

POLICY AND RESOURCES COMMITTEE – 21 JANUARY 2020

PART I - NOT DELEGATED

13. FINANCIAL PLANNING – REVENUE SERVICES

(DoF)

1 Summary

1.1 The purpose of this report is to enable the Policy and Resources Committee to recommend to the Council the medium term revenue budgets. This report is the first of three that are covered together under the recommendations reported at **Item 15** on this agenda.

2 Details

2.1 Officers have prepared a three-year Medium Term Financial Plan (MTFP) base budget for 2020 – 2023 which includes a revised estimate for the current year. This is attached at **Appendix 1**.

2.2 2019/20

The original net revenue budget for 2019/20 was **£12.430 million**. The latest approved budget is **£12.982 million** (approved by Council on 10 December 2019); the table below shows the approved changes to date and the variances reported for this period (end of November) to give a forecast outturn position of **£12.562 million**.

Net Revenue Budget 2019/20	£ million
Original Net Revenue Budget	12.430
Variances Previously Reported	0.552
Latest Approved Budget	12.982
Service Variances Reported This Period	(0.420)
Forecast Outturn position	12.562

2.3 At the end of November, Services show an estimated favourable variance of **(£0.420million)**. The budget will be changed to reflect this outturn forecast if approved at Council.

Appendix 2 details each service committee's net direct revenue budgets over the medium term. The table below shows the net direct expenditure budgets, actuals to date, forecast outturn and variance for each service committee.

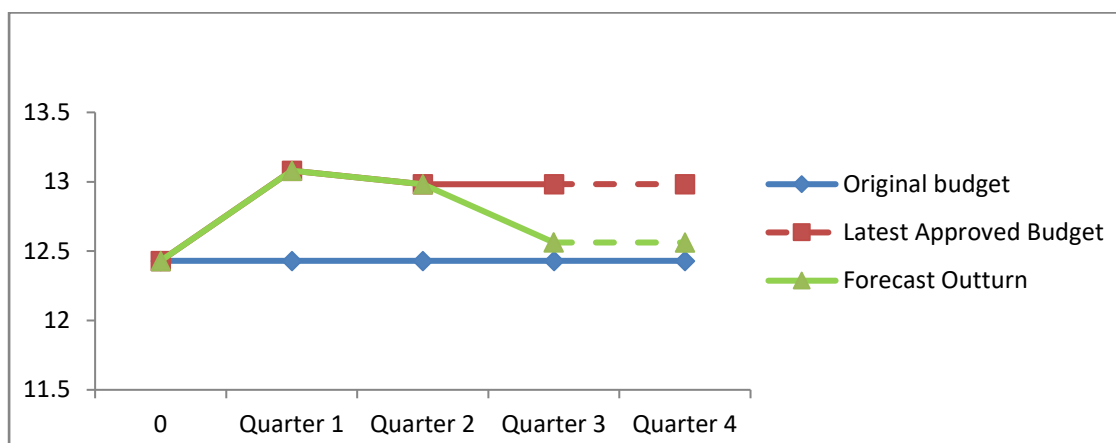
2019/20 Revenue Account – General Fund Summary					
Service Area	Original Budget	Latest Budget	Net Spend to Period 8	Forecast Outturn	Variance
	£'000	£'000	£'000	£'000	£'000
Leisure, Environment and Community	4,659	4,675	2,089	4,587	(88)
Infrastructure, Housing and Economic Development	1,264	1,680	405	1,495	(185)
Policy & Resources	4,696	4,856	4,835	4,753	(103)
Total Services	10,620	11,211	7,329	10,835	(376)
Corporate Costs (Interest, Parish precepts)	1,810	1,771	2,080	1,727	(44)
Net General Fund	12,430	12,982	9,409	12,562	(420)

2.4 The main items that contribute to the net favourable services variance of £0.420 million are;

		£'000
1.	Salary Changes –predominantly due to vacancies	(228)
2.	Increase in Planning application fees	(97)
3.	Kerbside Recycling – increase in fee income	(40)
4.	Net change in interest	(44)
5.	Backdated NNDR refund for shops in South Oxhey	(25)
6.	Reduction in Three Rivers House utility costs	(20)
7.	Increase in repair costs for Council owned properties	15
	Other	19
	Total	(420)

The details of all the service variances over the medium term are shown at **Appendix 3**

2.5 The trend over the financial year (2019/20) is plotted on the graph below. It should be noted that that the latest approved budget line includes the sum of £0.706 million which was carried over from 2018/19.



2020/21 - 2022/23 - The Medium Term Financial Plan (MTFP)

2.6 Looking ahead over the next three years, the MTFP has been prepared against the continued backdrop of uncertainty over funding, increasing pressure on services and continuing expectations from stakeholders for service provision.

2.7 There is an increase in pay & salary which totals **£1.590 million** over the three year period. This variance includes an anticipated additional 2% pay award (pending the employer’s final offer) and amounts to approx. **£0.885 million** over the MTFP. It should also be noted that the increase also includes the additional lump sum payable to the pension authority after its triennial review and a decrease in staff time allocated to capital due to outsourcing the administration of the Disabled Facilities Grant function, these total **£0.038 million** and **£0.207 million** respectively over the MTFP. The remaining variance relates to changes brought about by salary increments and restructures over the three years.

2.8 HCC have confirmed that they may remove £1.5million from the total distributable pot Alternative Financial Model (AFM) that rewards each Hertfordshire authority for its recycling rates and waste reduction initiatives. This will result in a £0.500 million reduction per year over a 3 year period commencing in 2020/21. This discretionary payment is calculated determined on the size of the authority and their relative average cost to the Waste Disposal Authority (HCC) and the ‘in-year performance’ which calculates the actual savings or costs

generated by each of the Hertfordshire authorities. The amount of loss to this Council cannot be quantified at this stage.

- 2.9 Services have worked hard during the budget setting process to keep budget growth to a minimum and remain within their budget limits without affecting service delivery. Unavoidable growth (statutory and contractual requirements) have been included into the base budgets
- 2.10 Appendix 3 includes the variances reported for the period 8 (end of November) that affects all years. The effect of the all variances on the Council's (surplus)/deficit for the year and the general fund balance over the medium term is shown in the table below.

Movement on General Fund	2019/20	2020/21	2021/22	2022/23
	Forecast Outturn	Proposed Budget	Indicative Budget	Indicative Budget
	£000	£000	£000	£000
Balance at 1 April	(4,821)	(4,419)	(4,150)	(3,424)
(Surplus)/deficit for year	402	269	726	969
Balance at 31 March	(4,419)	(4,150)	(3,424)	(2,455)

- 2.11 It is recommended that for contingencies a balance of at least £2 million should be retained in the General Fund. The Council has an additional earmarked reserve of £2.1 million to set against future economic downturn/loss of business rates and this could be used, if required to maintain a prudent level of General Fund balance.
- 2.12 It should be noted that long term use of reserves to offset deficits is not sustainable or prudent. The balance on each revenue and capital reserve at the 31 March 2020 is shown at **Appendix 8**.

3 Additional income and efficiency savings

- 3.1 The garden waste initiative has continued to be extremely popular and current demand has continued to exceed the anticipated participation rates.
- 3.2 The base budgets for 2021/22 and 2022/23 include efficiency savings of £100,000. These have yet to be specifically identified and allocated to individual services.

4 Potential Growth

- 4.1 Services have submitted Project Initiation Documents (PIDS) to their relevant service Committees for approval. This results in an increase in growth of **£649,800** over the MTFP. The scheme for prioritising discretionary growth is shown at **Appendix 4**. There are six new proposed growth items shown at **Appendix 5**. Four of these bids depend on the approval to fund their respective new capital scheme (see Item 14 on this agenda).

5 Fees and Charges

- 5.1 Details of the proposed fees & charges were presented to service committees in November and December and have been included in the base budgets where agreed. The latest budgets for fees and charges are shown at **Appendix 6**.

6 Funding the Revenue Budget

- 6.1 The overall Council Medium Term Financial Plan (MTFP) at Appendix 1 indicates a budget requirement (net expenditure) for 2020/21 of **£12,541,002**. This will be funded from a number of sources, which are detailed in the following paragraphs.

6.2 **Government Grant**

6.2.1 The provisional settlement in December 2019 provided details of the funding available to the Council for 2020/21.

6.3 **Business rates**

6.3.1 Business rates are collected by the Council, and the proceeds are shared between the District and County Council, and also with central Government to fund services. There is an element of risk and reward involved in the Business Rates scheme, which is designed to incentivise Councils to promote business growth within their areas. The Council expects its share of business rates to be **£1.995 million** in 2020/21. In addition, the Council is estimating to receive £0.500 million in business rate growth. The business rates retention scheme is volatile and estimating the outturn is complex due to factors such as appeals, demolitions, new builds, occupation and reliefs.

