 and a 2% pay increase each year through to 2023/24 has been budgeted in the Medium Term Financial Strategy above. In expenditure terms this equates to approximately £325k of additional expenditure per annum. The trade unions have asked the local authority employers for a 10% increase.

Pension Fund

- 4.9 The actuary has reviewed the assumptions at the 2019 triennial review. The overall pension fund is in surplus. The interim valuation of the Council's pension fund was a £3m asset at 31 March 2019. The actuary recommends a gradual 2.5% reduction in employer pension contributions over the period, from the current 20.5% to the pension fund's minimum level of 18% per annum in 2022/23. The 2.5% reduction equates to approximately £0.4m decrease in annual employer contributions in monetary terms. The fund has benefited from some small revisions to the assumptions such as the life expectancy not increasing quite as fast as anticipated three years ago, and a much greater than anticipated investment return over the last three years. However, it is worth remembering that the pension fund has spent more years in deficit than in surplus and the position can quickly decline, due to any further changes in actuary assumptions increasing the liabilities, as well as volatility of asset values and the value of assets falling. The contributions position will be regularly revisited during the interim pension fund valuations until the next triennial valuation in 2022.

Council Tax

- 4.10 The December 2019 provisional settlement retained the 2020/21 referendum threshold at the higher of 2% or £5 for district councils in recognition of the inflationary rates of the moment. Government's funding assumptions for all district councils include increases in Council Tax by the maximum amount.
- 4.11 Ours remains the lowest Council Tax in West Sussex and is in the bottom quartile of all district councils. A 2% increase in Council Tax, equivalent to £2.99 is included in the 2020/21 budget. Further increases in Council Tax at 2% have been built into the Medium Term Financial Strategy projections through to 2023/24. Every 1% increase in Council Tax increases income by approximately £95k. As Government funding falls away, the Council is increasingly reliant on self-funding through fees and charges and Council Tax as the only sources of income.

Dwellings

- 4.12 The District has seen housing growth over the last five years, as a result of a large developments such as those to the west of Horsham and Kilnwood Vale, Southwater and Billingshurst. The Council anticipates that the completion of these developments together with the delivery of new homes to the north of Horsham will continue to see growth in housing in the District at around 1,000 new dwellings each year over the

Medium Term Financial Strategy period. The housing industry is highly sensitive to economic factors. Economic uncertainty and the likelihood that a recession may very well limit these numbers over the next four years.

Local Business Rates

- 4.13 The Council currently retains around 5% or £2m of the £44m Business Rates collected in the district, which is based on a complex calculation involving target rates of collection set by Government. Local government can increase their business rate income by growing the business rate take in their area; conversely, if collections fall then local government bear an element of risk. Local government currently share this risk and reward with Government.
- 4.14 Historical data suggests a 'flat' picture with limited material Business Rates growth envisaged over the period of the Medium Term Financial Strategy. This area is a 'momentum indicator' where growth is more likely to continue where it is already taking place. There have been a number of conversions of business premises to residential flats (under the permitted development regime introduced by the Government) and a number of retail premises have closed. Since, the 2017 Rateable Value list was introduced on 1 April 2017, it has fallen by over £1.8m. Redevelopments in the former Council buildings on North Street, Piries Place and Swan Walk shopping centre are affecting the Rateable Value. In the longer term, some of these initiatives and those such as the development of North Horsham and the redevelopment of the former Novartis site may offer some upside but at the moment our economic growth as an area is a long way below the desirable level for affluence of its population.
- 4.15 In comparison with other authorities though, the Council is comparatively less at risk of significant business rate losses as it has relatively few single significant sites, such as an airport or power station. Some risk does exist however, principally around outstanding rates appeals for which the Council would have to bear its share of lost revenue should those appeals prove successful. The Council had a provision of £2.5m for business rate appeals at 31 March 2019. The slow rate at which the Valuation Office is tackling the backlog of appeals makes the Council sceptical that the provision for appeals will fall in the near future.
- 4.16 Since the November 2019 Medium Term Financial Strategy update, the High Court has returned judgement that NHS trusts are not charities and therefore do not qualify for mandatory business rate relief. We are working through the impact on our appeals provision for 31 March 2020. However, we are aware that the NHS may appeal through the Court of Appeal. Therefore, this could still potentially affect us, although the risk has reduced somewhat.
- 4.17 Government has previously consulted on a '75% localised' business rates scheme, but how and when this will happen and what impact it will have on local government remains uncertain. No formal legislation has yet been put forward by Government. Indeed, some commentators are critical of the business rates retention system altogether, although no replacement scheme has yet been put forward.
- 4.18 A 75% localisation scheme refers to the level of growth or fall from the baseline, the latter expected to be significantly and then regularly reset. The Council will also continue to share this growth or fall with West Sussex County Council. In 2019/20 the West Sussex councils ran a pilot scheme of 75% business rates retention. In this pilot scheme, the share was Government 25%, WSCC 55% and the Council

20%. It is unclear how or if this might transition into a long term model for the 2020s.

- 4.19 Implementation of the new system is being deferred to 2021/22 or later. Government has disbanded the 75% pilot scheme for 2020/21. West Sussex Councils have proposed to continue to operate a business rates pool in 2020/21 of the retained 50% for this year as this is financially advantageous for the county area as a whole, and does not disadvantage Horsham District. It is recommended the Council remain in the West Sussex business rates pool for 2020/21 and share any overall growth in the county. Whatever happens, it is anticipated that business rate income will continue to be distributed around the county in a similar way to before.
- 4.20 Beyond 2020/21, based on the criteria for the pilot schemes, the Council expects that any 75% localisation of Business Rates will involve the replacement of other funding streams and is also likely to come with additional responsibilities that would give rise to additional costs. Furthermore, Government has switched the increase in the Business Rates multiplier from RPI to CPI. CPI tends to go up more slowly than RPI so this change is likely to reduce the buoyancy in the Business Rates yield. Over time this will have a significant impact on the resources that are available to local government as a sector.

Fair Funding Review

- 4.22 The Government has already consulted on the Fair Funding Review of relative needs and resources and cost drivers and updating the current needs assessment formulae. This attempts to weigh up a range of cost drivers such as population, rurality, deprivation, demand for social care, transport, waste disposal and fire and rescue service. The output from this will feed into a multi-year settlement offer expected from 2021 onwards.
- 4.23 All the signs and indications so far point towards districts and especially those which have low need and a higher proportion of wealth losing the most. Some extrapolations, if all worst case scenarios happen, could see this Council lose up to £7m funding or potentially more per annum if parking income is included in the calculations. Our projections assume we retain all our sales, fees and charges alongside Council Tax as our two main funding streams. If previous changes are a guide, there will be some transitional arrangements, which will dampen the immediate effect. Government had indicated that any period would be short in order to redistribute funding as quickly as possible, but the December 2019 election pledges suggest this may not be as sudden as originally assumed.
- 4.24 At this point it is difficult to calculate the effect of both the Fair Funding Review and Business Rates localisation. Not enough detail is known about the potential changes but the Council can conclude that there is a high degree of uncertainty, especially beyond 2021. The Council has made the assumption that a significant re-baselining of business rates will occur. The Council estimates a Business Rate income of about £1.1m in 2021 rather than the current £2m, with this falling close to zero by 2023/24 as the damping effect from the Fair Funding Review wears off. The Council will revisit the impact of this as it learns more of how the scheme will work and will feed this into a future Medium Term Financial Strategy.

New Homes Bonus

- 4.25 The New Homes Bonus provides an incentive payment for local government to stimulate housing growth in their area. The calculation is based on Council Tax

statistics submitted to Government each October. In two-tier local government areas this payment is currently split in the ratio 20% to county councils, 80% to district councils. New Homes Bonus is currently not ring-fenced and can be spent at the Council's discretion.

