

Budget Book

2014/15

April 2014

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INTRODUCTION

Introduction

Rother District Council set its budget for 2014/15 at a meeting of all Members on 24 February 2014. This book shows the agreed revenue budget for each Council Service and the Council's Capital Programme. Additional information relating to the Council's financial position in 2014/15 and the Council Tax for each area in Rother is also included.

Revenue Budget

Government Funding

One of the key financial drivers remains the continued decline in Government Funding, first announced as part of the last spending review. The Coalition Government announced its final grant settlement figures for 2014/15 in December 2013 and provided draft figures for 2015/16.

The Council's funding from Government comes from two sources: Revenue Support Grant and retained Business Rates. From Business Rate data supplied to the Government, they have calculated the estimated amount of Business Rates the Authority is likely to retain. The actual amount of cash will change depending on recovery performance.

The settlement showed that Rother's funding will reduce by over 25% by 2015/16, assuming business rate income performs as the Government expect. The Council's revenue support grant is expected to fall by over 45% by 2015/16. The table below analyses these headline figures:

Grant	2013/14 £	2014/15 £	2015/16 £
Revenue Support Grant (RSG)	3,119,351	2,462,250	1,710,997
Business Rate Retention (BRR)	2,075,220	2,115,541	2,173,931
Total Grant/BRR	5,194,571	4,577,791	3,884,928
Grant Reduction year on year		11.87%	15.14%
Grant Reduction from 2013/14			25.21%
Reduction in RSG		21.07%	30.51%
Reduction in RSG from 2013/14			45.15%
Increase in BRR		1.94%	2.76%
Increase in BRR from 2013/14			4.76%

New Homes Bonus

The New Homes Bonus rewards Councils for increases in their tax base and the delivery of affordable homes. This Government funding is guaranteed and cumulative over 6 years. In 2013/14, the Council received £770,000 and for 2014/15, a further grant of £255,000 is expected. This is a substantial sum of money but is time limited. It has been necessary to utilise all £1,025,000 in 2014/15 to maintain services. The funding is phased as follows:

<u>Year</u>	2011/12	2012/13	2013/14	2014/15
	£'000	£'000	£'000	£'000
2011/12	385	385	385	385
2012/13		225	225	225
2013/14			160	160
2014/15				255
Total	385	610	770	1,025

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The £1,025,000 of grant starts to reduce in 2017/18 and therefore there is funding security for the next three years, even if further rewards are not achieved in subsequent years. It is clear that the Council needs to focus on regeneration and over the next 3 years promoting both business investment and new homes is key to the Council achieving stable finances.

Council Tax Policy

The Council's Members agreed to accept the Government's offer of a grant (equivalent to a 1% rise in Council Tax) in return for freezing the 2014/15 Council Tax rate for another year at £161.19 (Band D).

Other Factors affecting the Revenue Budget

Investment Income: the Council's Interest Equalisation Reserve had been used to offset the loss of investment earnings due to low interest rates and poor economic conditions but this was fully utilised during 2013/14. Currently the MTFS reserve is meeting this shortfall but this cannot be sustained. For 2014/15, the amount of reserves used to meet the shortfall in investment earnings has been reduced by a further £150,000 increasing the savings target for the year.

Income: There continues to be pressure on existing income sources however with the development of the new link road between Bexhill and Hastings, it is hoped that planning income will increase in the short term. Other fees and charges will be maximised within market constraints.

Savings and Service Resetting: The Council identified savings of over £1.5m as part of the 2014/15 budget. The main contributor (£1m) related to the staff restructure and consequent redundancies. The full impact on service delivery will start to take effect during 2014 and as such a review is due to take place during June 2014. Other savings include £250,000 arising from the introduction of a new joint waste collection and street cleansing contract with Kier Services. This was the outcome of a joint procurement with three other Councils in East Sussex.

Use of Reserves: The draft budget expects to use just under £480,000 of reserves of which £290,000 relates to saving to be achieved in year. By the end of 2014/15 Revenue Reserves are estimated to total £6.8m excluding the General Fund Balance. Of this, approximately £750,000 is available to support the Corporate Priority Projects. The MFS Reserve balance at the end of 2014/15 is expected to be just over £1.5m. It remains likely that other earmarked reserves will have to be released if savings targets are not achieved.

It is not financially prudent to continue to rely upon reserves to support on-going revenue expenditure, despite comments from Government Ministers to the contrary. Over the last 5 years the Council has used its reserves to fund investment in improving services (e.g. help points/contact centre), increasing efficiency (invest to save projects) and investment in the district (e.g. community grants). Additionally, specific reserves have been used to meet the loss of investment income since 2009 rather than provide a general support to the Revenue Budget.

Overall Revenue Position

The total net spend for the Council is estimated at just under £12m for 2014/15 after use of reserves. Due to the continued reduction in Government funding the Council needs to continue with its significant programme of change to secure a balanced budget. Already in place are measures such as the redirection of staff to higher priority and activity areas, close monitoring of income streams and recruiting posts on fixed terms to maximise flexibility over the size of workforce.

For 2014/15, it is expected that the Council will utilise further reserves to meet the shortfall in funding. However, as described above, this can only be done as part of an overall plan to deliver additional income and savings during the next 4 to 5 years. In setting performance targets and agreeing service improvements, the Council will need to decide the balance between what is desirable and what is deliverable with the resources available, and also what is most essential and valued by our residents. The current MTFS is being reviewed to take the above issues into account.

INTRODUCTION

Forecast Financial Position 2015/16 to 2017/18

The Council's medium term budget forecast has been updated and shows a shortfall of £1.5m to £2m depending on inflation expectations.

Further savings will need to be delivered over the next 2 to 3 years and may be necessary to increase the amount taken from reserves in the short term. An integral part of the Council's Corporate Plan review, is to ensure the Council is clear as to the nature and scope of its services that can be delivered within the available resources. Whilst the current MTFs remains robust and already identifies the scale of the financial challenge facing the Council, it is necessary to update it to reflect fully the Council's current financial position and decisions made by Members as part of setting the 2014/15 Revenue Budget. This will ensure it reflects service priorities and savings and take on board any changes to the strategic direction of the Council arising from the Corporate Plan review.

Capital Programme and Asset Management

The latest Capital Programme (2014/15 to 2017/18) totals £2.7m and is fully funded. Whilst there remain some final costs from the Next Wave project to be paid in 2014/15, the remainder of the Programme is relatively limited in value due to the amount of available funding. The Programme mainly consists of supporting the disabled facilities programme and community grants scheme. It is likely that any future Council capital investment will rely on borrowing. Therefore future spending decisions will require greater consideration to the affordability of any proposal, particularly for socially/public realm based projects.

The existing Capital Strategy forms part of the Medium Term Financial Strategy (MTFS) and again will need to be updated to reflect the development of the new Corporate Plan.

There is a fundamental link between the Council's capital programme and resources with how the Council manages its major assets. A review of the Council's Asset Management Plan will be undertaken this year but it is clear that the Council needs to be increasingly proactive in acquisition and disposal of assets to support continued investment in the development of the district and to ensure the Council's portfolio of assets supports the achievement of its aims and objectives.