6.3.2 It should be noted that the Government has postponed implementation of changes to local government funding to 2021/22. This includes plans for Councils to increase the percentage of business rates they keep from 50% to 75%. The proposed changes will establish new baseline funding levels and business rates baselines for each local authority. Details have not been confirmed at this stage, however it is likely to be a reduction and prudent estimates have been included in future years.

6.4 **Business Rates Pooling**

6.4.1 In 2019/20 a new business rate pool consisting of the County Council, this Council and other Hertfordshire districts/borough councils has been established. This is to continue in 2020/21 with membership of this pool expecting to contribute **£400,000** to the Council's business rate income. This is already included in the base budget.

6.5 **New Homes Bonus**

6.5.1 New Homes Bonus is a non-ring-fenced grant relating to the number of new homes delivered in a local authority area that may be used at the discretion of the Council for either capital expenditure or to support the revenue account (or combination). For 2020/21, based on the provisional settlement, the Council expects to receive **£0.620 million** of which will be split equally between revenue and capital funding. This funding stream will be part of the fair funding review, therefore estimates for future years are hard to predict, and therefore a prudent estimate has been included in the MTFP.

6.6 **Council Tax for 2020/21**

6.6.1 The Council needs to set a budget that gives an acceptable level of council tax, and is balanced in the medium to long term using the resources at its disposal.

6.6.2 A council tax increase of £5 has been assumed for 2020/21 and subsequent years. The Council expects to collect **£7.015 million** of council tax income in 2020/21. A one percentage increase in the council tax rate generates approximately a £70,000 increase in Council Tax revenue.

6.6.3 The Localism Act 2011 introduced a power for local electorates to approve or veto excessive council tax rises. Any authority setting a council tax increase of 2% or more or more than £5 (whichever is the greater) will be required to hold a council tax referendum.

6.6.4 The government assessment of core spending power assumes local authorities will increase Council Tax by the maximum amount available without triggering a referendum.

6.7 Council Tax Base

6.7.1 The Council Tax base for 2020/21 was set at the Council meeting on 21 January 2020 and totalled 39,212 assuming a collection rate of 99%. The base shows an increase of 0.3% over 2019/20. Where amounts of Council Tax collected exceed the estimates made, the surplus is shared between the relevant major precepting authorities (Hertfordshire County Council, Three Rivers District Council and Hertfordshire Police & Crime Commissioner). To reduce risk for the Parish Councils, surpluses or deficits are not paid or charged to them.

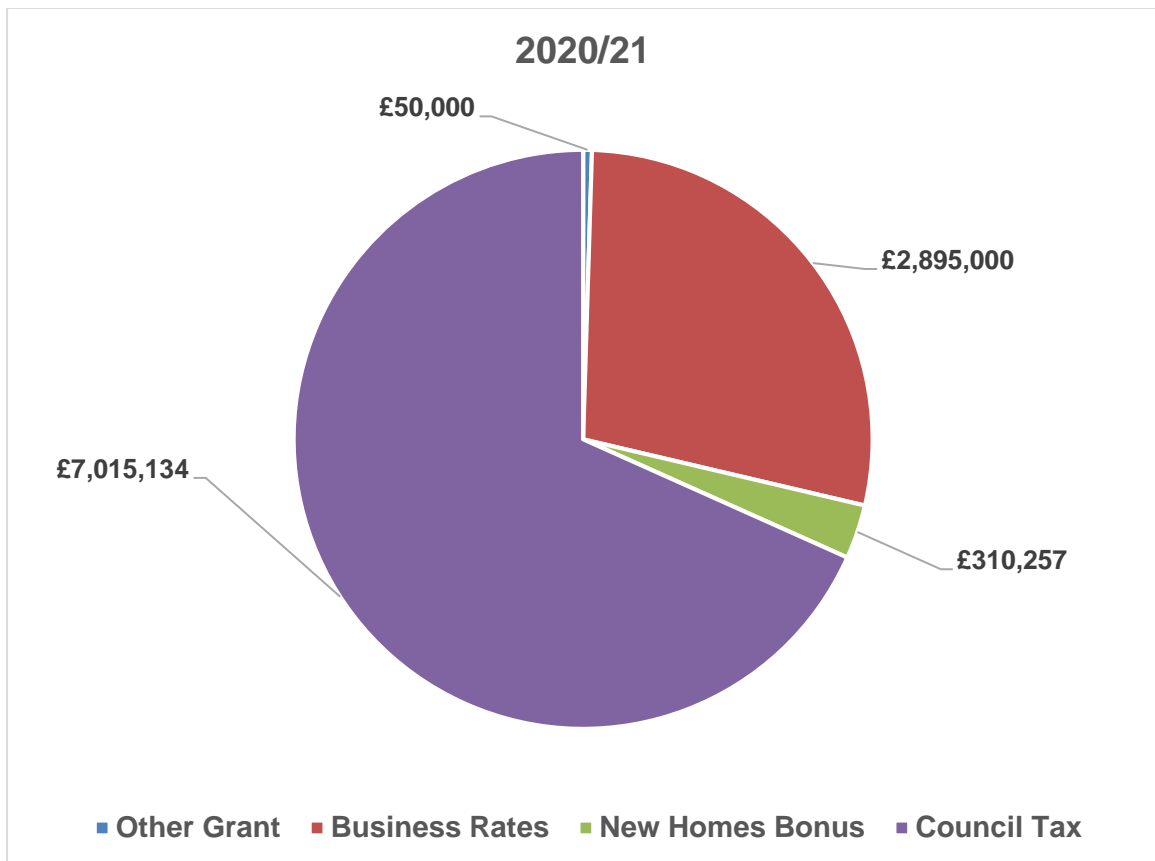
6.8 Local Council Tax Reduction Scheme

6.8.1 At the Council meeting on 10 December 2019, it was resolved to continue to apply the agreed Local Council Tax Reduction Scheme for 2020/21.

6.9 Collection Fund

6.9.1 The Collection Fund is a statutory requirement to account separately for Council Tax and Business Rates. The Fund records all transactions such as the yield, exemptions, discounts, provisions for bad debts, payments to major preceptors to Central Government and takes into account collection rates. Any balance on this fund at 31 March is to be distributed to the Council as the Billing Authority, the major preceptors and Central Government.

6.10 The chart below show the value and proportion of each funding stream that supports the Council’s revenue account for 2020/21.



7 Budget Consultation

7.1 The Council will consult on budget proposals for the period 2020/21, via an on-line document. Customers, stakeholders, businesses and partner agencies will be invited to read the

proposals and respond with their opinions. The consultation will be completed in early February.

8 Draft Revenue Estimates and General Fund Balance

8.1 The Director of Finance confirms the estimates have been correctly calculated under the assumptions used and that balances remain adequate.

8.2 The Council's financial exposure over a three-year medium-term period has been calculated for each of its budgetary risks. It is acknowledged that were any of the risks to occur then the impact might last longer; on the other hand actions to mitigate the risk would be taken over the three year period.

8.3 Balances can be used to support revenue expenditure, applied to capital expenditure or a combination of these. The Council should agree to retain some of the balance as 'working balances'. These should be retained at a prudent minimum to assist cash flow management, avoid the need to borrow in the short term, and cover unforeseen expenditure. The prudent minimum level of balances depends on the council's view of its financial risks and is considered further under risk management.

8.4 The Committee is recommended to agree £2.0 million as the minimum general fund balance over the medium term.

9 Options/Reasons for Recommendation

9.1 The recommendation below enables the Committee to make recommendations to the Council on 25 February 2020 concerning the Council's budget.

10 Policy/Budget Reference and Implications

10.1 The recommendations in this report contribute to the process whereby the Council will approve and adopt its budget under Article 4 of the Council's Constitution.

11 Equal opportunities, Environmental, Community Safety, Customer Services Centre, Communications, Health & Safety & Website Implications

11.1 Dependent on budget decisions.

12 Financial Implications

12.1 Included above.

13 Legal Implications

13.1 The Policy and Resources Committee must forward its recommendations on the budget to Council. The Council must set its 2020/21 budget by 11 March 2020.

14 Staffing Implications

14.1 These depend on the budget set. Staff and their representatives have been kept informed of the strategic, service and financial planning process.