- 4.26 The incentive has been reduced since its introduction. Initially Government reduced the payment from six years to four years, and introducing a 0.4% baseline that needs to be exceeded before any New Homes Bonus payments are made. For this Council, this means that approximately 240 band D equivalent dwellings need to be built before any grant is received.
- 4.27 The technical consultation paper for the Local Government Finance Settlement 2020-21 informed us of Government's intention to look again at the New Homes Bonus and explore a more effective way to incentivise housing growth. Government believes the grant has not been successful in delivering 'additional' housing. The provisional settlement confirmed the alterations to the scheme to remove any 'new' legacy payments from 2020/21 and previous legacy payments will end in 2022/23. This rapid phasing out indicates Government's intention to phase out and replace New Homes Bonus sooner rather than later.
- 4.28 Government announced it will consult on proposals prior to implementation, and we expect this to be included in the 2020 spending review. The ending of legacy payments heavily indicates that some, or all of the overall £900m funding pot will be used as a counterweight in any 75% localisation of Business Rates scheme and Fair Funding review in 2021/22.
- 4.29 Any alternative or replacement scheme, if it happens, could change the payment ratio between district and county to one more favourable to county. This would reduce the future amounts the Council will receive. Due to this overhanging threat, during 2017/18 and 2018/19, the Council removed its revenue reliance on New Homes Bonus to zero in contrast to the £1.17m that was included in the 2016/17 revenue budget.
- 4.30 The ending of New Homes Bonus is modelled in **Appendix H**. It includes the one-year payment of £1.485m for 2020/21 based on the dwellings in the Council Tax Base form at October 2019 and the number of affordable homes. The New Home Bonus reserve stood at £4.3m at 31 March 2019. The reserve forecast to run down to £1.4m by 31 March 2024, after allowing for annual investment equivalent to £3m in property or infrastructure expenditure which helps the Council generate income from appropriate investments to support future service delivery and secure the delivery of infrastructure to serve the needs of the district's residents.

External financial pressures

- 4.32 West Sussex County Council (WSCC) has seen a reduction in core Government funding of £155m in the last eight years and has delivered savings and efficiencies to balance the budgets to date. WSCC has identified the need to save a further £75m over the next four years in their Medium Term Financial Strategy. WSCC has therefore withdrawn elements of discretionary funding to others as part of their 20120/21 budget setting process. The termination of all recycling credits above the statutory minimum level to encourage levels of recycling and reduce the amount of residual waste removes £870k of income to the Council for the recycling credits in 2020/21.
- 4.33 The Council is monitoring the impact of other WSCC decisions on their remaining discretionary funding that may affect areas such as the housing services. WSCC is working with district councils to mitigate the impact. No further significant impact on

the scale of the recycling credits are envisaged in the Medium Term Financial Strategy, but some moderate and gradual cost impacts are anticipated towards the end of the period.

- 4.34 Government's resources and waste strategy currently proposes that all local authorities should be collecting food waste by 2023 and there is a growing appetite across authorities in West Sussex to do this. WSCC is coordinating the collection of data across the county and is using a consultant to try to calculate likely implementation costs and benefits to the recycling rates. The Council is in the early stages of considering when it is likely to implement food waste collections.
- 3.35 It is currently unknown whether Government will contribute any funding towards the cost of the infrastructure, including the food waste caddies and vehicles, or the fuel and manpower needed to collect from every doorstep on a weekly basis. The Medium Term Financial Strategy has been updated to include a revised estimated revenue cost of £0.5m during 2020/21. The work being undertaken by WSCC and Council officers will further refine this figure in future budgets, alongside any external funding we can secure to achieve this objective. WSCC has indicated that some one-year recycling credits may be available to districts who adopt the 1:2:3 collection of weekly food, fortnightly recycling and residual waste every three weeks; a model that other authorities in the UK have already adopted.

The Environment and Climate Change

- 4.37 The Council is committed to tackling climate change, and the 2019-23 Corporate Plan prioritises the protection of the environment as we move to a low carbon future. The Council undertook a carbon audit to understand its 2018/19 carbon footprint in November 2019. It identified a baseline of 18,000 tonnes of carbon per annum. A significant contributor is from contract operating services on behalf of the Council and the buildings that the Council leases which account for 78% of the total emissions. These will be the most challenging emissions to reduce as they are not always within the direct control of the Council. As part of its initial response, the Council is putting together a sinking fund for its leisure centres. An earmarked leisure environment reserve will be built up from revenue and reserves aiming at the current contract break point in the mid-2020s; when any refurbishment and carbon reduction would go together most efficiently.
- 4.38 This and further targeted reductions to the Council's carbon emissions will come forward as the Council explores what actions it needs to take with an action plan in early 2020. This will also need to be fully costed and further funding will need to be set aside in the future.

5 Draft Revenue Budget for 2020/21

- 5.1 The 2020/21 budget has been prepared following a detailed "Budget Challenge", with Heads of Service challenged to increase revenue streams and reduce expenditure. The challenge process is there to ensure that excessive budgeting is avoided, additional income is found and efficiency savings are made. It also ensures that adequate resourcing is provided to meet service delivery items.
- 5.2 The budget requirement is for £11.2m. The detail of the revenue budget is shown in **Appendix A**. Due to the one-year 'same as' 2019/20 funding settlement from Government in 2020/21, the budget will generate an estimated surplus of £0.83m which should be earmarked into a transformation reserve and used to fund the further

transformation required to help deliver future recurrent savings and income needed to fully balance the budget by 2023/24.

- 5.3 A summary of the main items of growth and savings in the 2020/21 budget is set out in **Appendix B**. Along with the £870k reduction in recycling credits, salaries remain a significant cost pressure of approximately £325k in 2020/21 relating to a 2% pay award to staff. The Council has tried to mitigate the increase by reducing posts and hours where possible, although there is an overall growth in headcount, largely due to help the delivery of digital transformation.
- 5.4 Other significant items of growth include more expenditure in parks and countryside, rising fuel and transport costs, the impact of competition in Horsham on the Capitol, an increased general maintenance programme, investment in better technology and a higher volume of payment processing costs. The Council has also decided to take on a second graduate under the LGA's national graduate development programme during 2020/21.
- 5.5 The Year of Culture was one of the most ambitious and significant revenue projects in 2019. To deliver the extensive programme of supported events, additional funding of £300k spread over three years was approved in 2017/18, with 2019/20 the final year. The final projected overspend is forecast at £67k. To help leave a cultural legacy, the Council is investing a further £100k a year for two more years, in an operational outreach officer and a strategic officer so that it can be enjoyed by residents and visitors long after 2019.
- 5.6 With continuing pressures on the Council's budget and the on-going challenge this presents to future service delivery, in particular discretionary services, it is necessary that where possible services generate sufficient revenue to cover their cost of delivery. In 2020/21, this includes raising some fees and charges, most notably in changing parking charges in urban and rural areas and also increasing the price of the garden waste collection by £2 to £41 a year for the first bin and £31 for any additional bins. These and other notable fees and charge increases are set out in Appendix J.
- 5.7 In total, the increase in income and efficiencies has only mitigated some of the cost pressures and the net budget at £11.201m requirement is £0.77m higher than the £10.435m from the previous year, though this is largely caused by the loss of £0.87m WSCC recycling credits.
- 5.8 The budget also includes £225k of grants to the voluntary groups, the largest being £93k to the Citizen Advice Bureau in Horsham. A full list is included in **Appendix C**.

6 Special charge

- 6.1 Details of the Special Charge expenditure of £309,500 are included in **Appendix D**. The proposed the Special Charge for 2020/21 is set at £25.85, and is sufficient to fund the proposed Special Expenses. The increase in the special charge was discussed with the Neighbourhood Councils in December 2019.

7 Council Tax for 2020/21

2019/20		2020/21
£000		£000
10,435	Net expenditure	11,201

1,419	Contribution to / (from) general reserves	826
11,854		12,027
0	Revenue support grant	0
(4,807)	New homes bonus	(4,830)
4,807	<u>Less</u> contribution to new homes bonus reserve	4,830
(2,029)	Business Rates retention scheme baseline	(2,052)
0	Business Rates retention scheme net additional business rates	0
9,825	Expenditure to be financed from District Council Tax	9,975
(299)	<u>Less</u> funding by Special Charge taxpayers	(309)
(227)	<u>Less</u> share of estimated (surplus) / deficit on Collection Fund	(53)
9,299	Expenditure to be funded from District Council Tax	9,613
62,187	Estimated band D equivalent properties	63,029
£149.53	Council Tax at band D	£152.52
£2.88	Cost per week at band D	£2.93

Table 3 – Council Tax for 2020/21.