Without releasing assets for disposal or entering into borrowing the Council is very restricted in its ability to continue its investment in the District at a level achieved in previous years. The financial pressure on the Revenue Budget means that it will be difficult to meet the cost of any borrowing unless savings can be achieved or additional income secured. Other sources of funding will be explored as opportunities arise, but again it should be recognised that most funding bodies require a high degree of match funding before supporting a project.

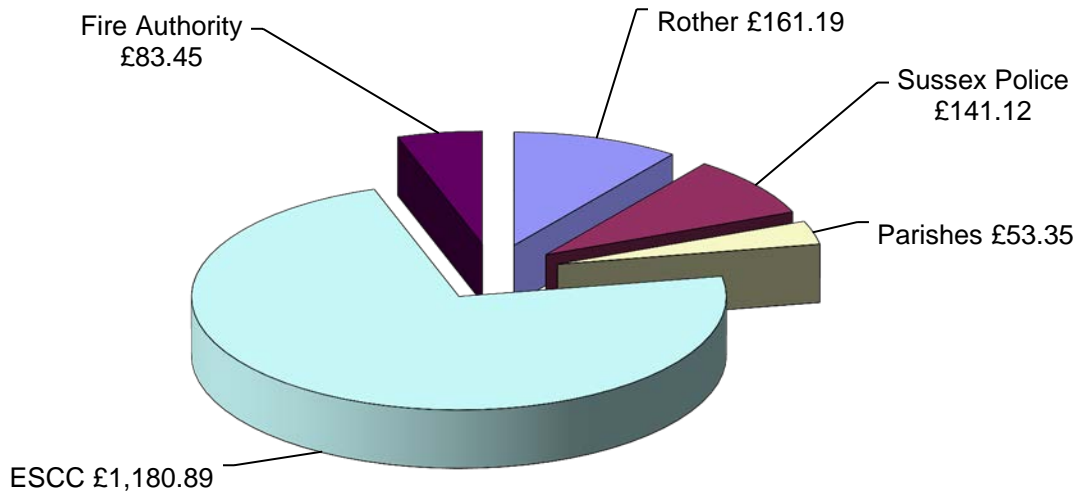
Further Information

It is hoped that this introduction combined with the detailed information that follows provides sufficient information for the reader to understand the Council's finances and its future financial prospects. Should you however require further information please contact:

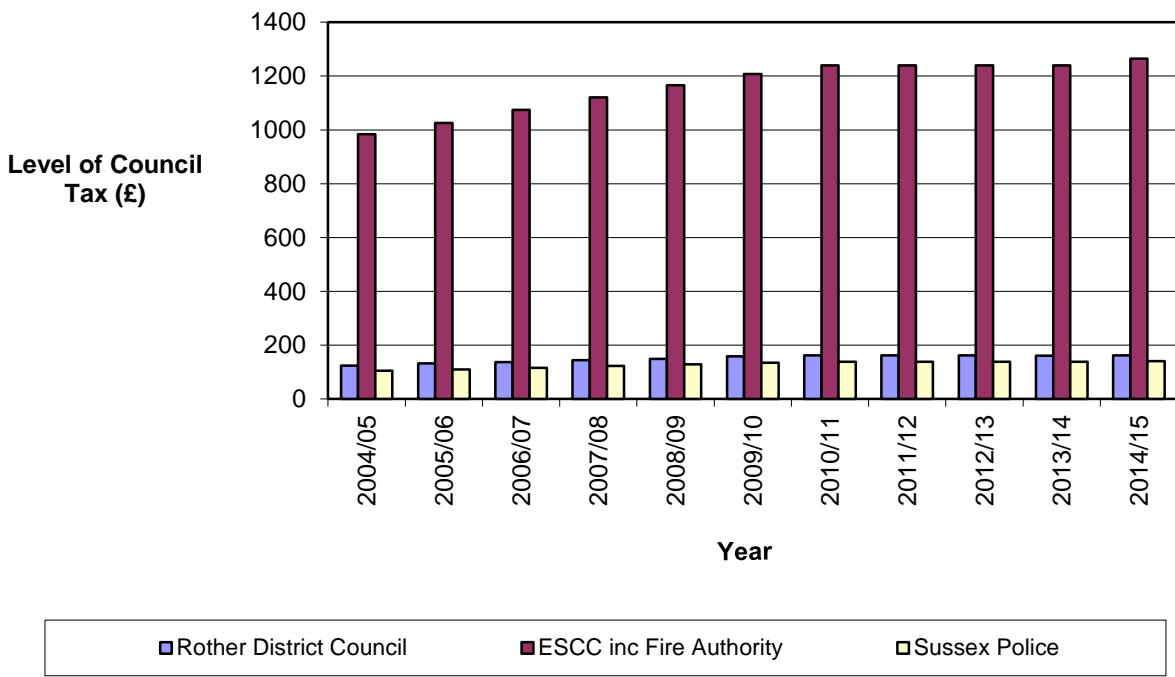
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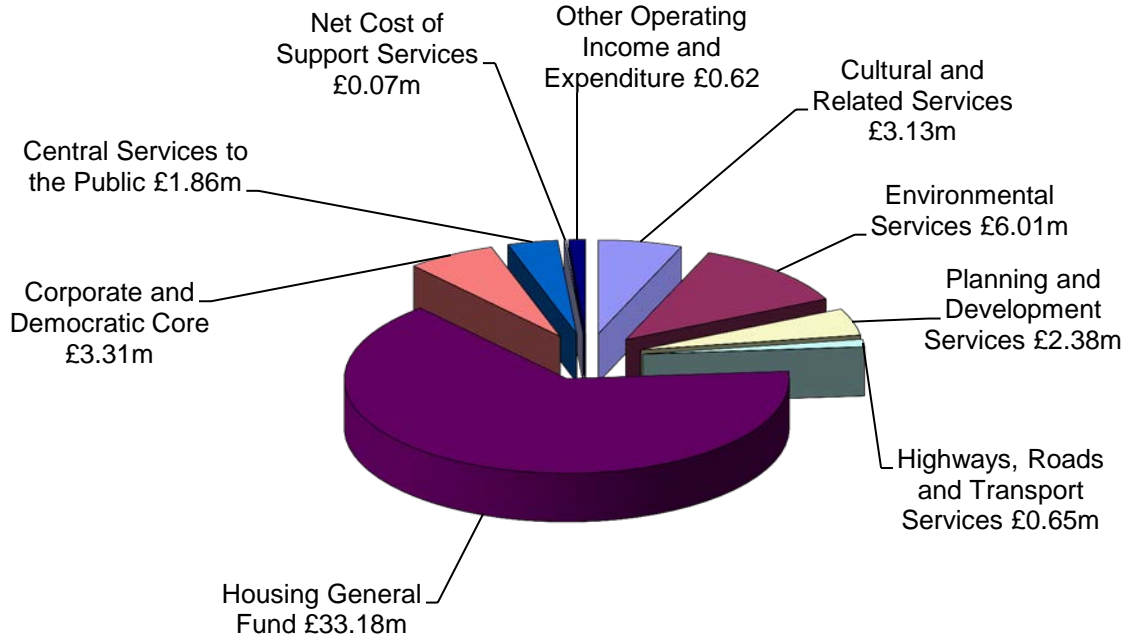
Share of Band D Council Tax 2014/2015