15 Risk Management Implications

15.1 The Council has agreed its risk management strategy. Financial and budgetary risks are shown at **Appendix 7**.

15.2 In the officers' opinion none of the risks above, in isolation, were they to come about, would seriously prejudice the achievement of the Strategic Plan and are therefore operational risks that will be included and managed via the Corporate Services Service Plan. The effectiveness of treatment plans are reviewed by the Audit Committee.

16 Recommendation

16.1 That this report be noted.

Report prepared by: Alison Scott – Head of Finance
Nigel Pollard – Section Head (Accountancy)
Checked by: Joanne Wagstaffe - Director of Finance

Background Papers

Reports and Minutes of the Policy and Resources Committee and Council

The recommendations contained in this report DO NOT constitute a KEY DECISION but contribute to the process whereby the Council will approve and adopt its Strategic, Service and Financial Plans under Article 4 of the Council's Constitution

Appendices

- Appendix 1 Summary Medium Term Financial Plan (2019-2023)
- Appendix 2 Service Committees Medium term Financial Plan (2019/2023)
- Appendix 3 Service Committees Variances at end of November (2019-2020)
- Appendix 4 Scheme for Prioritising Growth
- Appendix 5 Potential Growth
- Appendix 6 Proposed Fees & Charges
- Appendix 7 Financial and Budgetary Key Risks
- Appendix 8 Reserves

MEDIUM TERM FINANCIAL PLAN 2019-2023

APPENDIX 1

Funding	2019/20 Original Budget	2019/20 Latest Budget inc C/Fs	2019/20 Outturn	2020/2021 Forecast	2021/2022 Forecast	2022/2023 Forecast
Council Tax Base (No.)	39,092.00	39,092.00	39,092.00	39,212.60	39,408.66	39,605.71
Council Tax Base Increase (%)				0.31	0.50	0.50
Band D Council Tax (£)	173.90	173.90	173.90	178.90	183.90	188.90
Council Tax Increase - TRDC (%)	2.96	2.96	2.96	2.88	2.79	2.72
Council Tax (£)	(6,798,099)	(6,798,099)	(6,798,099)	(7,015,134)	(7,247,253)	(7,481,518)
Parish Precepts (£)	(1,962,314)	(1,962,314)	(1,962,314)	(2,001,570)	(2,041,610)	(2,041,610)
Total Taxation (£)	(8,760,413)	(8,760,413)	(8,760,413)	(9,016,704)	(9,288,863)	(9,523,128)
Business Rates (£)	(2,932,820)	(2,932,820)	(2,932,820)	(2,895,000)	(2,495,000)	(2,495,000)
Collection fund deficit	(57,560)	(57,560)	(57,560)	0	0	0
New Homes Bonus Grant	(358,350)	(358,350)	(358,350)	(310,257)	(110,840)	(110,840)
Dividend (£)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Total Grant Funding (£)	(3,398,730)	(3,398,730)	(3,398,730)	(3,255,257)	(2,655,840)	(2,655,840)
Total Taxation & Grant Funding (£)	(12,159,143)	(12,159,143)	(12,159,143)	(12,271,961)	(11,944,703)	(12,178,968)
Financial Statement - Summary	2019/20 Original Budget	2019/20 Latest Budget inc C/Fs	2019/20 Outturn	2020/2021 Forecast	2021/2022 Forecast	2022/2023 Forecast
	£	£	£	£	£	£
Committee - Net Cost Of Services						
Infrastructure, Housing & Economic Development	1,264,440	1,680,350	1,680,350	1,344,040	1,396,320	1,396,320
Leisure, Environment & Community	4,659,793	4,674,673	4,674,673	4,422,953	4,196,563	4,196,563
Policy & Resources	4,693,112	4,855,882	4,855,882	4,502,503	4,617,195	4,617,195
Period 8 Variances			(376,070)	410,330	487,331	794,186
Sub-Total	10,617,345	11,210,905	10,834,835	10,679,826	10,697,409	11,004,264
Other						
Parish Precepts	1,962,314	1,962,314	1,962,314	2,001,570	2,041,610	2,041,610
Net Transfer from Reserves	(59,910)	(59,910)	(59,910)	(59,910)	(59,910)	(59,910)
Interest Payable & Borrowing costs	375,308	375,308	375,308	483,555	406,125	406,125
Interest Received	(465,200)	(506,550)	(506,550)	(523,652)	(379,930)	(379,930)
Period 8 Variances (Net Interest)			(44,318)	(40,387)	(34,986)	135,955
Sub-Total	1,812,512	1,771,162	1,726,844	1,861,176	1,972,909	2,143,850
Net Expenditure	12,429,857	12,982,067	12,561,679	12,541,002	12,670,318	13,148,114
Income from Council Tax, Government Grants & Business Rates	(12,159,143)	(12,159,143)	(12,159,143)	(12,271,961)	(11,944,703)	(12,178,968)
(Surplus)/Deficit	270,714	822,924	402,536	269,041	725,615	969,146
Movement on General Fund Balance	2019/20 Original Budget	2019/20 Latest Budget inc C/Fs	2019/20 Outturn	2020/2021 Forecast	2021/2022 Forecast	2022/2023 Forecast
	£	£	£	£	£	£
General Fund Balance Brought Forward at 1 April	(4,085,790)	(4,821,407)	(4,821,407)	(4,418,871)	(4,149,830)	(3,424,215)
Revenue Budget (Surplus)/Deficit for Year	270,714	822,924	402,536	269,041	725,615	969,146
General Fund Balance Closing Balance at 31 March	(3,815,076)	(3,998,483)	(4,418,871)	(4,149,830)	(3,424,215)	(2,455,069)

SERVICE COMMITTEES - MEDIUM TERM FINANCIAL PLAN 2019 - 2023

Leisure, Environment & Community									
<i>Community Safety & Partnership</i>	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend to Date £	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Officer Comments
Citizens Advice Bureaux	303,340	303,340	196,645	303,340	0	303,340	303,340	303,340	Accommodation costs journalled at year end
Community Development	4,500	4,500	520	4,500	0	4,500	4,500	4,500	
Community Safety	194,580	249,570	96,055	258,160	8,590	231,460	236,120	239,530	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Additional costs incurred regarding injunction case for serious violence.
Community Partnerships	217,700	185,320	106,530	170,480	(14,840)	195,530	203,690	209,410	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Env Health - Commercial Team	206,200	193,200	96,721	194,100	900	207,990	209,790	209,790	
Licensing	(107,370)	(107,370)	(120,588)	(92,150)	15,220	(110,540)	(107,600)	(104,580)	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. £2.5k External legal fees increase due to proactive enforcement following adoption of a new enforcement policy. £5k variance in 2019/20 due to reduction in licenced vehicles possibly as a result of recently adopted Enforcement Policy and more stringent conditions. Future years is based on partial cost recovery.
Community & Leisure Grant	40,000	40,000	32,999	40,000	0	40,000	40,000	40,000	
Total	858,950	868,560	408,881	878,430	9,870	872,280	889,840	901,990	

<i>Leisure</i>	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend to Date £	Forecast Outturn 2019/20 £	Variance s £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Officer Comments
Abbots Langley Project	41,370	41,370	4,465	41,370	0	42,650	43,970	43,970	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Community Arts	11,910	11,910	0	3,950	(7,960)	11,910	11,910	11,910	Funding received from the Health and Wellbeing revenue budget to deliver Arts on Prescription until end of 2019/20
Watersmeet-General	48,575	41,145	7,669	40,785	(360)	52,585	73,000	81,255	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Revised budgets for the NNDR for Council owned properties. Increase in Fees and Charges following 4% inflation uplift.
Watersmeet-Entertainments	(21,560)	(16,650)	(85,046)	(16,650)	0	(18,570)	(15,720)	(16,400)	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Leavesden Ymca	(35,000)	(35,000)	(17,500)	(35,000)	0	(35,000)	(35,000)	(35,000)	Income is received quarterly.
Active Community Devel Fund	43,400	43,400	17,973	43,250	(150)	43,400	43,400	43,400	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Equipment underspend to offset the increase in Hire of Rooms due to the increase in sessions being provided of £4k. Underspend in the cost of advertising of £1.5k, plus an additional £400 due to grant to fund Rider Leader training at Leavesden Cycle Hub. Increased income of £9.8k due to additional activities delivered.
Oxhey Hall	(3,000)	(3,000)	(2,250)	(3,000)	0	(1,000)	(3,000)	(1,000)	Income is received quarterly.
Trees And Landscapes	412,430	412,430	256,483	405,580	(6,850)	412,110	425,930	439,000	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Increase in Fees and Charges following 4% inflation uplift.
Museum	(700)	(700)	(700)	(700)	0	(700)	(700)	(700)	Annual Rent received.