8 Capital Budget

- 8.1 The Council has applied its project management methodology to projects detailed in the Capital Programme for 2020/21 and completed business cases to ensure that decisions taken by the Council represent Value for Money.
- 8.2 At month 8, officers are forecasting delivery of £13.6m (63%) of the £21.2m 2019/20 programme. At this stage, approximately £3.2m of unspent items will be removed as no longer required, £0.4m on two schemes deferred into 2021/22 and £4m will be re-profiled into 2020/21.
- 8.3 The proposed £13.3m capital programme in 2020/21, includes completion of approved schemes from preceding years such as the schemes for the Highwood community centre, Horsham Skate Park and Oakhurst phase IV development. 2020/21 also includes a £113k (30%) uplift to the previously agreed £390k Warnham Nature Reserve Discovery Hub budget, the majority of which has slipped from 2019/20, taking the total cost of the project to £0.5m. There are also eleven other new schemes totalling £1.35m of which ten, and all bar £12.5k, are unfunded. Summary details of new schemes are in **Appendix E (ii)**. This includes a further £300k on two more rural car parking improvements in Henfield and Pulborough, taking the capital spend on six rural car parks to £880k in three years. As this is significantly more than the £50k a year sinking fund assumed in the original business case for introducing

rural car park charges. Revenue contributions to the sinking fund have been increased in 2020/21.

- 8.4 The full draft capital programme for 2020/21 is in **Appendix E (i)**. The new programme for 2020/21 is for approval by full Council. Budgets for future years are included to indicate the scale of provision that may be required to maintain the life of the Council's assets and meet the aspirations in the Corporate Plan.

Minimum Revenue Provision

- 8.5 The Council is required to set aside funds to repay the borrowing need each year through a revenue charge called the minimum revenue provision. The regulations require full Council to approve a statement of the provision in advance of each year and the statement is in **Appendix F**. No changes have been made.

Prudential Code and Capital Strategy

- 8.6 The Local Government Act 2003 requires the Council to have regard to the CIPFA Prudential Code and the Ministry of Housing, Communities and Local Government (MHCLG) guidance. These also cover the Council's commercial activities, notably commercial property. The objectives of the Prudential Code remain to ensure, within a clear framework, that the capital investment plans of local government authorities are affordable, prudent and sustainable, and that any investment management decisions are taken in accordance with good professional practice.
- 8.7 The Capital Strategy and the associated treasury and non-treasury investment strategies were considered by the Audit Committee on 18 December 2019. It gives a high-level picture of the Council's capital plans including financing and the overarching strategy of investment in traditional financial investments and non-treasury investments such as service loans and commercial property. The committee was asked to approve the preliminary Capital Strategy as the appropriate overall approach.
- 8.8 The final capital programme for 2020/21 has changed slightly compared with the version tabled at the Audit Committee on 18 December 2019 but the changes are not significant to the overall strategy, so it remains substantially the same as seen by the Audit Committee. The Audit Committee was also asked to recommend that the Council approve the Treasury Management Strategy and Investment Strategy that fits in with the overarching Capital Strategy.
- 8.9 The final revised Capital Strategy and estimates to be adopted by the Council are set out in **Appendix G**. The Council are asked to adopt them as the final group of prudential indicators. This report revises the indicators for 2019/20 and 2020/21 and introduces new indicators for 2021/22.
- 8.10 The major indicators are the projected financing of capital spend, the Capital Financial Requirement and projected debt. The Council's Capital Financial Requirement is the total outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of Council's underlying borrowing need. The Capital Strategy also sets limits on external debt and sets the overarching arrangements for borrowing, treasury investments, investments for service purposes and investments in commercial property for financial return.

9 Reserves

- 9.1 There will be a cost in implementing the transformation for which £0.5m each year is envisaged in 2020/21 through to 2023/24 and it is anticipated that this will be funded

by the surpluses in 2019/20 and 2020/21 and then from general reserves. The transformation will help balance future budgets and protect the level of general fund reserves as set out in **Appendix I**.

- 9.2 The Council agreed in October 2012 on a minimum level of general reserves of £6m. From 2021/22 onwards income from Government is very uncertain due to the consultation around business rate localisation and the Fair Funding Review. The Council's current strategy on reserves gives sufficient flexibility and headroom to deal with any issues that arise. Apart from funding transformation, the Council should not need to use general reserves for unexpected revenue spend in this period. Applying reserves in excess of the minimum level to finance the capital programme helps to reduce the MRP charge. Therefore the general fund balance is anticipated to remain above the £6m level throughout the Medium Term Financial Strategy period unless any further information from the Government or changes in the economy indicate a substantial worsening of our financial position beyond that currently predicted.
- 9.3 The Council will continue to review potential actions that it could take towards further transformation and / or income generating ideas to balance the budgets in 2021/22 through to 2023/24. These will be brought back in more detail in the next Medium Term Financial Strategy. A selection of potential efficiencies and income have already been generated and the programme will be constantly revisited and extended over the coming months. This will look at new sources of income, reviewing our workforce especially around recruiting and retaining local staff and supporting our people to take on broader and more complex roles, reviewing services to see if we can provide the same more efficiently, replacing our technology with cheaper, Cloud based options and increasing the amount of self-service using the internet.
- 9.4 The current selection in aggregate is sufficient to close the budget gap in the future and it is expected that as the Council gets to these years, the budgets would be firmed up with actual efficiencies and income to balance the budget. However the difficulty is in actually delivering, rather than identifying potential areas, and work will get underway in plenty of good time in 2020 to maximise the opportunity for success.

10 Risks

- 10.1 The Medium Term Financial Strategy takes a prudent but balanced view of the financial future, but continuing to take further action is also important to also help mitigate the risks that the Council faces over the medium term. These risks are set out in summary below and include:
- late delivery of transformation savings and income
 - lower savings or income as proposed changes cannot be delivered to the size / scale envisaged
 - income may be affected by external factors such as a recession. A recession did not occur in its normal timing of late in the decade so could be considered overdue.
 - economic uncertainty in Europe or arising as part of the United Kingdom's exit from the European Union.
 - a new baseline for business rates and 75% localisation.
 - Fair Funding review outcomes and / or further or steeper funding cuts / to help Government meet deficit reductions targets, including any impact on locally generated sales, fees and charges from the Fair Funding Review.
 - legislation forcing local government to pick up additional responsibilities currently unknown.

11 Next steps

- 11.1 The Council meeting on 12 February 2020 will set the Council Tax for 2020/21.

12 Views of the Policy Development Advisory Group and outcome of consultations

- 12.1 The proposed budget, Medium Term Financial Strategy and assumptions and capital programme were considered by the Finance and Assets Policy Development and Advisory Group at its meeting on 13 January 2020 and the Group was supportive of the proposed strategy.
- 12.2 The proposed budget and Medium Term Financial Strategy will be considered at the Overview & Scrutiny Committee meeting on 20 January 2020. The Committee's views will be orally reported to Cabinet at their meeting.
- 12.3 The Medium Term Financial Strategy was also recently reviewed at Cabinet on 28 November 2019 and approved by Council on 11 December 2019, which has allowed all Members the opportunity to discuss and review the Medium Term Financial Strategy proposals in advance of the 2020/21 budget setting process. The Leader, Deputy and Cabinet Members were also briefed on the proposed 2020/21 budgets in December 2019.
- 12.4 The Chief Executive, Directors and the Head of Finance have been extensively involved in preparing the Medium Term Financial Strategy and are fully supportive of its contents. The Monitoring Officer has also been consulted during the preparation of the document and is supportive of its contents.