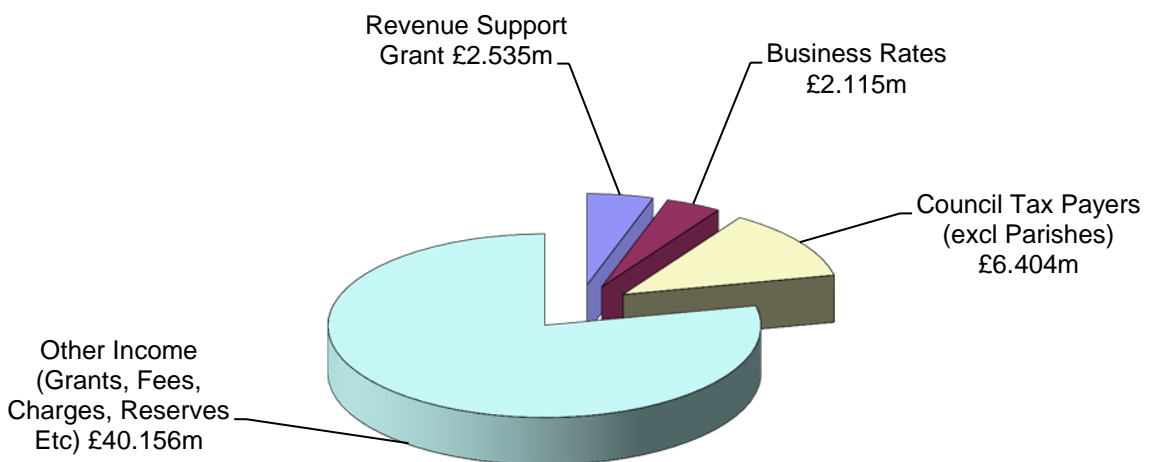
Band D By Authority 2004/05 - 2014/15



Gross Expenditure £51.21m 2014/2015



Gross Income £51.21m 2014/2015



GENERAL FUND REVENUE BUDGET AND COUNCIL TAX 2014/2015

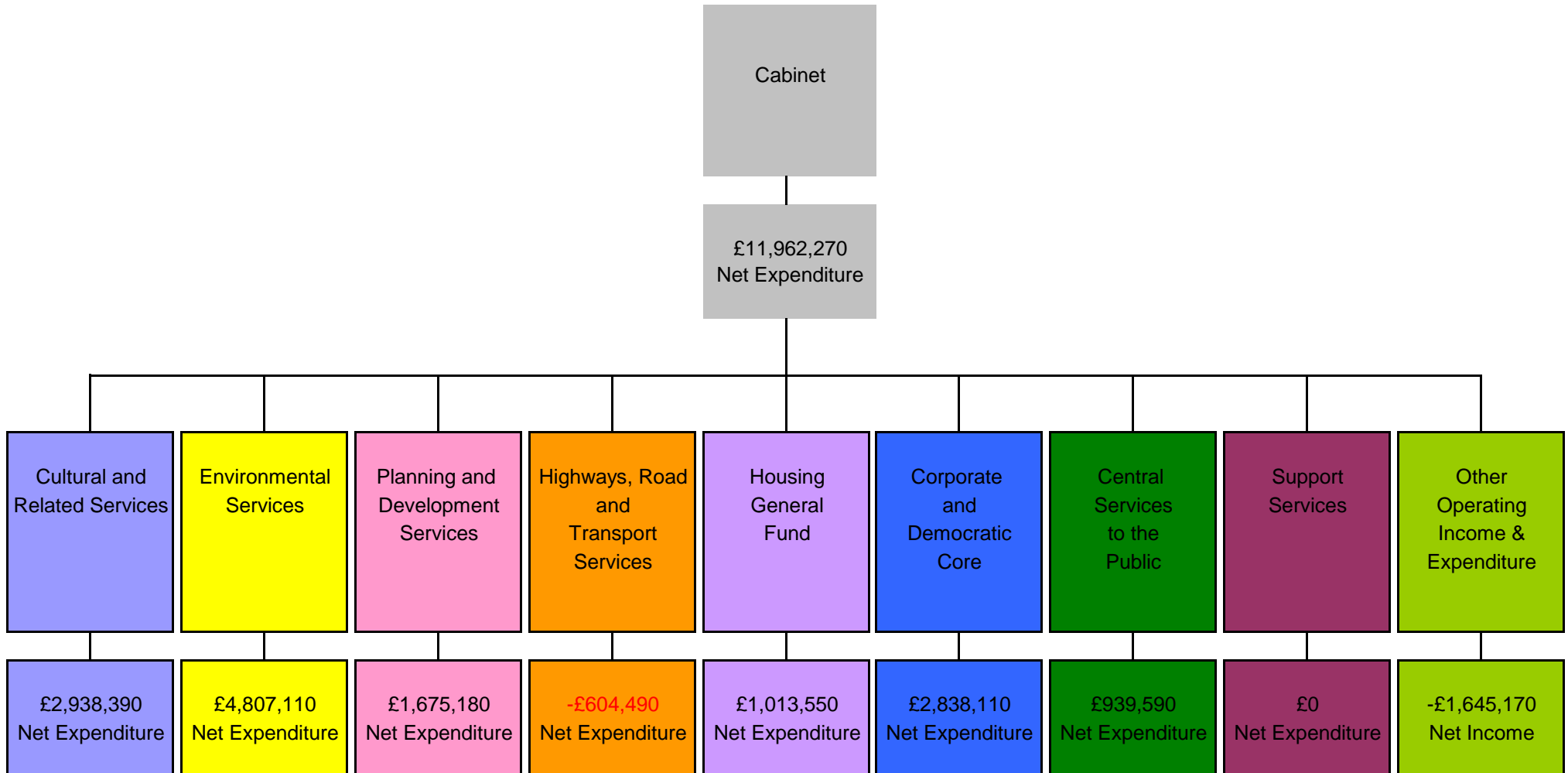
EXPENDITURE

	£
Cultural and Related Services	2,938,390
Environmental Services	4,807,110
Planning and Development Services	1,675,180
Highways, Road and Transport Services	(604,490)
Housing General Fund	1,013,550
Corporate and Democratic Core	2,838,110
Central Services to the Public	939,590
Support Services	0
Other Operating Income and Expenditure	(1,645,170)
	11,962,270
Total General Fund Net Expenditure 2014/2015	11,962,270

CALCULATION OF ROTHER DISTRICT COUNCIL TAX

Expenditure shown above	11,962,270
<i>less</i> Special Expenses charged to area of Bexhill	(653,920)
charged to area of Rye	(47,310)
<i>plus</i> Collection Fund (Surplus)/Deficit	115,640
<i>less</i> New Homes Bonus	(1,024,000)
<i>less</i> Revenue Support Grant from Central Government	(2,534,630)
<i>less</i> Business Rate Retention	(2,115,540)
	5,702,510
<i>divided by</i> Council Tax Base, in terms of Band D Equivalent	35,377.08
<i>gives</i> Rother District Council Tax 2014/2015	£161.19