Playing Fields & Open Spaces	67,405	69,635	12,395	87,335	17,700	47,475	47,555	47,555	£3.2k Increased cost due to the replacement of smoke alarms plus a further additional cost of £14.5k due to burst water main at South Oxhey playing fields. Variance also includes minor variations to the NNDR budget
Play Rangers	47,310	47,310	36,148	66,120	18,810	54,110	56,830	57,700	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Increased income from play activities, Underspend on hire of rooms and contract van hire
Aquadrome	7,570	7,570	17,065	16,070	8,500	16,670	16,780	16,780	Projective increases in costs as electricity is expected to cost between £2k to £3k per month
Leisure Venues	(22,500)	(57,500)	(16,174)	(57,500)	0	(315,500)	(605,910)	(777,480)	This is the increase in the contractors management fee schedule.
Leisure Development	277,320	277,320	192,341	281,220	3,900	287,470	295,220	303,220	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Play Development - Play schemes	65,450	65,450	35,547	69,710	4,260	65,450	65,450	65,450	Increased project costs for new booking system for leisure. Increased income due to popularity of schemes.
Sports Devel-Sports Projects	25,340	25,340	15,363	25,040	(300)	29,200	29,200	29,200	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Increase in the cost of hall hire. Increased spend on grants and contributions, this is to be offset by the reduction in the spend on temporary staffing. Increased income from sports promotion.
Croxley Green Skateboard Park	20,430	20,430	14,977	19,770	(660)	16,830	16,830	16,830	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Additional income received from skate camps of £5k.
Leisure & Community Services	156,900	148,170	96,687	155,770	7,600	155,190	159,450	163,830	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Grounds Maintenance	684,220	684,220	422,395	694,680	10,460	707,170	725,900	744,890	
Total	1,826,870	1,782,850	1,007,837	1,837,800	54,950	1,571,450	1,351,095	1,234,410	

<i>Environmental Services</i>	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend to Date £	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Officer Comments
Refuse Domestic	(16,190)	(16,190)	(10,862)	(16,190)	0	(17,520)	(17,520)	(17,520)	Increase in Fees and charges following 4% inflation uplift
Refuse Trade	(191,017)	(168,017)	(455,188)	(205,237)	(37,220)	(191,387)	(185,787)	(180,017)	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Increase in fees and charges following 4% inflation uplift.
Recycling General	(15,910)	(15,910)	(7,174)	(12,410)	3,500	(12,250)	(12,250)	(12,250)	Budget transferred from Environmental Maintenance to pay for consortium management to Welwyn & Hatfield Borough Council
Garden Waste	(926,600)	(225,780)	(962,424)	(225,780)	0	(210,310)	(191,290)	(176,240)	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Clinical Waste	(40,110)	(40,110)	(80,117)	(65,600)	(25,490)	(43,550)	(42,630)	(41,680)	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Increase in fees and charges following 4% inflation uplift.
Recycling Kerbside	(342,990)	(333,690)	66,937	(373,690)	(40,000)	(365,990)	(365,990)	(365,990)	Increase in estimated recycling credit payments
Abandoned Vehicles	750	750	168	750	0	750	750	750	
Pest Control	75,000	75,000	37,500	75,000	0	75,000	75,000	75,000	Invoice for the first half of the year has been paid to Watford Borough Council
Environmental Maintenance	25,110	25,110	(15,488)	26,130	1,020	35,770	44,590	57,940	£3.5K Budget transferred to Recycling General to pay for consortium management to Welwyn Borough Council. £5k increased in cost due to increased disposal of fly tips. Variance includes revised employee estimates which takes into account variances and changes in pay elements.
Animal Control	50,010	50,010	25,497	46,380	(3,630)	51,160	52,350	53,570	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Cemeteries	(171,060)	(171,060)	(128,164)	(171,100)	(40)	(179,830)	(177,670)	(179,510)	Revised budgets for the NNDR for Council owned properties . Increase in fees and charges following 4% inflation uplift.
Environmental Protection	420,350	369,460	239,593	329,820	(39,640)	382,580	395,240	408,210	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Depot-Batchworth	38,170	31,490	15,520	31,370	(120)	31,780	32,190	32,610	Revised budgets for the NNDR for Council owned properties
Waste Management	2,549,170	1,933,250	1,639,576	1,919,090	(14,160)	1,968,950	2,006,110	2,047,700	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Environmental Maint Contractor	519,290	508,950	307,161	512,100	3,150	511,920	516,760	516,760	
Total	1,973,973	2,023,263	672,533	1,870,633	(152,630)	2,037,073	2,129,853	2,219,333	
Total Leisure Environment & Community	4,659,793	4,674,673	2,089,251	4,586,863	(87,810)	4,480,803	4,370,788	4,355,733	

Infrastructure Housing & Economic Development									
<i>Housing</i>	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend to Date £	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Officer Comments
Housing Services Needs	374,310	374,310	289,097	374,310	0	464,970	487,680	508,740	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Salary costs for future years being transferred from Homelessness General Fund 1194
Rent Deposit Guarantee Scheme	5,110	5,110	810	5,110	0	5,110	5,110	5,110	
Herts Choice Homes	21,000	21,000	11,000	21,000	0	21,000	21,000	21,000	Expenditure is transferred at year end to cover contributions from TRDC towards Herts Choice Homes
Homelessness General Fund	42,110	53,910	(60,760)	27,300	(26,610)	(37,530)	(80,390)	(80,390)	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Salary costs for future years being transferred to Housing Service Needs 1112. There is a favourable variance in 2019/20 is due to lower ad –hoc nightly B&B lets required. In 2020/21- costs are expected to increase. In 2021/22 onwards, costs are expected to decrease due to lower costs on nightly B&B due to full occupation of new TA in South Oxhey.
Housing Associations	(5,000)	(5,000)	(2,500)	(5,000)	0	(5,000)	(5,000)	(5,000)	Lease income for Wensum Court - charged 1/2 yearly
Env Health - Residential Team	99,620	99,620	53,179	45,120	(54,500)	120,620	123,070	128,100	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Administration of Disabled Facilities Grant now outsourced to Herts Building Control, therefore internal charge to capital no longer applicable
Total	537,150	548,950	290,826	467,840	(81,110)	569,170	551,470	577,560	
Infrastructure & Planning Policy									
<i>Infrastructure & Planning Policy</i>	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend to Date £	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Officer Comments
Land & Property Info Section	3,350	6,350	8,756	4,040	(2,310)	1,020	4,670	9,550	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Increased income due to increase in street naming and numbering applications. Increase in fees and charges following 4% inflation uplift.
Street Naming & Numbering	7,130	7,130	3,447	7,130	0	7,130	7,130	7,130	
Environmental Initiatives	47,470	47,470	246	47,470	0	47,470	47,470	47,470	Invoice for HCC relating to 2018/19 has not yet been received. Provision has been made in the accounts to pay this
Development Management	195,150	249,340	(95,385)	129,410	(119,930)	71,700	99,170	131,610	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Budget of £4.4k previously held for large scale printer no longer required. £20k increased in pre app income based on service uptake. Income of £80k income for planning application fees due to a small number of large scale major applications. This is offset by a £2.5k shortfall of income in planning condition fees in 2019/20 and projected reduction of £4k for future years
Director Community & Env Servs	126,060	136,270	98,787	140,620	4,350	130,870	134,630	138,030	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Development Plans	264,390	329,200	120,985	314,440	(14,760)	309,530	318,460	328,690	
Hertfordshire Building Control	(1,580)	(1,580)	(13,728)	(3,280)	(1,700)	(1,080)	1,360	3,950	Audit Invoice expected to be lower than previously budgeted for.
HS2 Planning	0	(9,460)	(9,684)	(9,460)	0	0	0	0	Income received from HS2 to cover Officer time/travel spent on this project
Total	641,970	764,720	113,425	630,370	(134,350)	566,640	612,890	666,430	