13 Other courses of action considered but rejected

- 13.1 Not taking actions set out in this report would put at risk the ability of the Council to balance the budgets from 2020/21 through to 2023/24. Therefore, not taking any action has been rejected.

14 Resource consequences

- 14.1 The work on the digital transformation may increase headcount slightly over the next two to three years to enable the capacity to implement new systems at the same time as running the old ones. The headcount would fall back again once this has ended. The precise figure of any future reductions over the Medium Term Financial Strategy, currently estimated at around ten posts, will be firmed up as detailed plans for the individual elements are finalised. In accordance with the Organisational Change Policy the Council will take steps to avoid compulsory redundancies as far as possible through a combination of vacancy control, redeployment and, in appropriate cases, voluntary redundancy.

15 Legal consequences

- 15.1 The Council Tax in England and Wales is provided for and governed by the provisions of the Local Government Finance Act 1992. Within this Act, the Council is designated as a "Billing Authority", responsible for the billing, collection and enforcement of Council Tax. The Council is required under the Local Government Finance Act 1992 to produce a 'balanced budget'.
- 15.2 Section 25 of the Local Government Act 2003 requires Chief Financial Officers to report to their Council about the robustness of estimates and the adequacy of reserves when determining their precepts, and local government authorities are

required to take the Chief Financial Officer's report into account when setting the Council Tax. This report is shown in appendix I.

- 15.3 This report also sets out the Council's Medium Term Financial Strategy. The Director of Corporate Resources has a statutory duty, under Section 151 of the Local Government Act 1972 and Section 73 of the Local Government Act 1985, to ensure that there are proper arrangements in place to administer the Council's financial affairs.

16 Risk assessment

- 16.1 The Council's reliance on Government controlled funding and balancing the Medium Term Financial Strategy is captured on the Corporate Risk Register at CRR01. This is regularly reviewed and updated and is monitored at Audit Committee.

17 Other considerations

- 17.1 The Equality Act 2010 includes a public sector equality duty which requires local government authorities when exercising functions to have due regard to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act and to advance equality of opportunity and foster good relations between those who share a "protected characteristic and those who do not share that protected characteristic". When a Budget proposal has implications for people covered by the Equality Act 2010, the Council must take account of the Equality Duty and any particular impact on the protected group. There are no equality implications in regards to this proposed budget.
- 17.2 There are no negative consequences of any action proposed in this budget in respect of Crime & Disorder; Human Rights; Diversity and Sustainability.

Addendum to 2020/21 budget funding – updated 31 January 2020

Since the 2020/21 budget papers were compiled for the Cabinet meeting on 23 January 2020, a change has been made affecting the funding. There is no overall change to the projected surplus in 2020/21 or the MTFS. The changes are highlighted in blue italics and explained below.

	2019/20	2020/21	2021/22	2022/23	2023/24
Table 1: MTFS	£000	£000	£000	£000	£000
Current net expenditure	10,435	11,201	12,020	11,660	11,770
<i>Income / savings to deliver through transformation</i>	<i>In budget</i>	<i>In budget</i>	(565)	(330)	(280)
Expected net expenditure after transformation	10,435	11,201	11,455	11,330	11,490
Funding: Council Tax	(9,598)	(9,922)	(10,265)	(10,620)	(10,980)
Baseline Business Rates	(2,029)	(2,052)	(1,100)	(500)	(250)
Additional Business Rates	0	0	0	(50)	(50)
Collection Fund (surplus)/deficit	(227)	<i>608</i>	-	-	-
<i>NDR Collection Fund deficit funding drawn from earmarked NDR reserve</i>		<i>(661)</i>			
Total Funding	(11,854)	(12,027)	(11,365)	(11,170)	(11,280)
Net (Surplus) / Deficit	(1,419)*	(826)	90	160	210

The completion of the National Non-Domestic Rates return (NDR1) on 30 January 2020 using the latest data available has resulted in a Collection Fund deficit. The Council tax surplus element of the collection fund position remains unchanged at £53k.

The change in the NDR pooling arrangements in 2020/21 and percentages used to distribute the in-year and prior years surpluses and deficits, and the likelihood of a further changes to the percentages in the future under business rate localisation means that it is prudent to draw funding from the earmarked NDR reserve to offset this NDR deficit of £661k. The earmarked NDR reserve was set up to smooth out such timings and issues.

Therefore, in 2020/21 there is no overall change to the net surplus.

Report to Council

Date of meeting 12 February 2020

By the Cabinet Member for Finance and Assets



DECISION REQUIRED

Not exempt

COUNCIL TAX RESOLUTION 2020/21

Executive Summary

This report seeks approval to the formal 2020/21 Council Tax resolution, setting out the Council Tax to be levied in each parish and for each property band. It is proposed to increase the District-wide Council Tax by £2.99 from £149.53 to £152.52 and to set the Special Charge in the unparished area at £25.85. Precepts from West Sussex County Council, West Sussex Police and Crime Commissioner and parishes have been received and form part of the overall Council Tax.

Note that West Sussex County Council will formally approve the County's Council Tax precept at their Council meeting on 14 February 2020.

Recommendations

The Council is recommended to resolve:

1. The Council Tax Base 2020/21 be noted
 - a. for the whole Council area as 63,029.0 (Item T in the formula in section 31B of the Local Government Finance Act 1992, as amended (the "Act") and
 - b. for dwellings in those parts of its area to which as Parish Precept or Special Expenses relates as shown below:

Parish	2020/21 tax base
Amberley	325.0
Ashington	1,146.8
Ashurst	148.3
Billingshurst	4,182.2
Bramber	414.7
Broadbridge Heath	2,263.4
Coldwaltham	471.8
Colgate	1,606.7
Cowfold	854.5
Henfield	2,729.5
Itchingfield	770.0
Lower Beeding	547.9
North Horsham	8,733.3
Nuthurst	1,067.8
Parham	124.8
Pulborough	2,524.4
Rudgwick	1,408.5
Rusper	907.1
Shermanbury	285.5
Shipley	638.6
Slinfold	921.4
Southwater	4,613.9
Steyning	2,586.7
Storrington & Sullington	3,314.8
Thakeham	1,031.7
Upper Beeding	1,452.0
Warnham	1,002.2
Washington	1,093.6
West Chiltington	2,194.2
West Grinstead	1,311.2
Wiston	107.8
Woodmancote	274.8
Horsham Town	11,973.8
Total	63,029

2. That the Council Tax requirement for the Council's own purposes for 2020/21 (excluding Special Expenses and Parish precepts) is £152.52
3. That the following amounts be calculated for the year 2020/21 in accordance with Sections 31 to 36 of the Act:

- (a) £92,757,151 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
- (b) £78,969,315 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £13,787,876 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
- (d) £218.75 being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £4,174,709 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act
- (f) £152.52 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

(g)					
		Council Tax at Band D			
Parish	Precept Amount £	Parish Precept / Special charge for Unparished Area £	Basic Amount of District Council Tax £		Total £
Amberley	28,287.00	87.04	152.52		239.56
Ashington	101,733.00	88.71	152.52		241.23
Ashurst	12,300.00	82.94	152.52		235.46
Billingshurst	373,325.00	89.27	152.52		241.79
Bramber	24,304.00	58.61	152.52		211.13
Broadbridge Heath	117,880.00	52.08	152.52		204.60
Coldwaltham	16,180.00	34.29	152.52		186.81
Colgate	25,772.00	16.04	152.52		168.56
Cowfold	63,218.00	73.98	152.52		226.50
Henfield	257,548.00	94.36	152.52		246.88
Itchingfield	65,000.00	84.42	152.52		236.94
Lower Beeding	37,010.00	67.55	152.52		220.07
North Horsham	335,194.00	38.38	152.52		190.90
Nuthurst	49,842.00	46.68	152.52		199.20
Parham	5,014.00	40.18	152.52		192.70
Pulborough	234,655.00	92.95	152.52		245.47
Rudgwick	100,331.00	71.23	152.52		223.75
Rusper	32,276.00	35.58	152.52		188.10
Shermanbury	22,570.00	79.05	152.52		231.57
Shipley	34,361.62	53.81	152.52		206.33
Slinfold	59,935.00	65.05	152.52		217.57
Southwater	693,102.00	150.22	152.52		302.74
Steyning	322,305.00	124.60	152.52		277.12
Storrington & Sullington	240,577.00	72.58	152.52		225.10
Thakeham	59,854.00	58.01	152.52		210.53
Upper Beeding	199,125.00	137.14	152.52		289.66
Warnham	84,199.61	84.01	152.52		236.53
Washington	41,808.00	38.23	152.52		190.75
West Chiltington	143,172.00	65.25	152.52		217.77
West Grinstead	71,500.00	54.53	152.52		207.05
Wiston	4,156.00	38.55	152.52		191.07
Woodmancote	8,675.00	31.57	152.52		184.09
Horsham Town - Special charge	309,500.00	25.85	152.52		178.37

being the amounts given by adding to the amount at (f) above the amounts of the special items relating to the dwellings in those parts of the Council's area mentioned above, calculated by the Council, in accordance with section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