SUMMARY OF NET SERVICE EXPENDITURE



CULTURAL AND RELATED SERVICES

Service	2013/14	2014/15	2014/15	2014/15	2014/15	2014/15	2014/15
	Net Expenditure £	Operational Expenditure £	Income £	Net Operational Expenditure £	Support Services £	Capital Charges £	Net Expenditure £
Arts Development	79,800	53,670	(100)	53,570	11,910	-	65,480
Rother Museum Services	90,550	71,740	(6,730)	65,010	8,880	3,750	77,640
De La Warr Pavilion Client	523,880	514,370	-	514,370	3,030	-	517,400
Ancient Monuments and Gazebo	7,750	6,800	-	6,800	20	-	6,820
Bexhill Allotments	28,260	18,190	(12,000)	6,190	12,440	-	18,630
Rye/Rural Allotments	16,420	5,350	-	5,350	-	-	5,350
Camber Beach and Foreshore Management	159,540	164,400	(26,800)	137,600	15,140	5,000	157,740
Bexhill Promenade and Foreshore	170,360	186,720	(28,080)	158,640	23,530	-	182,170
Sports Development	61,410	57,420	-	57,420	12,250	-	69,670
Battle Sports Centre	1,790	6,350	-	6,350	-	-	6,350
Rye Sports Centre and Swimming Pool	164,210	204,110	(35,900)	168,210	2,050	-	170,260
Bexhill Leisure Centre	153,570	93,450	(1,600)	91,850	3,080	64,770	159,700
Bexhill Leisure Pool	212,730	168,240	(26,850)	141,390	2,170	77,200	220,760
Bexhill Parks and Open Spaces	910,780	868,080	(40,800)	827,280	38,720	21,930	887,930
Rye Area Parks and Open Spaces	95,720	101,480	(9,600)	91,880	7,360	-	99,240
Rural Open Spaces and Amenity Areas	53,980	46,830	-	46,830	5,350	-	52,180
Cultural Services Administration Account	16,600	450	-	450	19,760	-	20,210
Tourism	228,750	212,960	-	212,960	7,900	-	220,860
Total Cultural and Related Services	2,976,100	2,780,610	(188,460)	2,592,150	173,590	172,650	2,938,390

ENVIRONMENTAL SERVICES

Service	2013/14	2014/15	2014/15	2014/15	2014/15	2014/15	2014/15
	Net Expenditure £	Operational Expenditure £	Income £	Net Operational Expenditure £	Support Services £	Capital Charges £	Net Expenditure £
Cemeteries and Churchyards	56,980	214,180	(180,000)	34,180	13,620	-	47,800
Coast Protection	223,710	44,330	(1,100)	43,230	2,160	182,940	228,330
Food Hygiene/Water Purity/IDC	162,610	121,620	-	121,620	50,560	-	172,180
Pollution	279,190	189,110	(12,100)	177,010	80,170	-	257,180
Sub Standard Housing	110,580	66,470	-	66,470	16,030	-	82,500
Houses in Multiple Occupation	31,350	10,600	-	10,600	1,840	-	12,440
Pest and Canine Control	90,760	98,910	(45,040)	53,870	18,700	-	72,570
Animal Welfare	9,430	4,180	-	4,180	1,280	-	5,460
Health and Safety/Swimming Pools	99,250	82,800	-	82,800	28,740	-	111,540
Licensing	49,740	69,090	(86,700)	(17,610)	49,140	-	31,530
Licences and Registration	76,560	72,430	(32,900)	39,530	45,380	-	84,910
Taxi and Private Hire Licences	(1,740)	66,700	(78,000)	(11,300)	38,430	-	27,130
Caravan Licences and Travellers	57,290	59,570	-	59,570	5,680	-	65,250
Environmental Administration Account	14,960	2,740	(500)	2,240	7,200	-	9,440
Public Conveniences	596,560	455,390	-	455,390	24,590	62,420	542,400
Community Safety	76,550	75,050	(10,000)	65,050	7,120	-	72,170
Watercourses, Ditches and Drainage	15,150	14,120	-	14,120	1,010	-	15,130
Internal Drainage Board Levies	117,000	117,000	-	117,000	-	-	117,000
Street Sweeping and Beach Cleansing	1,374,330	1,088,870	(24,000)	1,064,870	8,100	-	1,072,970
Refuse Collection	2,725,460	2,182,960	-	2,182,960	112,880	7,790	2,303,630
Recycling	(574,710)	181,220	(732,800)	(551,580)	27,130	-	(524,450)
Total Environmental Services	5,591,110	5,217,340	(1,203,140)	4,014,200	539,760	253,150	4,807,110

PLANNING AND DEVELOPMENT SERVICES

Service	2013/14	2014/15	2014/15	2014/15	2014/15	2014/15	2014/15
	Net Expenditure £	Operational Expenditure £	Income £	Net Operational Expenditure £	Support Services £	Capital Charges £	Net Expenditure £
Building Control Applications	(69,230)	20,770	(90,290)	(69,520)	72,720	-	3,200
Building Control Enforcements	27,260	-	-	-	-	-	-
Building Control Access	13,620	7,280	-	7,280	5,540	-	12,820
Building Control Dangerous Structures	45,050	3,490	-	3,490	7,260	-	10,750
Building Control Demolition	9,200	-	-	-	-	-	-
Building Regulation Enquiries	36,120	-	-	-	-	-	-
General Planning Expenses	16,120	10,700	(500)	10,200	16,720	-	26,920
Planning Applications	552,750	609,780	(550,000)	59,780	280,860	-	340,640
Planning Complaints, Compliance and Enforcement	301,270	183,990	-	183,990	67,760	-	251,750
Planning Appeals	132,310	78,320	-	78,320	17,100	-	95,420
Planning Policy	310,800	225,780	-	225,780	64,780	-	290,560
Local Development Framework	110,310	100,000	-	100,000	-	-	100,000
Planning Enquiries	271,920	163,450	(60,000)	103,450	55,500	-	158,950
Planning Projects inc Interreg	3,080	-	-	-	-	-	-
Conservation and Preservation	59,390	42,370	-	42,370	7,940	-	50,310
Planning E-Government	35,990	30,650	-	30,650	5,900	-	36,550
Planning Delivery Grant Project	16,530	-	-	-	250	-	250
Home Energy Conservation Act	19,230	6,300	-	6,300	1,320	-	7,620
Regeneration	319,980	121,500	-	121,500	167,940	-	289,440
Total Planning and Development Services	2,211,700	1,604,380	(700,790)	903,590	771,590	0	1,675,180