<i>Economic Development</i>	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend to Date £	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Officer Comments
Fuel Voucher Scheme	3,500	0	0	0	0	0	0	0	This has now ceased
Energy Efficiency	19,500	19,500	4,000	19,500	0	19,500	19,500	19,500	Awaiting Invoices from HCC
Sustainability Projects	48,890	74,080	500	74,080	0	24,080	24,080	24,080	
Car Parking	(183,370)	30,150	(82,170)	52,950	22,800	35,040	35,920	38,480	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Reduced number of PCNs issued due to increased motorist compliance. Trend expected to continue as such variance reported for future years. Additional service costs £6550 -includes estimated annual TEC fees PATROL, TPT adjudication fees, PCN automated payment line and DVLA payments.
Car Parking-Maintenance	72,250	72,250	73,671	80,040	7,790	91,950	94,060	96,220	Changes to NNDR budget for Council Owned Properties
Dial A Ride	33,780	33,780	0	33,780	0	33,780	33,780	33,780	First invoice of 19/20 awaited (invoiced every 6 months).
Cycling Strategy	0	46,150	2,792	46,150	0	0	0	0	Currently being procured. Decision expected January 2020.
Better Buses Fund	86,570	86,570	0	86,570	0	86,570	86,570	86,570	Invoice expected at year end
Public Conveniences	4,200	4,200	2,400	4,200	0	4,200	4,200	4,200	
Total	85,320	366,680	1,194	397,270	30,590	295,120	298,110	302,830	
Total Infrastructure Housing & Economic Development	1,264,440	1,680,350	405,444	1,495,480	(184,870)	1,430,930	1,462,470	1,546,820	

Policy & Resources									
Resources & Shared Services	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend to Date £	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Officer Comments
Director Of Finance	66,990	64,270	44,420	65,670	1,400	72,000	75,880	79,880	
Communication	125,890	125,890	59,445	126,970	1,080	129,060	132,330	136,820	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Legal Practice	357,390	357,390	217,125	350,830	(6,560)	370,740	388,750	403,850	
Committee Administration	155,710	155,710	93,907	146,810	(8,900)	162,290	168,260	174,580	
Office Services	472,150	490,170	303,271	478,740	(11,430)	90	90	90	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Secured additional; booking on a regular basis. Budgets transferred from Office services to Property services for future years
Elections & Electoral Regn	126,380	126,380	85,436	128,970	2,590	130,250	134,240	138,340	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Finance Services	436,770	436,770	379,950	428,980	(7,790)	460,990	475,820	490,140	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Additoonal £8k cost for CIPFA subscription invoices which are no longer discounted. £2k budget for external audit fees no longer required
Revs & Bens Management	90,510	90,510	33,008	35,850	(54,660)	37,620	38,760	39,940	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Fraud	100,090	100,090	55,856	60,220	(39,870)	104,480	107,120	109,830	
Chief Executive	172,610	283,090	236,237	303,760	20,670	177,640	182,820	188,150	
Performance Mgt & Scrutiny	51,800	46,480	30,773	46,620	140	53,320	54,780	50,950	
Debt Recovery	167,620	167,620	173,137	195,890	28,270	202,100	208,590	226,580	
Three Rivers House	362,570	404,870	301,649	388,200	(16,670)	335,640	340,860	346,200	£5k additional cost for the installation of moving fire sensors. This is offset by a £20k reduction in utility costs and £1.6k reduction in budget for NNDR following revised calculations for Council owned properties
Basing House	(10,420)	(10,420)	(8,040)	(10,420)	0	(10,290)	(10,160)	(10,160)	
Officers' Standby	6,140	6,140	0	6,140	0	6,140	6,140	6,140	This is paid at the year end
Finance Client	79,410	90,700	81,903	134,830	44,130	92,750	98,790	132,540	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements plus a £27k increase in 2022/23 for the 3 year Firmstep software licence
Business App Maintenance	193,200	231,070	219,756	231,070	0	193,200	193,200	193,200	
ICT Client	686,810	736,810	328,124	696,080	(40,730)	667,917	679,100	689,528	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Increase in cost Of IDOX system maintenance. Change in Shared Service Charge.
Internal Audit Client	71,460	71,460	42,687	71,460	0	71,460	71,460	71,460	

Fraud Client	(2,910)	(2,910)	1,569	(2,910)	0	(2,910)	(2,910)	(2,910)	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Insurances	453,220	353,220	307,510	353,220	0	353,220	353,220	353,220	
Debt Recovery Client Acc	(6,140)	(6,140)	(200)	(6,140)	0	(6,140)	(6,140)	(6,140)	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
HR Client	343,560	351,560	248,860	351,710	150	339,253	344,516	348,568	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Change in Shared Service Charge
Corporate Management	154,280	161,280	65,909	161,280	0	154,280	154,280	154,280	Includes external audit costs that are paid at year end
Democratic Representation	295,360	295,360	195,300	295,360	0	309,790	309,790	309,790	Increase in Members Allowances as agreed at Council on 10 December 2019 (Minute No. CL55/19 refers)
Benefits & Allowances	672,800	672,800	555,992	670,680	(2,120)	726,410	745,970	788,800	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Benefits Client	(549,890)	(549,890)	598,619	(549,890)	0	(549,890)	(549,890)	(549,890)	This holds the housing benefits payments and recovery from DWP and further grants from DWP relating to the provision of benefits. There is timing difference between payments made to claimants and income received from Government
Benefits Non Hra	1,020	1,020	0	1,020	0	1,020	1,020	1,020	
Council Tax Collection	316,660	316,660	257,808	313,050	(3,610)	355,040	360,890	369,370	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements
Nndr	32,880	32,880	73,811	46,720	13,840	35,130	36,150	37,210	
Council Tax Client	(186,140)	(186,140)	0	(186,140)	0	(186,140)	(186,140)	(186,140)	Income from court costs received at year end
Nndr Cost Of Collection	(107,090)	(107,090)	(7,925)	(107,090)	0	(107,090)	(107,090)	(107,090)	This is received at year end
Register Of Electors	36,800	36,800	7,115	36,800	0	36,800	36,800	36,800	Expenditure will be incurred after the annual canvass.
District Elections	76,320	83,000	84,935	83,000	0	76,320	76,320	76,320	
Customer Service Centre	896,650	896,650	540,023	801,420	(95,230)	920,770	963,280	993,480	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Budgets for furniture and equipment, hardware purchases and conferences no longer required.
Major Incident Planning	93,270	94,440	71,626	93,660	(780)	95,310	97,420	100,710	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements

Resources & Shared Services	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend to Date £	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Officer Comments
Miscellaneous Income & Expend	267,942	267,942	269,874	267,942	0	268,033	168,015	168,015	
Non Distributed Costs	236,000	236,000	234,176	236,000	0	242,000	249,000	255,000	Increase due to Pension Authority triennial review
Miscellaneous Properties	(104,660)	(187,660)	(190,873)	(172,140)	15,520	(103,870)	(103,590)	(103,330)	£15k increased budget Extensive Repairs required to Barnlea Hall. End of tenancy on TRDC temporary accommodation - no budget for this. This is used for reactive works throughout the District and has proved insufficient for a number of years. Additional cost following revision of NNDR budgets for Council owned properties. Increase in future years lump sum pension payment after the Actuaries triennial review.
Asset Management - Property Services	233,420	510,420	374,328	501,940	(8,480)	735,740	758,460	778,420	Variance includes revised employee estimates which takes into account vacancies and changes in Pay elements. Refunded NNDR, Income from Wayleaves. Budgets transferred from Office services to Property services for future years
Garages & Shops Maintenance	(1,160,010)	(1,279,010)	(989,067)	(1,333,300)	(54,290)	(1,012,200)	(1,012,060)	(1,012,060)	£19.4k increased income due to backdated NNDR Refunds for South Oxhey Initiative and 4 Odeon Parade. An additional £5.3k to revised NNDR calculations for 2019/20, £460 for 2021/22 and £320 for 2022/23. Rent from Old Blackford Road Garage site & Boundry Way
Investment Properties	(900,000)	(1,000,000)	(550,287)	(1,000,000)	0	(1,000,000)	(1,000,000)	(1,000,000)	
Oxhey Drive	6,690	9,690	8,102	9,630	(60)	9,820	10,010	10,210	Changes to NNDR budget for Council Owned Properties
Vacancy Provision	(120,000)	(120,000)	0	0	120,000	(180,000)	(180,000)	(180,000)	Increase in future years accounts for the higher pay award
Total Policy & Resources	4,693,112	4,855,882	4,835,851	4,752,492	(103,390)	4,768,093	4,864,151	5,101,711	
Total All Committees	10,617,345	11,210,905	7,330,546	10,834,835	(376,070)	10,679,826	10,697,409	11,004,264	

SERVICE COMMITTEES – VARIANCES

Leisure, Environment & Community						
Community Safety & Partnership	Main Group Heading	Variances to Latest Approved Budget	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Community Safety	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(5,610)	2,680	6,270	9,680
	Supplies and Services	Additional costs incurred regarding injunction case for serious violence	14,200	0	0	0
Community Partnerships	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(14,840)	7,810	13,720	19,440
			2720	1,900	3,880	6,900
Licences Taxis & Markets	Supplies and Services	£2.5k increase in external legal fees this is expected to continue in future years due to increased proactive enforcement following adoption of a new enforcement policy. £5k variance in 2019/20 due to reduction in licenced vehicles possibly as a result of recently adopted Enforcement Policy and more stringent conditions. Future years variances also include the fee review based on partial cost recovery.	12,500	(6,020)	(6,020)	(6,020)
Env Health - Commercial Team	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	900	0	0	0
Total Community Safety & Partnership			9,870	6,370	17,850	30,000