4. To note that the County Council have proposed precepts and the Sussex Police and Crime Commissioner has notified precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below:

Band Authority	A	B	C	D	E	F	G	H
West Sussex County Council	959.16	1,119.02	1,278.88	1,438.74	1,758.46	2,078.18	2,397.90	2,877.48

Band Authority	A	B	C	D	E	F	G	H
Sussex Police and Crime Commissioner	133.27	155.49	177.70	199.91	244.33	288.76	333.18	399.82

- a. to delegate authority to the Director of Corporate Resources and S151 officer to amend the County precept in section 4 of the report and the aggregate amounts in section 5 of the report, if so notified by West Sussex County Council following the County's budget setting meeting at Council on 14 February 2020.

The Horsham District Figures are shown below:-

Band Authority	A	B	C	D	E	F	G	H
Horsham District Council	101.68	118.63	135.57	152.52	186.41	220.31	254.20	305.04

5. That, having calculated the aggregate in each case of the amounts at 3 and 4 above the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2020/21 for each part of its area and for each of the categories of dwellings:

BAND	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Amberley	1,252.13	1,460.84	1,669.52	1,878.21	2,295.58	2,712.97	3,130.34	3,756.41
Ashington	1,253.25	1,462.14	1,671.00	1,879.88	2,297.62	2,715.39	3,133.13	3,759.76
Ashurst	1,249.40	1,457.65	1,665.87	1,874.11	2,290.57	2,707.05	3,123.51	3,748.22
Billingshurst	1,253.62	1,462.57	1,671.50	1,880.44	2,298.30	2,716.19	3,134.06	3,760.87
Bramber	1,233.18	1,438.72	1,644.24	1,849.78	2,260.83	2,671.90	3,082.96	3,699.55
Broadbridge Heath	1,228.83	1,433.65	1,638.44	1,843.25	2,252.85	2,662.48	3,072.08	3,686.50
Coldwaltham	1,216.97	1,419.81	1,622.63	1,825.46	2,231.12	2,636.79	3,042.44	3,650.93
Colgate	1,204.80	1,405.62	1,606.41	1,807.21	2,208.80	2,610.42	3,012.01	3,614.42
Cowfold	1,243.43	1,450.68	1,657.91	1,865.15	2,279.62	2,694.11	3,108.58	3,730.30
Henfield	1,257.01	1,466.53	1,676.02	1,885.53	2,304.53	2,723.54	3,142.54	3,771.05
Itchingfield	1,250.39	1,458.80	1,667.19	1,875.59	2,292.37	2,709.18	3,125.97	3,751.17
Lower Beeding	1,239.14	1,445.68	1,652.19	1,858.72	2,271.76	2,684.82	3,097.86	3,717.44
North Horsham	1,219.70	1,422.99	1,626.27	1,829.55	2,236.11	2,642.69	3,049.25	3,659.10
Nuthurst	1,225.23	1,429.44	1,633.64	1,837.85	2,246.25	2,654.67	3,063.08	3,675.69
Parham	1,220.89	1,424.39	1,627.86	1,831.35	2,238.30	2,645.28	3,052.24	3,662.69
Pulborough	1,256.08	1,465.44	1,674.78	1,884.12	2,302.81	2,721.52	3,140.20	3,768.25
Rudgwick	1,241.60	1,448.54	1,655.47	1,862.40	2,276.26	2,690.14	3,104.00	3,724.81
Rusper	1,217.83	1,420.81	1,623.78	1,826.75	2,232.69	2,638.65	3,044.58	3,653.50
Shermanbury	1,246.81	1,454.63	1,662.42	1,870.22	2,285.82	2,701.44	3,117.04	3,740.45
Shipley	1,229.98	1,434.99	1,639.98	1,844.98	2,254.97	2,664.97	3,074.96	3,689.96
Slinfold	1,237.48	1,443.73	1,649.97	1,856.22	2,268.70	2,681.21	3,093.69	3,712.44
Southwater	1,294.26	1,509.98	1,725.68	1,941.39	2,372.80	2,804.24	3,235.65	3,882.78
Steyning	1,277.18	1,490.05	1,702.91	1,915.77	2,341.49	2,767.23	3,192.95	3,831.54
Storrington & Sullington	1,242.49	1,449.59	1,656.66	1,863.75	2,277.90	2,692.08	3,106.24	3,727.49
Thakeham	1,232.79	1,438.26	1,643.72	1,849.18	2,260.11	2,671.05	3,081.97	3,698.37
Upper Beeding	1,285.54	1,499.80	1,714.05	1,928.31	2,356.81	2,785.34	3,213.84	3,856.62
Warnham	1,250.12	1,458.48	1,666.83	1,875.18	2,291.88	2,708.60	3,125.30	3,750.37
Washington	1,219.60	1,422.87	1,626.13	1,829.40	2,235.93	2,642.47	3,049.00	3,658.80
West Chiltington	1,237.61	1,443.89	1,650.15	1,856.42	2,268.95	2,681.50	3,094.03	3,712.84
West Grinstead	1,230.46	1,435.55	1,640.62	1,845.70	2,255.85	2,666.02	3,076.16	3,691.40
Wiston	1,219.81	1,423.13	1,626.42	1,829.72	2,236.32	2,642.94	3,049.53	3,659.45
Woodmancote	1,215.16	1,417.69	1,620.21	1,822.74	2,227.78	2,632.85	3,037.89	3,645.48
Horsham Town - Special charge	1,211.34	1,413.25	1,615.13	1,817.02	2,220.79	2,624.59	3,028.36	3,634.04

6. To note that the Council's basic amount of Council Tax for 2020/21 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

Horsham District Council Tax Band D, inclusive of the special charge, as reported to Government.

2019/20	2020/21	Council Tax increase
£154.34	£157.43	£3.09 (or 2%)

As the billing Authority the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2020/21 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 522K Local Government Act 1992.

7. To approve a change in the Council Tax discount policies which have been updated to include:
- Horsham District Council has determined that Council Tax payable in respect of long-term empty properties over 5 years will be 100% of Council Tax due, plus an additional premium of 100% of Council Tax due.

Reasons for Recommendations

To meet the Council's statutory requirement to set a Council Tax.

Background Papers

Report to Cabinet 23 January 2020

**Consultation
Wards Affected
Contact**

**None
All
Dominic Bradley, Head of Finance, 01403 215302**

Background Information

1 Introduction

- 1.1 The purpose of this report is to enable the Council to calculate and set the Council Tax for 2020/21.

Background / actions taken to date

- 1.2 The Cabinet met on 23 January 2020 and received a report from the Director of Corporate Resources on the 2020/21 Budget and the Medium Term Financial Strategy. The report was accepted and recommendations made to Council to agree the revenue and capital budgets for 2020/21 and the Special Expenses for the unparished area. The recommendation was to increase the District-wide Council Tax by £2.99 from £149.53 to £152.52 and set the Special Charge on the unparished area at £25.85.