HIGHWAYS, ROADS AND TRANSPORT SERVICES

Service	2013/14 Net Expenditure £	2014/15 Operational Expenditure £	2014/15 Income £	2014/15 Net Operational Expenditure £	2014/15 Support Services £	2014/15 Capital Charges £	2014/15 Net Expenditure £
Car Parks	(704,280)	470,190	(1,253,150)	(782,960)	59,950	36,700	(686,310)
Residual Highway Services	55,200	48,230	(2,700)	45,530	3,970	-	49,500
Abandoned Vehicles	31,630	26,020	-	26,020	6,300	-	32,320
Total Highways, Roads and Transport Services	(617,450)	544,440	(1,255,850)	(711,410)	70,220	36,700	(604,490)

HOUSING GENERAL FUND

	2013/14	2014/15	2014/15	2014/15	2014/15	2014/15	2014/15
Service	Net Expenditure £	Operational Expenditure £	Income £	Net Operational Expenditure £	Support Services £	Capital Charges £	Net Expenditure £
Housing Policy, Strategy and Development	88,510	48,680	-	48,680	12,490	-	61,170
Housing Needs	303,410	298,970	(121,000)	177,970	49,650	-	227,620
Homelessness and Prevention	101,370	69,830	-	69,830	25,400	-	95,230
Private Sector Housing	168,660	71,550	-	71,550	34,480	-	106,030
Housing Administration Account	77,320	27,670	(100)	27,570	19,430	-	47,000
Housing Loans Account	250	-	-	-	-	-	-
Rent Allowances	215,510	32,048,540	(32,045,000)	3,540	281,770	-	285,310
Care in the Community	276,890	149,890	-	149,890	41,300	-	191,190
Total Housing General Fund	1,231,920	32,715,130	(32,166,100)	549,030	464,520	0	1,013,550

CORPORATE AND DEMOCRATIC CORE

Service	2013/14 Net Expenditure £	2014/15 Operational Expenditure £	2014/15 Income £	2014/15 Net Operational Expenditure £	2014/15 Support Services £	2014/15 Capital Charges £	2014/15 Net Expenditure £
Representing Local Interest	350,280	286,840	(100)	286,740	41,070	-	327,810
Committee Services	248,950	132,940	-	132,940	105,800	-	238,740
Corporate Policy Making	367,830	5,040	-	5,040	253,540	12,260	270,840
E-Government	131,770	119,400	(2,750)	116,650	21,070	-	137,720
Public Accountability	169,980	37,620	-	37,620	78,730	-	116,350
Council Training Budget	97,430	92,560	-	92,560	-	-	92,560
NLPG E-Government	72,190	42,080	(4,000)	38,080	10,400	-	48,480
Other Apportionable Overheads	-	161,790	(197,180)	(35,390)	35,390	-	-
Treasury Management	63,290	20,000	-	20,000	46,040	-	66,040
Bexhill Help and Advice Centre	207,010	152,410	(10,760)	141,650	55,560	-	197,210
Battle Help and Advice Centre	78,770	63,300	(12,460)	50,840	15,830	-	66,670
Rye Help and Advice Centre	74,540	54,590	-	54,590	14,700	-	69,290
Customer Services and Development	75,390	66,830	-	66,830	20,790	-	87,620
Contact Centre	357,440	195,700	-	195,700	81,470	-	277,170
Risk Management and Self Insurance	1,870	202,500	(216,940)	(14,440)	18,530	-	4,090
Performance Management	213,580	89,540	-	89,540	48,230	-	137,770
Procurement Strategy	9,650	8,440	-	8,440	2,890	-	11,330
Community Strategy	147,710	157,170	(22,000)	135,170	27,300	-	162,470
Unapportionable Central Overheads	134,220	432,100	-	432,100	-	-	432,100
Communications	155,790	81,440	-	81,440	12,410	-	93,850
Total Corporate and Democratic Core	2,957,690	2,402,290	(466,190)	1,936,100	889,750	12,260	2,838,110

CENTRAL SERVICES TO THE PUBLIC

Service	2013/14	2014/15	2014/15	2014/15	2014/15	2014/15	2014/15
	Net Expenditure £	Operational Expenditure £	Income £	Net Operational Expenditure £	Support Services £	Capital Charges £	Net Expenditure £
Cost of Collection	386,950	419,350	(374,000)	45,350	271,640	-	316,990
Council Tax Benefits	172,670	231,960	(213,560)	18,400	123,350	-	141,750
Electoral Registration	136,590	105,350	(1,000)	104,350	31,250	-	135,600
District Council Elections	72,140	44,270	-	44,270	34,390	-	78,660
Emergency Planning	67,860	30,330	-	30,330	21,690	-	52,020
Local Land Charges	(28,960)	150,360	(242,000)	(91,640)	26,480	-	(65,160)
Grants and Subscriptions	235,480	265,140	-	265,140	14,590	-	279,730
Benefit Fraud Investigation	-	75,530	(93,820)	(18,290)	18,290	-	-
Total Central Services to the Public	1,042,730	1,322,290	(924,380)	397,910	541,680	0	939,590

SUPPORT SERVICES

Service	2013/14	2014/15	2014/15	2014/15	2014/15	2014/15	2014/15
	Net Expenditure £	Operational Expenditure £	Income £	Net Operational Expenditure £	Support Services £	Capital Charges £	Net Expenditure £
Computer Services	-	909,750	(1,163,990)	(254,240)	170,750	83,490	-
Printing Services	-	148,860	(176,120)	(27,260)	23,580	3,680	-
Stationery	-	54,080	(62,420)	(8,340)	8,340	-	-
Postages	-	90,680	(96,070)	(5,390)	5,390	-	-
Telephones	-	148,490	(150,650)	(2,160)	2,160	-	-
Financial Services	-	443,460	(617,570)	(174,110)	174,110	-	-
Internal Audit	-	122,200	(149,340)	(27,140)	27,140	-	-
Business Improvement	-	108,210	(121,080)	(12,870)	12,870	-	-
Legal Services	-	253,850	(278,870)	(25,020)	25,020	-	-
Human Resources	-	149,650	(208,610)	(58,960)	58,960	-	-
Property Management	-	103,560	(141,340)	(37,780)	37,780	-	-
Administrative Offices	-	350,840	(553,260)	(202,420)	109,470	92,950	-
Strategic Management Team	-	319,730	(361,870)	(42,140)	42,140	-	-
Total Support Services	0	3,203,360	(4,081,190)	(877,830)	697,710	180,120	0

OTHER OPERATING INCOME AND EXPENDITURE

Service	2013/14 Net Expenditure £	2014/15 Operational Expenditure £	2014/15 Income £	2014/15 Net Operational Expenditure £	2014/15 Support Services £	2014/15 Capital Charges £	2014/15 Net Expenditure £
Maintenance Services	2,730	179,160	(214,910)	(35,750)	25,790	-	(9,960)
West Trading Estate-Bexhill	(302,470)	18,600	(367,000)	(348,400)	18,240	-	(330,160)
St. Martins-Battle	(18,470)	160	(20,850)	(20,690)	1,300	-	(19,390)
Miscellaneous Land and Buildings	(23,200)	6,930	(39,090)	(32,160)	2,950	-	(29,210)
Residual Housing Land	540	-	(1,000)	(1,000)	1,350	-	350
Peasmarsh Workshops	(6,940)	19,410	(18,240)	1,170	1,680	-	2,850
Udimore Workshops	(2,190)	13,790	(7,800)	5,990	1,420	-	7,410
Watch Oak Estate	(30,210)	1,000	(32,500)	(31,500)	1,240	-	(30,260)
Elva Business Centre	7,090	82,470	(180,000)	(97,530)	51,820	16,190	(29,520)
Committee Property Account	(111,020)	31,760	(200,000)	(168,240)	42,240	7,000	(119,000)
Interest Payable	(756,500)	100,000	(678,070)	(578,070)	-	-	(578,070)
Interest and Investment Income	(180,000)	-	(180,000)	(180,000)	-	-	(180,000)
Use of Reserves	(1,248,140)	-	(330,210)	(330,210)	-	-	(330,210)
Total Other Operating Income and Expenditure	(2,668,780)	453,280	(2,269,670)	(1,816,390)	148,030	23,190	(1,645,170)