Environmental Services	Main Group Heading	Variances to Latest Approved Budget	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Garden Waste	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	0	6,100	12,600	27,650
Trade Waste			(37,220)	3,620	7,390	13,160
	Income	Increase in Fees and charges following 4% inflation uplift	0	(28,810)	(28,810)	(28,810)
Clinical Waste	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(25,490)	590	1,220	2,170
	Income	Increase in Fees and charges following 4% inflation uplift	0	(4,330)	(4,330)	(4,330)
Refuse Domestic			0	(1,330)	(1,330)	(1,330)
Animal Control	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(3,630)	770	1,570	2,790
Environmental Protection			(39,640)	7,430	15,350	28,320
Waste Management			(14,160)	27,310	59,010	100,600
Recycling General	Supplies and Services	Budget transferred from Environmental Maintenance to pay for consortium management to Welwyn Borough Council	3,500	3,660	3,660	3,660
Recycling Kerbside	Income	Increase in estimated recycling credit payments	(40,000)	0	0	0
Environment Maintenance	Supplies and Services	£3.5K Budget transferred to Environmental Maintenance to pay for consortium management to Welwyn & Hatfield Borough Council. £5k increase in cost due to increased disposal of fly tips	1,500	1,340	1,340	1,340
	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(480)	9,320	18,140	31,490
Cemeteries	Premises	Revised budgets for the NNDR for Council owned properties	(40)	(300)	(420)	(260)
	Income	Increase in Fees and charges following 4% inflation uplift	0	(9,400)	(9,400)	(9,400)
Depot-Batchworth	Premises	Revised budgets for the NNDR for Council owned properties	(120)	(250)	(380)	40
Street Cleansing	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	3,150	0	0	0
Total Environmental Services			(152,630)	15,720	75,610	167,090

Leisure	Main Group Heading	Variances to Latest Approved Budget	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Leisure Development	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	0	7,660	12,890	20,890
Leisure S106 Projects			0	860	1,740	1,740
Community Arts	Income	Funding received from the Health and Wellbeing revenue budget to deliver Arts on Prescription until end of 2019/20	(7,960)	0	0	0
Watersmeet	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	0	1,010	18,070	25,680
	Premises	Revised budgets for the NNDR for Council owned properties	(360)	(1,810)	(8,885)	(8,240)
	Income	Increase in Fees and charges following 4% inflation uplift	0	(5,270)	(5,270)	(5,270)
Watersmeet Panto	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	0	3,650	5,030	4,350
Trees and Landscapes	Employees		(6,850)	(3,050)	6,030	19,100
	Income	Increase in Fees and charges following 4% inflation uplift	0	(250)	(250)	(250)
Active Community Devel Fund	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	5,530	0	0	0
	Premises	Increase in the number of activities that are now being delivered across the district has led to an increase in the cost of hall hire	10,660	6,000	6,000	6,000
	Supplies and Services	Equipment underspend to offset the increase in Hire of Rooms due to the increase in sessions being provided of £4k. Underspend in the cost of advertising of £1.5k, plus an additional £400 due to grant to fund Rider Leader training at Leavesden Cycle Hub.	(5,100)	(6,000)	(6,000)	(6,000)
	Income	Increased income due to additional activities delivered	(11,240)	0	0	0
Playing Fields & Open Spaces	Premises	£3.k increase in cost due to the replacement of smoke alarms plus a further additional cost of £14.k due to burst water main at South Oxhey playing fields.	17,700	0	0	0
Play Rangers	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	30,480	8,220	10,370	11,240
	Premises & Transport	Underspend on hire of rooms and contract van hire	(2,280)	(2,600)	(2,600)	(2,600)
	Income	Increased income from play activities	(9,390)	0	0	0
Aquadrome	Premises	Increase in electricity costs is expected to be between £2k to £3k per month	8,500	9,000	9,000	9,000
Leisure Venues	Income	Increase in management fee as per the contract schedule.	0	0	0	(171,570)

Leisure	Main Group Heading	Variances to Latest Approved Budget	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Leisure Development	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	3,900	0	0	0
Play Development - Play schemes	Supplies and Services	Increased project costs for new booking system for leisure	17,580	0	0	0
	Income	Increased income due to popularity of schemes	(13,320)	0	0	0
Sports Devel. - Sports Projects	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(7,570)	(3,830)	(3,830)	(3,830)
	Premises	Increase in the cost of hall hire.	4,190	4,190	4,190	4,190
	Supplies and Services	Increased spend on grants and contributions, this is to be offset by the reduction in the spend on temporary staffing	3,480	3,500	3,500	3,500
	Income	Increased income from sports promotion	(400)	0	0	0
Leisure & Community Services	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	7,600	4,560	7,440	11,820
Croxley Green Skate Park			3,440	0	0	0
	Supplies and Services	Increased cost of furniture and fittings for 2019/20 £900k. £100 reduction in budget for mobile phones as it is no longer required	900	(100)	(100)	(100)
	Income	Additional income received from skate camps	(5,000)	(3,500)	(3,500)	(3,500)
Grounds Maintenance	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	10,460	17,720	31,140	50,130
Total Leisure Services			54,950	39,960	84,965	(33,720)
Total Leisure Environment & Community			(87,810)	62,050	178,425	163,370

Infrastructure Housing & Economic Development						
Economic Development	Main Group Heading	Variances to Latest Approved Budget	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Car Parking	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	1,250	970	1,950	4,510
	Third Party Payments	Additional service costs £6550 -includes estimated annual TEC fees PATROL, TPT adjudication fees, PCN automated payment line and DVLA payments.	6,550	6,000	6,000	6,000
	Income	Reduced number of PCNs issued due to increased motorist compliance. Trend expected to continue as such variance reported for future years	15,000	15,000	15,000	15,000
Car Parking-Maintenance	Premises	Changes to NNDR budget for Council Owned Properties	7,790	4,830	(7,190)	(5,030)
Total Economic Development			30,590	26,800	15,760	20,480
Housing	Main Group Heading	Variances to Latest Approved Budget	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Housing Service Needs	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Salary costs for future years being transferred from Homelessness General Fund 1194	0	79,910	92,950	114,010
Homelessness General Fund	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Salary costs for future years being transferred to Housing Service Needs 1112.	(17,840)	(76,710)	(79,780)	(79,780)
	Premises	There is a favourable variance in 2019/20 is due to lower ad –hoc nightly B&B lets required. In 2020/21- costs are expected to increase. In 2021/22 onwards, costs are expected to decrease due to lower costs on nightly B&B due to full occupation of new TA in South Oxhey.	(8,770)	7,460	(40,950)	(40,950)
Environmental Health - Residential Team	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(54,500)	(49,810)	(49,690)	(44,660)
	Internal Recharge	Administration of Disabled Facilities Grant outsourced to Herts Building Control, therefore internal charge to capital no longer applicable	0	69,000	69,000	69,000
Total Housing			(81,110)	29,850	(8,470)	17,620

Infrastructure & Planning Policy	Main Group Heading	Variances to Latest Approved Budget	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Land & Property Info Section	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	1,690	4,860	7,340	12,220
	Supplies and Services	Budget is no longer required	(1,500)	(1,500)	(1,500)	(1,500)
	Income	Increased income due to increase in street naming and numbering applications.	(2,500)	(2,000)	(2,000)	(2,000)
		Increase in Fees and charges following 4% inflation uplift	0	(4,840)	(4,840)	(4,840)
Development Control	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(18,030)	10,270	27,180	59,620
	Supplies and Services	Budget previously held for a large scale printer- this is no longer required	(4,400)	(4,400)	(4,400)	(4,400)
	Income	£20k Increased in pre app income based on service uptake. Income of £80k income for planning application fees due to a small number of large scale major applications. This is offset by a £2.5k shortfall of income in planning condition fees in 2019/20 and projected reduction of £4k for future years	(97,500)	4,000	4,000	4,000
Director Community & Environmental Services	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	4,350	3,160	5,680	9,080
Development Plans			0	16,580	21,450	31,680
Hertfordshire Building Control			(14,760)	(90)	1,750	4,340
			Supplies and Services	Audit Invoice expected to be lower than budgeted for.	(1,700)	0
Total Infrastructure and planning policy			(134,350)	26,040	54,660	108,200
Total Infrastructure Housing & Economic Development			(184,870)	82,690	61,950	146,300

