

## Financial Appraisal - Closure of Avis Way

### a. Running costs (excluding Capital Charges)

2006/07

2007/08

2008/09

Cost elements	Budget	Reprovisioning Costs	Reprovisioning Costs
Employee Related Costs	315,706	149,900	138,207
Premises Related Costs	26,061	9,170	9,170
Transport Related Costs	42,515	15,000	15,000
Supplies & Services	18,294	0	0
<b>Revenue Expenditure</b>	<b>402,576</b>	<b>174,070</b>	<b>162,377</b>
Other Grants & Contributions*	(26,674)	0	0
Customer & Client Receipts	(3,168)	(3,168)	(3,168)
<b>Revenue Income</b>	<b>(29,842)</b>	<b>(3,168)</b>	<b>(3,168)</b>
<b>Total</b>	<b>372,734</b>	<b>170,901</b>	<b>159,209</b>

### b. Estimated Reprovisioning Costs

#### Employee Related Costs

Staff at Avis Way on 12 weeks notice.	11,693	0
Salary costs for 7.5fte Care Officers to support clients transferring to St Nicholas Centre 21% on costs**	114,220 23,986	114,220 23,986
Redundancy Cost (6fte @ average of £8,000 per fte) - One-off	48,000	0
Provision for Redundancy Cost (held by CRD)	(48,000)	0
<b>Sub Total</b>	<b>149,900</b>	<b>138,207</b>

#### Premises Related Costs

Utility Costs at St Nicholas Centre will not increase from transfer of clients.	0	0
Building Lease from Lewes DC (running until 2066) - assumes disposal in 2007/08	6,800	6,800
Security Patrol (two visits per week to meet insurance requirements)	780	780
Water	1,590	1,590
<b>Sub Total</b>	<b>9,170</b>	<b>9,170</b>

#### Transport Related Costs

Net annual cost	15,000	15,000
<b>Sub Total</b>	<b>15,000</b>	<b>15,000</b>

#### Supplies & Services

Catering costs off-set by client contributions	0	0
<b>Sub Total</b>	<b>0</b>	<b>0</b>

#### Income

Other LAs will no longer use St Nicholas/Avis Way to provide care	0	0
Client contributions will continue	(3,168)	(3,168)
<b>Sub Total</b>	<b>(3,168)</b>	<b>(3,168)</b>

<b>Total Costs</b>		<b>170,901</b>	<b>159,209</b>
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Estimated Saving compared to current budget

(201,832)

(213,525)

#### Notes:

\* Other Grants & Contributions being Income received by ESCC for clients placed by other Local Authorities (i.e. Kent County Council, Brighton & Hove etc.)

\*\* On costs being National Insurance/Pension Contributions. Based on actual Care Officer salaries paid from Apr - Dec 06 at Avis Way. NB. Pension element increased significantly from 2005/06 resulting in on costs increasing from 17% in 2005/06 to 21% in 2006/07

\*\*\* St Nicholas Centre transport below capacity