CAPITAL PROGRAMME 2013/2014 TO 2017/2018

Ref No. Project	2013/2014 Actual £	2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £
CULTURAL AND RELATED SERVICES				
4-02 Community Grants	122,530	65,000	65,000	65,000
4-20 De La Warr Pavilion - Capital Grant	46,200	TBD	TBD	TBD
4-22 Egerton Park - EPIC	19,454			
4-26 Robertsbridge Sports Hall	60,000			
Total - Cultural and Related Services	248,184	65,000	65,000	65,000
ENVIRONMENTAL SERVICES				
3-04 Bexhill Cemetary Extention	6,173			
3-05 Joint Waste Contract - Purchase of refuse containers	2,024,227			
Total - Environmental Service	2,030,400	0	0	0
PLANNING AND DEVELOPMENT				
6-01 Elva Business Centre	11,080			
Total - Planning and Development	11,080	0	0	0
HOUSING				
5-02 Disabled Facilities Grants	659,875	607,820	585,000	585,000
5-07 Housing Aid Grants	5,040			
5-09 Social Housing Grant - S106 Ewhurst, Staplecross	10,000			
5-12 Social Housing Grant - S106 Sidley Extra Care Scheme	295,000			
Total - Housing	969,915	607,820	585,000	585,000
SUPPORT SERVICES				
1-03 Town Hall roof refurbishment	202,020			
1-19 IT Equipment Replacement Programme		100,000		
Total - Support Services	202,020	100,000	0	0
Total Capital Programme	3,461,599	772,820	650,000	650,000

CAPITAL PROGRAMME 2013/2014 TO 2017/2018

Financed by:	2013/2014	2014/2015	2015/2016	2016/2017
	£	£	£	£
Capital Receipts				
Housing	25,736	20,000	20,000	20,000
Other	705,723	165,000	65,000	65,000
Contributions				
Other Bodies	1,900,873			
Earmarked Reserves	202,020			
Direct Revenue Funding	57,530			
Capital Grants				
Disabled Facilities Grants	569,717	587,820	565,000	565,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total Financing	3,461,599	772,820	650,000	650,000
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ADDITIONAL INFORMATION 2014/2015: RESERVES

Details	General Fund Balance £	Earmarked Reserves £	Corporate Project Reserve £	Medium Term Fin. Strategy Reserve £	Insurance Fund £	Total £
Balance at 1 April 2014	1,000,000	5,498,612	751,246	932,394	146,678	8,328,930
<i>Less: Used for Revenue Running Costs or to Support the Council Tax</i>		(122,420)		(65,000)		(187,420)
Estimated Balance as at 31 March 2015	1,000,000	5,376,192	751,246	867,394	146,678	8,141,510

Explanation of Reserves

Reserve

Purpose

General Fund Balance

To meet unforeseen events e.g. inflation at higher than estimated levels, increased demand for benefits.

Earmarked

To fund the replacement of equipment and other specified activities.

Corporate Project

To provide full or leverage funding for key Corporate Priority Projects.

Medium Term Financial Strategy

To fund some service improvements as identified by Medium Term Financial Strategy.

Insurance Fund

To fund insurance claims for which external cover has not been made.

ADDITIONAL INFORMATION 2014/2015: GROSS AND NET REVENUE EXPENDITURE

	2014/2015 Gross Expenditure £	2014/2015 Gross Income £	2014/2015 Net Expenditure £
CABINET APPROVED REVENUE BUDGETS			
Cultural and Related Services	3,126,850	188,460	2,938,390
Environmental Services	6,010,250	1,203,140	4,807,110
Planning and Development Services	2,375,970	700,790	1,675,180
Highways Roads and Transport Services	651,360	1,255,850	(604,490)
Housing General Fund	33,179,650	32,166,100	1,013,550
Corporate and Democratic Core	3,304,300	466,190	2,838,110
Central Services to the Public	1,863,970	924,380	939,590
Support Services	4,081,190	4,081,190	-
Other Operating Income and Expenditure (Service Expenditure Only)	624,500	1,081,390	(456,890)
Total Service Spending and Income	55,218,040	42,067,490	13,150,550
Other Operating Income and Expenditure (Financing Items)			
Interest Payable	-	678,070	(678,070)
Interest and Investment Income	-	180,000	(180,000)
Use of Reserves	-	330,210	(330,210)
Total Budgets Approved by Cabinet	55,218,040	43,255,770	11,962,270
Add: Parish Council Precepts	-	-	1,186,023
Total Council Revenue Budget Requirement 2014/2015	55,218,040	43,255,770	13,148,293
Amounts to be taken into Account Under Local Government Act 1998 Section 97(4)			
Plus: Collection Fund (Surplus)/Deficit			115,640
Less: New Homes Bonus			(1,024,000)
Less: Revenue Support Grant			(2,534,630)
Less: Business Rate Retention			(2,115,540)
Council Tax Requirement 2014/2015 (Rother & Parishes)			7,589,763

ADDITIONAL INFORMATION 2014/2015: SPECIAL EXPENSES

Rother has decided that the costs of the functions shown below are special expenses to be charged only on the areas of Bexhill and Rye. These functions are provided elsewhere in the District by a Parish or Town Council. The costs are added to the local precept of each area for the calculation of Council Tax.

