

EMPLOYMENT SERVICES WITHIN EAST SUSSEX

Appendix 2

The Workstep Programme with staff transferred to the RBLI under TUPE regulations at the beginning of October 2003. Castleham Industries closed at the same time with the subsequent sale of the factory.

Some 17 assemblers from Castleham remain on the Council's payroll on a supernumerary basis pending new work placements being found with the County Council or other open employment. The Council continues to receive a Workstep grant for each of these people.

Revenue costs in 2003/04 and forecast 2004/05 are as follows -

OUTTURN FIGURES	2002/03	2002/03	2003/04	2004/05
	Prov'l	Final	Final	F/cast
Operating surplus Workstep	-118	-130	-3	0
Overheads - Uckfield	40	40	16	0
Balance to offset Castleham	-78	-90	13	0
Castleham Industries	398	386	405	142
Emp Services net cost	320	296	418	142
Budget	386	384	414	142
Under / overspend	-66	-88	4	0

Based on the current number of supernumerary posts the gross cost to the Council in 2004/05 is likely to be £200,000 with Workstep grant contributions reducing net costs to £118,000. Ongoing pension payments of £15,000 add to costs in 2004/05 which will not exceed budgeted provision of £142,000. Full year savings of £300,000 form part of the Department's budget savings requirement in 2004/05. As there is likely to continue to be expenditure in 2005/06 ongoing then the remaining base budget relating to Castleham will stay in place

The proceeds from the sale of equipment items (valued over £5,000) at Castleham Industries totalling £100,500 have been transferred to the Council's capital account with provision made to repay to the Job Centre (previously SEPAC) the grant applied to purchase assets totalling £43K.

26-May-04