2 Statutory and Policy Background

- 2.1 The statutory requirements for the Council Tax resolution are contained in the Local Government Finance Act 1992 as amended by the Localism Act 2011. The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 came into force on 25 February 2014 and require that immediately after any vote is taken at a budget decision meeting of an authority there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting.

3 Details

- 3.1 Precept requirements have been received from all the parishes within the district and from West Sussex County Council and the Sussex Police and Crime Commissioner. These figures, together with the proposed District tax and Special Charge are incorporated in the detailed tables included in the Council Tax resolution.
- 3.2 The Council Tax discount policies are summarised below:
- Horsham District Council will not award any discount period on empty and unfurnished homes; 100% council tax will be payable.
 - Horsham District Council will not award any discretionary discount for vacant property; 100% council tax will be payable.
 - Horsham District Council has determined that Council Tax payable in respect of long-term empty properties over 2 years will be 100% of Council Tax due plus an additional premium of 50% of Council Tax due.
 - Horsham District Council has determined that Council Tax payable in respect of long-term empty properties over 5 years will be 100% of Council Tax due, plus an additional premium of 100% of Council Tax due.
 - Horsham District Council will not award a Council Tax discount on second homes; 100% council tax will be payable.

- 3.3 Furthermore, Horsham District Council has determined that from 2021/22 Council Tax payable in respect of long-term empty properties over 10 years will be 100% of Council Tax due, plus an additional premium of 200% of Council Tax due.

4 Other courses of action considered but rejected

- 4.1 The Council is legally required to set a Council Tax. No other course of action has been considered.

5 Resource consequences

- 5.1 The financial consequences of the proposed budget have been included in the report to Cabinet. The staffing consequences of the proposed budget have been included in the report to Cabinet.

6 Legal consequences

- 6.1 The Council Tax in England and Wales is provided for and governed by the provisions of the Local Government Finance Act 1992. Within this Act, the Council is designated as a "Billing Authority", responsible for the billing, collection and enforcement of Council Tax.

7 Risk assessment

- 7.1 The Council's reliance on central government controlled funding and balancing the Medium Term Financial Strategy is captured on the Corporate Risk Register at CRR01. This is regularly reviewed and updated and is monitored at every Audit Committee meeting.

8 Other considerations

- 8.1 The Equality Act 2010 includes a public sector equality duty which requires Councils when exercising functions to have due regard to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act and to advance equality of opportunity and foster good relations between those who share a "protected characteristic and those who do not share that protected characteristic". When a Budget proposal has implications for people covered by the Equality Act 2010, the Council must take account of the Equality Duty and any particular impact on the protected group. There are no equality implications in regards to this proposed budget.
- 8.2 There are no consequences of any action proposed in respect of Crime & Disorder; Human Rights; Diversity and Sustainability.

Capital Strategy

1. **Capital Expenditure and Financing:** The Council is asked to approve the projected capital expenditure and financing below. It includes the capital programme in this report and estimates of capital spend that may become necessary during the period of the medium term financial strategy. It is one of the prudential indicators required by the CIPFA Prudential Code.

£millions	2018/19 Actual £000	2019/20 Estimate £000	2020/21** Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000
Projected Capital Expenditure	14.6	13.4	18.4	10.9	12.8
Financed by:					
External resources	3.5	3.7	5.5	6.8	9.1
Internal Resources *	7.4	6.7	7.7	4.1	3.7
Debt	3.7	3.0	5.2	0.0	0.0
Total Financing	14.6	13.4	18.4	10.9	12.8

* Includes use of New Homes Bonus

** The capital spend in 2020/21 includes £3.5m due to a change in the accounting for leases

2. The term 'Debt' used above does not automatically lead to external borrowing as the Council can use funds it holds in reserves and working capital which is usually termed 'internal borrowing'. Over time all debt whether it be internal or external borrowing must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). The current planned MRP payments are as follows:

£millions	2018/19 actual	2019/20 forecast	2020/21 budget	2021/22 budget	2022/23 budget
MRP	0.870	0.844	1.083	1.129	1.131

3. The Council's cumulative outstanding amount of debt finance is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and any capital receipts used to replace debt. The CFR is expected to increase by £4.2m during 2020/21. A change in the accounting for leases introduced £3.3m of that increase. The Council's estimated CFR is as follows:

£millions	31.3.2019 actual	31.3.2020 forecast	31.3.2021 budget	31.3.2022 budget	31.3.2023 budget
CFR	33.2	35.3	39.5	38.4	37.2

4. **Asset disposals:** Capital assets may be sold and the proceeds, known as capital receipts, spent on new assets. Repayments of capital grants, loans and investments also generate capital receipts. The Council projects capital receipts as follows:

£millions	2018/19	2019/20	2020/21	2021/22	2022/23
TOTAL	1.3	1.1	3.7	4.0	3.2

Treasury Management

- Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. It involves both borrowing and investing both of which activities have their own control framework.
- Borrowing strategy** The Council has no plans to borrow but could find itself in a position which calls for some borrowing. In that circumstance the main objectives when borrowing would be to achieve a low but certain cost of finance while retaining flexibility.
- Debt compared to CFR:** Projected levels of the Council's total outstanding debt) are shown below, compared with the Capital Financing Requirement. Statutory guidance is that debt should remain below the Capital Financing Requirement, except in the short-term. As can be seen from the table the Council expects to comply with this in the medium term. The Council is relying on 'internal borrowing' i.e. using reserves and other cash resources that it holds rather than borrow from external sources, which is considered to be sustainable in the medium term.

£millions	31.3.2019 actual	31.3.2020 forecast	31.3.2021 budget	31.3.2022 budget	31.3.2023 budget
Debt (incl. leases)	0	0	3.5	3.3	3.1
CFR	33.2	35.3	39.5	38.4	37.2

- The affordable borrowing limit:** Irrespective of plans to borrow or not the Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit. The increase in lease figures from 2020/21 reflects the fact that the accounting treatment of leases changes from that year. Although no borrowing is planned, limits are set in case a need develops.

£millions	2019/20 limit	2020/21 limit	2021/22 limit	2022/23 limit
Authorised limit – borrowing	15	15	15	15
Authorised limit – leases	1	6	6	6
Authorised limit – total external debt	16	21	21	21
Operational boundary – borrowing	0	0	0	0
Operational boundary – leases	0	4	4	4
Operational boundary – total external debt	0	4	4	4

9. **Treasury investments:** The Council prioritises security and liquidity over yield, minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice. The future longer term investments in the table below are strategic pooled funds that the council intends to hold for the longer term although they can be sold if required. The projections show cash balances at year-end, which is a cash low point, remaining about £30m until 2022/23.

	31.3.2019 actual	31.3.2020 forecast	31.3.2021 budget	31.3.2022 budget	31.3.2023 budget
Near-term investments	19	11	11	10	5
Longer-term investments	17	19	20	20	20
TOTAL	36	30	31	30	25

10. **Treasury investment governance:** Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Director of Corporate Resources and staff, who must act in line with the Treasury Management Strategy as approved by the Council following scrutiny and recommendation by the Audit Committee. The Audit Committee also receives a mid-year and full year report and is responsible for scrutinising treasury management.
11. **Treasury investment in detail:** The more detailed Treasury Management Strategy was recommended by the Audit Committee on 18th December 2019 to be approved by the Council. It covers a series of limits, benchmarks and indicators that form a risk management framework.

Service and Commercial Investment Strategy

12. **Investments other than the traditional treasury:** This section concerns investments other than the traditional treasury instruments. It was introduced last year as required by new CIPFA and MHCLG guidance. Both bodies acted on their concerns over the increasing risks that they saw in councils' commercial operations. The main categories dealt with are loans to or shares in other bodies to provide services on behalf of the Council and property investments where the income earned supports services.