Heading	£
Bexhill	
Bexhill Parks and Games	674,240
Bexhill Allotments	17,260
Christmas Lighting	17,000
Bexhill Museum	9,270
Bus Shelters	9,140
Bexhill Town Forum	4,190
Less: Council Tax Support Grant	(55,890)
Less: District Contribution	(21,290)
	653,920
Rye	
Rye Parks and Games	47,420
Christmas Lighting	1,550
Rye Museum	620
Bus Shelters	600
Less: Council Tax Support Grant	(2,880)
	47,310
Total Special Expenses (excl. Parish Precepts)	701,230

Notes:

1. Capital charges attributed to the above services are not charged as special expenses
2. All Parish Council precepts on the General Fund are Special Expenses chargeable only on the originating Parish

ADDITIONAL INFORMATION 2014/2015: CALCULATION OF COUNCIL TAX BY AREA

LOCAL TAX AREA	LOCAL PRECEPT £	divided by LOCAL TAX BASE no.	LOCAL COUNCIL TAX BAND D £	ROTHER COUNCIL TAX BAND D £	SX POLICE COUNCIL TAX BAND D £	FIRE BRIGADE COUNCIL TAX BAND D £	ESCC COUNCIL TAX BAND D £	TOTAL COUNCIL TAX BAND D £						
									gives	add	add	add	add	gives
Bexhill (note 1)	663,030	15,394.47	43.07	161.19	141.12	83.45	1,180.89	1,609.72						
Ashburnham & Penhurst	7,000	184.29	37.98	161.19	141.12	83.45	1,180.89	1,604.63						
Battle	218,500	2,534.80	86.20	161.19	141.12	83.45	1,180.89	1,652.85						
Beckley	20,000	508.56	39.33	161.19	141.12	83.45	1,180.89	1,605.98						
Bodiam	8,825	142.83	61.79	161.19	141.12	83.45	1,180.89	1,628.44						
Brede	19,990	798.15	25.05	161.19	141.12	83.45	1,180.89	1,591.70						
Brightling	5,724	193.95	29.51	161.19	141.12	83.45	1,180.89	1,596.16						
Burwash	35,712	1,208.79	29.54	161.19	141.12	83.45	1,180.89	1,596.19						
Camber	49,425	649.80	76.06	161.19	141.12	83.45	1,180.89	1,642.71						
Catsfield	21,009	339.63	61.86	161.19	141.12	83.45	1,180.89	1,628.51						
Crowhurst	26,001	353.42	73.57	161.19	141.12	83.45	1,180.89	1,640.22						
Dallington	7,435	175.33	42.41	161.19	141.12	83.45	1,180.89	1,609.06						
East Guldeford	0	30.63	0.00	161.19	141.12	83.45	1,180.89	1,566.65						
Etchingham	30,281	365.53	82.84	161.19	141.12	83.45	1,180.89	1,649.49						
Ewhurst	61,000	525.99	115.97	161.19	141.12	83.45	1,180.89	1,682.62						
Fairlight	32,000	860.69	37.18	161.19	141.12	83.45	1,180.89	1,603.83						
Guestling	2,930	586.47	5.00	161.19	141.12	83.45	1,180.89	1,571.65						
Hurst Green	32,047	538.11	59.55	161.19	141.12	83.45	1,180.89	1,626.20						
Icklesham	96,067	1,146.44	83.80	161.19	141.12	83.45	1,180.89	1,650.45						
Iden	13,000	230.49	56.40	161.19	141.12	83.45	1,180.89	1,623.05						
Mountfield	13,100	193.36	67.75	161.19	141.12	83.45	1,180.89	1,634.40						
Northiam	44,140	954.17	46.26	161.19	141.12	83.45	1,180.89	1,612.91						
Peasmarsh	25,770	481.67	53.50	161.19	141.12	83.45	1,180.89	1,620.15						
Pett	17,657	450.34	39.21	161.19	141.12	83.45	1,180.89	1,605.86						
Playden	5,000	157.40	31.77	161.19	141.12	83.45	1,180.89	1,598.42						
Rye Foreign	2,000	156.42	12.79	161.19	141.12	83.45	1,180.89	1,579.44						
Salehurst	79,100	964.91	81.98	161.19	141.12	83.45	1,180.89	1,648.63						
Sedlescombe	42,295	625.48	67.62	161.19	141.12	83.45	1,180.89	1,634.27						
Ticehurst	110,114	1,564.67	70.38	161.19	141.12	83.45	1,180.89	1,637.03						
Udimore	5,800	173.16	33.50	161.19	141.12	83.45	1,180.89	1,600.15						
Westfield	30,000	1,008.54	29.75	161.19	141.12	83.45	1,180.89	1,596.40						
Whatlington	7,217	146.96	49.11	161.19	141.12	83.45	1,180.89	1,615.76						
Rye (note 2)	155,085	1,731.63	89.56	161.19	141.12	83.45	1,180.89	1,656.21						

Note 1

Bexhill local precept shown above comprises

Bexhill Charter Trustees Precept	9,110
Bexhill Special Expenses	653,920

663,030

Note 2

Rye local precept shown above comprises

Rye Town Council Precept	107,775
Rye Special Expenses	47,310

155,085

ADDITIONAL INFORMATION 2014/2015: COUNCIL TAX BY AREA AND BAND

Band D Tax multiplied by LOCAL TAX AREA	6/9 gives	7/9 gives	8/9 gives		11/9 gives	13/9 gives	15/9 gives	18/9 gives
	BAND A COUNCIL TAX £	BAND B COUNCIL TAX £	BAND C COUNCIL TAX £	BAND D COUNCIL TAX £	BAND E COUNCIL TAX £	BAND F COUNCIL TAX £	BAND G COUNCIL TAX £	BAND H COUNCIL TAX £
Bexhill	1,073.14	1,252.01	1,430.86	1,609.72	1,967.43	2,325.15	2,682.86	3,219.44
Ashburnham & Penhurst	1,069.75	1,248.05	1,426.34	1,604.63	1,961.21	2,317.80	2,674.38	3,209.26
Battle	1,101.90	1,285.55	1,469.20	1,652.85	2,020.15	2,387.45	2,754.75	3,305.70
Beckley	1,070.65	1,249.10	1,427.54	1,605.98	1,962.86	2,319.75	2,676.63	3,211.96
Bodiam	1,085.62	1,266.57	1,447.50	1,628.44	1,990.31	2,352.19	2,714.06	3,256.88
Brede	1,061.13	1,237.99	1,414.85	1,591.70	1,945.41	2,299.12	2,652.83	3,183.40
Brightling	1,064.10	1,241.46	1,418.81	1,596.16	1,950.86	2,305.57	2,660.26	3,192.32
Burwash	1,064.12	1,241.49	1,418.84	1,596.19	1,950.89	2,305.61	2,660.31	3,192.38
Camber	1,095.14	1,277.67	1,460.19	1,642.71	2,007.75	2,372.80	2,737.85	3,285.42
Catsfield	1,085.67	1,266.62	1,447.57	1,628.51	1,990.40	2,352.29	2,714.18	3,257.02
Crowhurst	1,093.48	1,275.73	1,457.98	1,640.22	2,004.71	2,369.21	2,733.70	3,280.44
Dallington	1,072.70	1,251.50	1,430.28	1,609.06	1,966.62	2,324.20	2,681.76	3,218.12
East Guldeford	1,044.43	1,218.51	1,392.58	1,566.65	1,914.79	2,262.94	2,611.08	3,133.30
Etchingham	1,099.66	1,282.94	1,466.22	1,649.49	2,016.04	2,382.60	2,749.15	3,298.98
Ewhurst	1,121.74	1,308.71	1,495.66	1,682.62	2,056.53	2,430.45	2,804.36	3,365.24
Fairlight	1,069.22	1,247.43	1,425.63	1,603.83	1,960.23	2,316.64	2,673.05	3,207.66
Guestling	1,047.76	1,222.40	1,397.02	1,571.65	1,920.90	2,270.16	2,619.41	3,143.30
Hurst Green	1,084.13	1,264.83	1,445.51	1,626.20	1,987.57	2,348.96	2,710.33	3,252.40
Icklesham	1,100.30	1,283.69	1,467.07	1,650.45	2,017.21	2,383.98	2,750.75	3,300.90
Iden	1,082.03	1,262.38	1,442.71	1,623.05	1,983.72	2,344.41	2,705.08	3,246.10
Mountfield	1,089.60	1,271.20	1,452.80	1,634.40	1,997.60	2,360.80	2,724.00	3,268.80
Northiam	1,075.27	1,254.49	1,433.70	1,612.91	1,971.33	2,329.76	2,688.18	3,225.82
Peasmarsh	1,080.10	1,260.12	1,440.14	1,620.15	1,980.18	2,340.22	2,700.25	3,240.30
Pett	1,070.57	1,249.01	1,427.43	1,605.86	1,962.71	2,319.58	2,676.43	3,211.72
Playden	1,065.61	1,243.22	1,420.82	1,598.42	1,953.62	2,308.83	2,664.03	3,196.84
Rye Foreign	1,052.96	1,228.46	1,403.95	1,579.44	1,930.42	2,281.41	2,632.40	3,158.88
Salehurst	1,099.08	1,282.27	1,465.45	1,648.63	2,014.99	2,381.36	2,747.71	3,297.26
Sedlescombe	1,089.51	1,271.10	1,452.69	1,634.27	1,997.44	2,360.61	2,723.78	3,268.54
Ticehurst	1,091.35	1,273.25	1,455.14	1,637.03	2,000.81	2,364.60	2,728.38	3,274.06
Udimore	1,066.76	1,244.57	1,422.36	1,600.15	1,955.73	2,311.33	2,666.91	3,200.30
Westfield	1,064.26	1,241.65	1,419.02	1,596.40	1,951.15	2,305.91	2,660.66	3,192.80
Whatlington	1,077.17	1,256.71	1,436.23	1,615.76	1,974.81	2,333.88	2,692.93	3,231.52
Rye	1,104.13	1,288.17	1,472.18	1,656.21	2,024.25	2,392.30	2,760.34	3,312.42