Policy & Resources						
	Main Group Heading	Variances to Latest Approved Budget	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Communication	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	1,080	2,120	4,320	8,810
Legal Practice			(6,560)	7,640	20,480	35,580
Committee Administration			(8,900)	3,930	8,330	14,650
			(10,680)	(192,060)	(194,390)	(194,390)
Office Services	Income	Secured additional booking on a regular basis	(750)	(500)	(500)	(500)
	All	Budgets transferred from Office services to Property services for future years	0	(279,410)	(279,410)	(279,410)
Property Services	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	0	212,490	226,880	246,840
	All	Budgets transferred from Office services to Property services for future years	0	279,410	279,410	279,410
	Premises	Refunded NNDR	(8,360)	0	0	0
	Income	Income from Wayleave	(120)	(120)	(120)	(120)
Elections & Electoral Registration	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	2,590	2,580	5,270	9,370
Finance			(13,790)	13,140	12,600	26,920
	Supplies and Services	Additional £8k cost for CIPFA subscription invoices which are no longer discounted. £2k budget for external audit fees no longer required	6,000	6,000	6,000	6,000
Revs & Bens - Management	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(54,660)	(55,260)	(55,070)	(53,890)
Director Of Finance			1,400	3,760	6,360	10,360
Fraud			(39,870)	2,250	2,730	5,440
Garages & Shops	Premises	£19k increased income due to backdated NNDR Refunds for South Oxhey Initiative and 4 Odeon Parade. An additional £5k to revised NNDR calculations in future years	(24,790)	0	(460)	(460)
	Income	Rent from Old Blackford Road Garage Site & Boundary Way	(29,500)	(29,500)	(29,500)	(29,500)
Chief Executive	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	20,670	3,360	6,850	12,180
Performance Mgt & Scrutiny			140	6,370	7,350	3,520

	Main Group Heading	Variances to Latest Approved Budget	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Three Rivers House	Premises	£5k additional cost for the installation of moving fire sensors. This is offset by a £20k reduction in utility costs and £1.6k reduction in budget for NNDR following revised calculations for Council owned properties	(16,670)	(3,270)	(4,950)	390
Oxhey Drive	Premises	Changes to NNDR budget for Council owned properties	(60)	(110)	(170)	30
Debt Recovery	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	28,270	30,020	30,660	48,650
Finance Client	Employees		44,130	13,180	16,450	23,200
	Supplies and Services	Increase to reflect payment of 3 yearly Firmstep software licence	0	0	0	27,000
Hr Client	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	150	0	0	0
	Third Party Payments	Change in Shared Service Charge	0	(4,877)	(704)	3,348
Ict Client	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(40,730)	1,170	2,450	5,740
	Supplies and Services	Increase in cost of IDOX system maintenance	0	28,000	28,000	28,000
	Third Party Payments	Change in Shared Service Charge	0	54,047	62,050	69,188
Benefits & Allowances	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(2,120)	47,770	47,330	90,160
Council Tax Collection			(3,610)	27,340	27,260	35,740
Nndr			13,840	1,890	2,060	3,120
Customer Service Centre			(92,510)	9,810	26,730	56,930
	Supplies and Services	Budgets for furniture and equipment, hardware purchases and conferences no longer required	(2,720)	(2,720)	(2,720)	(2,720)
Democratic Representation	Supplies and Services	Increase in Members Allowances as agreed at Council on 10 December 2019 (Minute No. CL55/19 refers)	0	14,430	14,430	14,430
Major incident planning	Employees	Variance includes revised employee estimates which takes into account vacancies and changes in pay elements	(780)	1,360	2,780	6,070
Non Distributed Costs	Employees	Increase in future years of lump sum pension payment to pension authority after the Actuaries triennial review	0	6,000	13,000	19,000
Miscellaneous Properties	Premises	Extensive Repairs required to Barnlea Hall. End of tenancy on TRDC temporary accommodation - no budget for this. This is used for reactive works throughout the District and has proved insufficient for a number of years. Additional cost following revision of NNDR budgets for Council owned properties	15,520	15,350	15,170	15,430
Miscellaneous Expenditure	Supplies and Services	Removal of efficiency saving	0	100,000	0	0
Other Expenditure	Employees	Vacancy provision - removed after revised salary calculations	120,000	(60,000)	(60,000)	(60,000)
Total Policy & Resources			(103,390)	265,590	246,956	484,516

Corporate Budgets						
		Variances to Latest Approved Budget	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Interest Paid/Earned		Reduced borrowing costs due to lower spending on the capital programme and short term loans ceasing in 2022/23	(44,318)	(40,387)	(34,986)	135,955
Total Corporate Budgets			(44,318)	(40,387)	(34,986)	135,955
Funding						
	Main Group Heading	Variances to Latest Approved Budget	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Business Rates	Income	Changr to baseline assessment allocation	0	(184,050)	215,950	215,950
New Homes Bonus		Increase in allocation	0	(199,417)	0	0
Council Tax		Change due to lower council tax base than expected, with an increase in the charge by £5 for 2022/23	0	13,390	13,840	(220,424)
Total Funding			0	(370,077)	229,790	(4,474)
TOTAL Variances for Period 8 (November) 2019			(420,388)	(134)	682,135	925,667

SCHEME FOR PRIORITISING GROWTH

Criteria	Revenue Growth/Capital Bids		
	Score	Description	
Measure of Quality of Service	a	3	Maintaining Current Service
		6	Improved Internal Service
		9	Improved External Service
Customer Impact / Quantity of Service	b	3	Affects < 10% of residents
		6	Affects < 50% of residents
		9	Affects all residents
Links to Strategic Plan	c	2	Contributes to General Theme
		4	Contributes to General Aim
		6	Contributes to Specific Objective
Impact on Partners (as defined in the Community Strategy)	d	1	No impact on partner agencies or joint priorities
		2	Impacts on 1 partner agency / priority
		3	Impacts several partners / priorities
Partnership Funding	e	1	No Partnership Funding
		2	Partly Funded by Partners
		3	Fully Funded by Partners
Equalities	f	1	No impact on vulnerable groups
		2	Impacts on one vulnerable group
		3	Impacts several vulnerable groups
Asset Management	g	1	Not related to asset maintenance
		2	Allowing asset to continue in use
		3	Expenditure required to bring asset up to standard enabling service to continue (i.e. an element of 'backlog' repair exists)
Statutory/Discretionary Service	h	1	Entirely Discretionary
		2	Partly Statutory
		3	Entirely Statutory
Contractually Committed	i	1	No Commitment
		2	Moral Obligation (e.g. SLA)
		3	Contractually Committed

PROPOSALS FOR GROWTH (not included in base budgets)

The growth items below were submitted as PIDs to the relevant service Committee in the November/ December cycle of meetings.

Revenue Growth Bids					Measure of Quality of Service	Customer Impact / Quantity of Service	Links to Strategic Plan	Impact on Partners (as defined in the Community Strategy)	Partnership Funding	Equalities	Asset Management	Statutory/Discretionary Service	Contractually Committed	Financial Implications	Invest to Save	Total	
Service Plan	Description	2020/21 £	2021/22 £	2022/23 £	A	B	C	D	E	F	G	H	I	J	K		
Regulatory Services	: GIS Officer	54,300	54,300	54,300	9	9	2	3	1	1	3	1	1	0	2	32	
Property Services	: * Development & Project Manager (Major Projects)	109,000	95,000	95,000	6	3	2	3	1	1	1	1	1	0	2	21	
Regulatory Services	: Corporate Climate Change Officer	47,000	47,000	47,000	6	3	2	1	1	1	1	1	1	0	2	19	
Leisure & Landscape	: Oak Processionary Moth and Tree Health	20,000	17,000	17,000	9	9	2	1	1	3	3	3	1	0	2	34	
Community Partnerships	: Police Community Support Officers	4,370	4,690	5,040	3	9	2	2	2	3	1	1	2	0	2	27	
HR	: Lone Worker Devices	12,000	12,000	12,000	3	3	2	1	1	3	1	2	2	0	2	20	
Total		246,670	229,990	230,340													
Revenue Implications of Capital growth bids																	
Service Plan	Description	2020/21 £	2021/22 £	2022/23 £	A	B	C	D	E	F	G	H	I	J	K	Total	
Committee Services	: Mod.Gov Committee Management System	3,000	10,250	10,250	9	9	2	3	1	2	1	1	1	1	2	32	
Community Partnerships	: ASB Casework Management System	0	1,400	1,400	6	6	2	3	1	3	3	2	1	1	2	30	
Leisure & Landscape	: Watersmeet Stage Lighting Replacement	0	(500)	(500)	6	3	2	1	1	1	3	1	1	3	2	24	
Finance	: Property Information System	20,000	20,000	20,000	6	3	2	1	1	1	1	2	1	1	2	21	
Total		23,000	31,150	31,150													
Total All Growth Bids		269,670	261,140	261,490													
				Over Medium Term													792,300
* 50% of the post of Development & Project Manager (Major Projects) will be charged to capital																	(142,500)
				Over Medium Term													649,800