13. **Investment for service purposes:** The Council can make investments to assist local public services, including making loans to local service providers and buying shares and making loans to any Council subsidiaries that provide services. Overall limits are set at £1.5m on the total exposure to loans for service purposes and £0.5m exposure permitted for shares being held. These limits were recommended by the Audit Committee on 18th December 2019 for adoption by the Council.
14. **Investment for service purposes - Governance:** Decisions on service investments are made by the full Council after the relevant Head of Service has submitted a comprehensive analysis in consultation with the Director of Corporate Resources and must meet the criteria and limits. Most loans and shares are capital expenditure and will therefore also have to be approved as part of the capital programme in the Budget report or by full Council.
15. **Commercial activities:** To support its services the Council invests in commercial property. Commercial property investments are currently valued at £51m and they provide a net return after direct costs of just over 7%.
16. **Risks of commercial property:** The Council recognises the higher risk on commercial investment compared with treasury investments. The principal risk exposures include individual vacancies, falls in market value, and economic factors. Individual property risks are monitored and managed by the Head of Property. In order that commercial investments remain proportionate to the financial capacity of the Council, this strategy sets an overall maximum investment limit at £60m. Should income not meet expectations the Council holds at least £6m of general reserves to cover any shortfall in the short term while the Head of Property reviews the performance of the portfolio.
17. **Commercial property - governance:** Decisions on new commercial investments are made by the Cabinet after recommendation from the Cabinet Advisory Sub-Committee (Property Investment). Property and most other commercial investments are also capital expenditure and purchases will therefore also be approved as part of the capital programme.
18. **Other liabilities:** The Council also has liabilities that it must seek to risk manage which this strategy covers. The Council has set aside £2.5m to cover risks of Business Rates Appeals. The Council is also at risk of having to pay for historic insurance claims but has not put aside any money because there is no reasonable assessment of the amount required.
19. **Other liabilities - governance:** Decisions on incurring new discretionary liabilities are taken by the relevant Director whose directorate budget would cover the crystallisation of a liability. These would be discussed at the quarterly corporate risk management meeting and final decisions as to recognition taken

by the Director of Corporate Resources. New liabilities exceeding £1m are reported to full Council for approval or notification as appropriate. Further details on historic liabilities are in note 18 of the 2018/19 statement of accounts.

20. The more detailed strategy on the non-treasury investments was included in the Investment strategy incorporated in the Capital Strategy report that was recommended by Audit Committee on 18 December 2019 to be approved by the Council. That report includes detailed limits and indicators designed to demonstrate a prudent risk management approach.

21. **Revenue Budget Implications:** Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants. The table below shows the proportion is small as the investment income earned largely balance out financing costs.

	2018/19 actual	2019/20 forecast	2020/21 budget	2021/22 budget	2022/23 budget
Financing costs (£m)	0.0	0.0	0.3	0.3	0.3
Proportion of net revenue stream	0%	0%	2%	3%	3%

22. **Sustainability of the capital programme and financing:** Due to the long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 40 years into the future. The Director of Corporate Resources is satisfied that the proposed capital programme is prudent, affordable and sustainable because the net budget demand on the Council and the risks in the programme have been reviewed and fall within the Council's tolerances.

23. **Knowledge and Skills:** The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Director of Corporate Resources and S151 Officer is a qualified accountant with over 25 years' experience and the Head of Property is a fellow of RICS with over 30 years' of experience in commercial property. The Council will also support more junior staff to study towards relevant professional qualifications. Where Council staff do not have the knowledge and skills required, use is made of external advisers that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers and for any significant property investment would use property consultants with specialist knowledge of the appropriate property sector.

New Homes Bonus (NHB) – January 2020

removed completely 2021/22		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
5 years in 2017/18	2011/12	379	379	379	379	379	379							
4 years from 2018/19	2012/13		390	390	390	390	390							
1 year from 2020/21	2013/14			397	397	397	397	397						
No new payment in 21/22	2014/15				776	776	776	776						
	2015/16					994	994	994	994					
	2016/17						1,462	1,462	1,462	1,462				
0.4% baseline	2017/18							1,186	1,186	1,186	1,186			
0.4% baseline	2018/19								1,185	1,185	1,185	1,185		
0.4% baseline	2019/20									974	974	974	974	
0.4% baseline	2020/21										1,485			
Ended	2021/22													
Ended	2022/23													
Ended	2023/24													
		379	769	1,166	1,942	2,936	4,398	4,815	4,827	4,807	4,830	2,159	974	0
Used to fund revenue		0	0	1,166	1,166	1,166	1,166	700	0	0	0	0	0	0
Used for BBH leisure centre		0	0	0	0	0	2,000	5,000	4,500	565	0	0	0	0
Neighbourhood warden seeding									30	75	45	0	0	0
Investment property / infrastructure										3,000	3,000	3,000	3,000	3,000
Added to / (drawn from) Reserves		379	769	0	776	1,770	1,232	-885	297	1,167	1,785	-841	-2,026	-3,000
Total Reserve figure		379	1,148	1,148	1,924	3,694	4,926	4,041	4,338	5,505	7,290	6,449	4,423	1,423

Notes:

The December 2019 Provisional Settlement confirmed the technical consultation paper for the Local Government Finance Settlement 2020-21 and the change in mechanism of NHB to a single year payment only. Previous legacy payments will continue until they expire naturally. The 0.4% baseline is the amount which needs to be exceeded before any NHB payments are made. Measured against the total band D equivalents in the district, 0.4% equates to approximately 240 additional houses a year before we receive the payment in 2020/21.

Reliance on NHB to support revenue was tapered down to nil in 2018/19. We took measures to increase income and phase in additional spending reductions to balance the budget as new homes bonus was not considered a permanent source of income. We expect Government to confirm the end of NHB in its current form and include it as a counterweight in the 75% localisation of business rates and the Fair Funding Review in 2021/22. Government has not yet confirmed projected figures in *red italics*. We anticipate an alternative or replacement scheme, if it happens, starting in 2021/22.

The table assumes that NHB reserve is used to fully fund £3m of commercial property investment or infrastructure each year now that the BBH leisure centre is paid for, thus financing the purchases and reducing the MRP charge of an unfinanced asset.

Department Revenue Budgets

2020/21 Budget in £'000												
Prior Year Budget £'000		Employees	Premises	Transport and Plant	Supplies and Services	Contract Payments	Capital Costs	Expenditure	Grants , Contributions and Interest	Customer Receipts	Income	*Net Expenditure
1,206	Corporate Management	689	0	17	501	0	0	1,207	(26)	0	(26)	1,181
476	Communications	396	0	0	91	0	0	487	0	(10)	(10)	477
585	Revs & Bens Admin	0	0	0	10	1,104	0	1,114	(462)	0	(462)	652
199	Policy And Performance	265	0	0	0	0	0	265	0	0	0	265
1,086	Legal & Democratic	1,001	0	0	334	0	0	1,335	(6)	(80)	(86)	1,249
821	Finance Accountancy	662	0	0	105	46	0	812	0	(13)	(13)	799
959	Finance Corporate	397	0	0	229	233	944	1,803	(954)	38	(916)	887
1,790	Technology	967	0	1	976	0	0	1,944	0	(83)	(83)	1,861
503	Human Resources & Org Development	430	0	1	93	0	0	524	0	0	0	524
(2,796)	Parking Services	674	963	1	559	0	0	2,196	(216)	(5,211)	(5,427)	(3,231)
471	Customer Services	389	0	0	134	0	0	523	0	(37)	(37)	486
226	Leisure & Culture	145	0	0	62	0	0	208	0	0	0	208
242	Museums	183	72	0	50	0	0	305	0	(44)	(44)	261
154	Capitol	759	351	2	1,124	0	0	2,236	0	(2,014)	(2,014)	222
(386)	Leisure Services	245	101	5	180	78	0	658	(59)	(918)	(978)	(319)
889	Parks And Countryside	702	417	1	240	186	0	1,547	(49)	(509)	(558)	989
2,624	Street Scene & Fleet	972	95	1,240	349	5	0	2,660	0	(64)	(63)	2,597
183	Waste & Recycling	3,311	0	9	1,168	91	0	4,580	(474)	(2,956)	(3,429)	1,150
669	Environmental Services/Licensing	1,137	0	19	170	0	0	1,326	(7)	(633)	(640)	686
210	Housing	622	429	4	542	0	0	1,597	(308)	(1,097)	(1,404)	192
796	Community Services	1,225	12	37	409	25	0	1,708	(821)	(81)	(902)	806
(43)	Building Control	767	5	19	58	0	0	848	(325)	(546)	(871)	(23)
306	Development	1,662	0	6	278	1	0	1,947	(80)	(1,870)	(1,950)	(3)
1,132	Spatial Planning	911	1	4	318	0	0	1,234	(93)	(14)	(106)	1,127
617	Properties & Facilities	473	0	1	83	0	0	557	(18)	(1)	(19)	538
(3,713)	Investment Properties	0	148	0	244	0	0	393	0	(4,239)	(4,239)	(3,847)
788	Operational Properties	0	816	0	209	5	0	1,030	0	6	6	1,035
509	Economic Development	320	74	2	142	6	0	544	(2)	(66)	(68)	477
10,504		19,303	3,484	1,368	8,658	1,780	944	35,586	(3,898)	(20,441)	(24,339)	11,246
85	Benefit Payments	0	0	0	100	28,850	0	28,950	(28,000)	(900)	(28,900)	50
10,589	Total	19,303	3,484	1,368	8,758	30,630	944	64,536	(31,898)	(21,341)	(53,239)	11,296
(154)	Less Capitalised Salaries											(96)
10,435	Total											11,201
	Prior Year comparison budget sub-totals	18,403	3,246	1,332	9,226	32,971	877	66,055	(35,055)	(20,411)	(55,466)	