Audit

The formal review of activities by people or agencies not otherwise responsible for those activities. Originally used for the periodic review of financial transactions but now increasingly used also for any independent review, usually ad hoc, of any activities.

Band "D" Equivalentents

This term relates to one of the Council Tax valuation bands (see Council Tax). The bands "A" to "C" and E to "H" are weighted to the equivalent of Band "D". This derived Band "D" equivalent is used as a basis for calculating the Council Tax.

Best Value

This is the duty (implied but may be made statutory) which local authorities owe to their stakeholders to provide relevant, cost effective services.

Billing Authority

This is an authority such as Rother which is responsible for collecting the Council Tax and the Non Domestic Rates.

Budget

A statement of Rother's plans for revenue or capital expenditure over a specified period of time. The annual budget is prepared as part of the Council's annual Council Tax setting process.

Capital Charges

This is a depreciation charge for the use of tangible and intangible fixed assets. Capital charges are borne by the service revenue accounts, but reversed out to ensure they have no impact on the level of Council Tax.

Capital Expenditure

This is expenditure on the acquisition of assets, or expenditure which adds to and not merely maintains the value of an existing asset. The Local Government Act 2003 defines capital expenditure as 'expenditure that falls to be capitalised under proper practices'. In practice the Council follows the various regulations issued by the Government and the Accounting Code of Practice. Expenditure outside this definition must be charged to the Revenue Account. A fixed asset is one which generally yields benefits to the local authority for a period exceeding one year.

Capital Finance

This is the raising of money to pay for capital expenditure, for example by borrowing, leasing, capital receipts, revenue or grants.

Capital Programme

This outlines the capital schemes that the Authority proposes to undertake over a set time; Rother has a three year capital programme.

Capital Receipts

These are monies received from the sale of fixed assets.

Centrally Managed Costs

These are made up of administrative buildings and office services

Collection Fund

This fund is administered by each billing authority and all proceeds from the Council Tax are paid into the fund to meet the net budget requirements of the County Council, Police Authority, District and Parish Councils for the area.

Council Tax

Council Tax is paid on most residential properties in a local authority's area. Properties are valued within eight valuation bands (A-H).

Council Tax Reduction Scheme

Introduced in April 2013, this locally defined scheme helps those on low incomes to meet their Council Tax. It replaced the Council Tax Benefit scheme.

External Interest

External Interest consists of payments to financial institutions in respect of interest incurred on borrowing undertaken to fund the activities of the authority.

Fixed Assets

These are tangible, intangible and infrastructure assets that yield benefit to local authorities and the services it provides for more than one year.

Growth

An increase in expenditure not due to inflation.

Housing Benefits

An allowance to persons on low or no income to meet either the whole or part of their rent. Benefit is allowed or paid by local authorities but Central Government refunds part of the cost of the benefits and contributes to the administrative costs of the service.

National Non Domestic Rates

These are paid on commercial, business and non residential properties. The Government determines the level, although the Council is responsible for its billing and collection. From 2013/14 the Council will retain part of the business rates it collects based on a formula set by Government. The balance is part to the Government, East Sussex County Council and East Sussex Fire and Rescue Authority.

Other Apportionable Overheads

These are costs which are of a necessity and/or benefit to most services and include bank charges, Audit Commission fees, pre-printed cheques and the costs associated with the Data Protection Act. Where it is not possible to identify the main beneficiary of the cost then a pro rata basis of apportionment is made.

Precept

This is the levy made by precepting authorities (such as East Sussex County Council, Sussex Police and Crime Commissioner and the Fire Authority) on a billing authority (Rother District Council), requiring the latter to collect.

Provisions, Reserves and Balances

These are amounts set aside in one year to cover expenditure in the future. Provisions are for liabilities or losses which are likely or certain to be incurred, but the amounts or the dates on which they will arise are uncertain. Reserves are amounts set aside which do not fall within the definition of provisions and include general balances which every authority must maintain as a matter of prudence.

Recharges

The local authority accounting code of practice requires that all support costs be fully recharged to services.

Revenue Expenditure

This is expenditure on the day to day running of the authority, for example staff costs, premises related expenditure, transport and supplies and services.

Revenue Support Grant (RSG)

This is a grant paid by Central Government in support of general net revenue expenditure. The amount is calculated to make up the difference between an area's formula spending share and the sum of resources obtained from National Non Domestic Rates and the Council Tax.

Service Level Agreement (SLA)

An agreement made between the Council and an external service provider e.g. Citizens Advice Bureau, in addition to agreements made between services within the Council, which state the price and specifications of the support service by one to another.

Supplies and Services

Equipment and materials, protective clothing, office furniture, advertising and publications, fees for professional services.

Support Services

Computer services, financial services, legal services, personnel services, property management, office services, and office accommodation.

Total Costs

The principle that all unit costs and other comparable costs should include apportionments of all overheads and support service costs.

Virement

This is the permission to spend more on one budget head when this is matched by a corresponding reduction on some other budget head. Virements must be properly authorised by the appropriate Committee or by officers under delegated powers.

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