* There may be small rounding differences

Description	Forecast 19/20	Budget 20/21	Budget 21/22	Budget 22/23	Budget 23/24
100318 - 96 ACT-DISABLED FACILITY GRANT	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
100319 - ACT-HOME REPAIR ASSIST. GRANT	125,000	125,000	125,000	125,000	125,000
100322 - HOUSING ENABLING GRANTS	829,000	1,873,160	3,414,000	3,000,000	3,000,000
100354 - SWAN WALK CENTRE	300,000	0	0	0	0
100396 - VEHICLES - NEW	245,000	530,000	455,000	540,000	25,000
100407 - DISASTER RECOVERY	7,389	0	0	0	0
100414 - BBHLC-NEW BUILD	835,129	0	0	0	0
100421 - PIRIES PLACE CARPARK	3,992,601	0	0	0	0
100438 - CORPORATE PROVISION - ASSET ENHANCEMENT	50,000	50,000	500,000	500,000	500,000
100447 - COMMERCIAL ESTATES - GENERAL	100,000	100,000	100,000	100,000	100,000
100453 - PIRIES PLACE CAR PARK LIFT	76,635	0	0	0	0
100454 - FORUM CAR PARK LIFT	15,454	0	0	0	0
100465 - BISHOPRIC REFURBISHMENT / ENHANCEMENT	0	0	231,663	0	0
100473 - COMMERCIAL PROPERTY INVESTMENT FUND	0	3,000,000	0	0	0
100477 - HORSHAM PARK POND IMPROVEMENTS	5,709	17,126	0	0	0
100478 - BENNETS FIELD IMPROVEMENTS	12,000	38,000	0	0	0
100479 - WARNHAM NATURE RESERVE IMPROVEMENTS	50,000	454,348	0	0	0
100491 - PIXIES HOLLOW FOOTBALL PITCH IMPROVEMENT	0	0	17,549	0	0
100498 - ST MARY'S GARDEN OF REMEMBRANCE	3,426	0	0	0	0
100505 - ROWAN DRIVE GARAGES, BILLINGSHURST	1,285,653	0	0	0	0
100506 - PEARY CLOSE, HORSHAM	259,794	0	0	0	0
100507 - LAND AT OAKHURST BUSINESS PARK - PHASE 4	801,060	1,400,000	0	0	0
100512 - BILLINGSHURST CAR PARK DEVELOPMENT	150,000	0	0	0	0
100513 - ALBION WAY CONNECTIVITY - WORTHING ROAD	0	200,000	0	0	0
100514 - HORSHAM TO SOUTHWATER - CYCLING & WALKING ROUTE	0	0	160,000	0	0
100515 - PAVILIONS LEGACY	60,744	0	0	0	0
100517 - HORSHAM PARK PLAY AREA IMPROVEMENTS	78,428	0	0	0	0
100518 - PARKING CCTV	30,000	0	0	0	0
100519 - PAY & DISPLAY MACHINES	7,537	0	0	0	0
100521 - SWAN WALK REDEVELOPMENT	815,000	0	0	0	0
100522 - ROFFEY RECREATION GROUND REGENERATION PROJECT	0	96,660	0	0	0
100523 - HORSHAM SKATE PARK	50,000	200,000	0	0	0
100524 - WEST STREET PLANTING	23,705	0	0	0	0
100530 - HORSHAM DISTRICT EXPERIENCE APP & WEBSITE	15,000	65,000	0	0	0
100531 - BOARDWALK REPLACEMENTS - S'WATER C PARK & L'POOL WOODS	26,500	11,500	0	0	0
100532 - BILLINGSHURST BYPASS REC PATH IMPROVEMENTS - NORTH PHASE1	0	45,000	0	0	0
100533 - BILLINGSHURST BYPASS REC PATH IMPROVEMENTS - NORTH PHASE 2	0	30,000	0	0	0
100534 - HORSHAM PARK - NEW RUBBISH BINS	0	25,000	0	0	0
100535 - PARK HOUSE, HORSHAM	200,000	100,000	0	0	0
100536 - WELCOME ZONES IN MULTI-STOREY CAR PARKS	70,000	0	0	0	0
100537 - ANPR REPLACEMENT - SW, FORUM, PP, HURST RD CAR PARKS	350,000	0	0	0	0
100538 - STORRINGTON MILL LANE - RURAL CAR PARK IMPROVEMENTS	150,000	0	0	0	0
100539 - BILLINGSHURST SIX BELLS & LIBRARY - RURAL CP IMPROVEMENTS	165,000	0	0	0	0
100540 - STEYNING NEWMANS GARDENS - RURAL CAR PARK IMPROVEMENTS	30,000	0	0	0	0
100541 - LOCAL CYCLING AND WALKING INFRASTRUCTURE	40,000	30,000	0	0	0
100542 - PUBLIC SPACE CCTV CAMERA REPLACEMENT PROGRAMME	35,700	30,000	30,000	30,000	30,000
100543 - HIGHWOOD COMMUNITY CENTRE	95,000	1,500,000	400,000	0	0
100544 - PARKSIDE FLOOR PLATE IMPROVEMENTS	45,000	0	0	0	0
100545 - PLAY SITE IMPROVEMENTS	75,000	0	75,000	75,000	75,000
100547 - GO DIGITAL SIGNAGE	112,664	0	0	0	0
Swan Walk and Forum Car Park improvements	0	50,000	0	0	0
Rural Car Park Improvements - Henfield Library CP	0	180,000	0	0	0
Rural Car Park Improvements - Pulborough Lower Street CP	0	120,000	0	0	0
Replacement and Futureproofing The Capitol's Cinema offering- Projector	0	95,000	0	0	0
Horsham Town Centre Digital 'Touchscreen' Signage Kiosks	0	80,000	0	0	0
Town Centre Vision – Public Realm Projects Design Budget	0	150,000	0	0	0
Project work on allocations for development in HDPF	0	150,000	0	0	0
Riverside Walk Boardwalk - Ben's Acre	0	12,500	0	0	0
Bluebell Park Adventure Trail	0	15,000	0	0	0
Forum Piazza Desire Lines and Fountain Upgrade	0	150,000	0	0	0
Millstream extension	0	350,000	0	0	0
Loans - Property Dev Co	0	740,000	2,400,000	2,400,000	2,400,000
Equity funding - Property Dev Co	500,000	0	0	0	0
TOTAL	13,369,128	13,263,294	9,158,211	8,020,000	7,505,000