PROPOSED FEES & CHARGES (included in base budgets)

Service	Description of income	2020/21	2021/22	2022/23
		£	£	£
Garages & Shops Maintenance	Rent-Garages	(954,830)	(954,830)	(954,830)
Land & Property Information Section	Search Fees	(124,810)	(124,810)	(124,810)
	Property Naming	(2,040)	(2,040)	(2,040)
Decriminalised Parking	On Street Parking PCN	(115,000)	(115,000)	(115,000)
	Off Street Pay & Display	(220,000)	(220,000)	(220,000)
	Permits	(91,000)	(91,000)	(91,000)
	On Street Pay & Display	(13,860)	(13,860)	(13,860)
	Parking Fees	(15,500)	(15,500)	(15,500)
Refuse Domestic	Fees-Special Commercial	(34,640)	(34,640)	(34,640)
Refuse Trade	Fees-Trade Refuse	(583,390)	(583,390)	(583,390)
	Fees-Bulky Domestic	(74,990)	(74,990)	(74,990)
	Fees-Collect Glass/Paper/Card	(90,810)	(90,810)	(90,810)
Garden Waste	Garden Waste Charge	(982,600)	(982,600)	(982,600)
Clinical Waste	Fees-Clinical Waste Collection	(112,480)	(112,480)	(112,480)
Animal Control	Fees-Other Licences	(3,920)	(3,920)	(3,920)
	Vets' Fees	(2,740)	(2,740)	(2,740)
Licences Taxis & Markets	Drivers Lic-Private Hire	(73,300)	(73,300)	(73,300)
	Vehicle Licences-Private Hire	(80,480)	(80,480)	(80,480)
	Operator Licences-Private Hir	(13,420)	(13,420)	(13,420)
	Fees-Other Licences	(66,840)	(66,840)	(66,840)
Cemeteries	Burial Fees	(98,320)	(98,320)	(98,320)
	Burial Rights Fees	(80,660)	(80,660)	(80,660)
	Memorial Fees	(11,340)	(11,340)	(11,340)
Watersmeet	Lettings & Hall Hire	(136,900)	(136,900)	(136,900)
Trees And Landscapes	Hire Of Grounds	(6,380)	(6,380)	(6,380)
Playing Fields & Open Spaces	Football	(36,120)	(36,120)	(36,120)
Development Management	Pre-Application Advice	(78,890)	(78,890)	(78,890)
	Planning Application Fees	(696,420)	(696,420)	(696,420)
	Planning Conditions Fees	(5,930)	(5,930)	(5,930)
	TOTAL	(4,807,610)	(4,807,610)	(4,807,610)

FINANCIAL AND BUDGETARY KEY RISKS

APPENDIX 7

Date risk added to register	Risk ref	Risk owner	Category	Risk description	Comment	Likelihood score (inherent)	Impact score (inherent)	Inherent risk score	Risk controls	Risk control owners	Likelihood score (residual)	Impact score (residual)	Residual risk score	Risk direction	Action plan	Action plan owners	Action plan completion dates
Sep-15	FIN07	Director of Finance	Strategic	The Medium term financial position worsens.	In that the general fund balance falls below the minimum prudent threshold and capital funding is insufficient to meet the capital programme. This appears as item no.8 in the Council's strategic risk register.	2	4	8	Regular budget monitoring reports to committees; Budgetary and Financial Risk Register reviewed and updated as part of the budget monitoring process; Early identification of budgetary pressure when reviewing the medium term financial plan during the budget setting process; Audited Statement of Accounts, including Annual Governance Statement.	Head of Finance	2	3	6	➔	Ongoing Monitoring. Period 8 monitoring shows a projected underspend for the year.	Heads of Service/ Head of Finance	Continuous
Apr-06	FIN08	Director of Finance	Budgetary	Revenue balances insufficient to meet estimate pay award increases	The Council's 3 year Medium term Financial Strategy includes forecast pay awards for the next three years. Unions have submitted a payclaim in excess of this amount.	3	3	9	Pay award includes 3% from 2020/21. Maintain reserves to guard against risk. Early identification of new pressures. Budget Monitoring	Head of Finance	3	2	6	➔	Ongoing Monitoring. Period 8 monitoring shows a projected underspend for the year.	Head of Finance	Dec-19
Apr-06	FIN09	Director of Finance	Budgetary	Revenue balances insufficient to meet other inflationary increases	Other than contractual agreements, budgets have been cash limited where possible.	2	3	6	Inflation projections are included in MTFS. Actively manage budgets to contain inflation. Maintain reserves.	Service Heads/Head of Finance	3	1	3	➔	MTFS to review inflation assumptions in Sept 2020	Head of Finance	Dec-19

Jan-15	FIN10	Director of Finance	Budgetary	Interest rates resulting in significant variations in estimated interest income	The interest rate has a significant impact on the proceeds from capital receipts that are invested in the money market. The volatility of the global economy continues to place uncertainty on the investment strategy. The PIB strategy has diversified investment income to provide a more certain rate of return.	2	3	6	PIB strategy has diversified interest rate risk to provide income security.	PIB/Head of Finance	2	1	2	➡	Monitoring ongoing income levels	PIB	ongoing
Apr-06	FIN11	Director of Finance	Budgetary	Inaccurate estimates of fees and charges income	Key Income Indicators are shown in the Budget Monitoring report. Green Waste and Parking charges regularly monitored by Senior Management Team	3	2	6	Budget levels realistically set and closely scrutinised	Service Heads/Head of Finance	2	2	4	➡	Fees and Charges are monitored as part of budget monitoring. Reviews are ongoing to establish full cost recovery.	Service Heads	ongoing
Apr-06	FIN12	Director of Finance	Budgetary	Revenue balances insufficient to meet loss of partial exemption for VAT	If the council's expenditure on functions for which it receives income that is exempt for VAT purposes exceeds 5% of its total vatable expenditure, then the Council may lose its ability to recover VAT on all of its exempt inputs. This is mitigated by close monitoring of exempt supplies and prudent VAT planning. The Council elects to tax on development schemes.	2	4	8	VAT Planning and opt to tax on schemes. VAT advisers employed.	Head of Finance	1	4	4	➡	Partial Exemption Review commissioned. Continue to opt to tax.	Head of Finance	ongoing

Dec-13	FIN13	Director of Finance	Budgetary	The estimated cost reductions and additional income gains are not achieved	Savings identified and included in the budget will be monitored as part of the budget monitoring process.	2	3	6	Service Heads to take responsibility for achieving savings. Budget monitoring to highlight any issues to allow corrective action to be taken.	Service Heads/Head of Finance	2	2	4	➔	Budget process identifies savings to be achieved and ensure clarity over responsibility over delivery. Savings to be challenged.	Head of Finance	ongoing
Apr-06	FIN14	Director of Finance	Budgetary	The Council is faced with potential litigation and other employment related risks	The Council has no outstanding litigation cases.	2	3	6	Council procedures are adhered to	Solicitor to the Council	1	3	3	➔	Adherence to council procedures to be monitored and procedures maintained.	Solicitor to the Council	ongoing
Dec-13	FIN18	Director of Finance	Budgetary	Fluctuations in Business Rates Retention	From April 2020 the system was due to be subject to reset and increase to 75% retention. This has been postponed to 2021/22 at the earliest.	2	4	8	Membership of the Hertfordshire Pilot for 75% retention for 2019/20. Maintain reserves against risk.	Head of Finance	2	3	6	➔	Monitor activity on the project and central government announcements.	Head of Finance	Mar-21
Mar-16	FIN19	Head of Property Services	Budgetary	Failure to deliver the South Oxhey Initiative to desired outcomes and objectives	This is a key project. This appears as item no.7 in the Council's strategic risk register. Phase 1 delivered. Enhanced next phase agreed.	2	3	6	Project management team appointed to advise Council; Project management processes in place and reviewed regularly; Policy and Resources Committee receive regular reports on progress of project	Head of Property Services	2	2	4	➔	Continue to manage project	Head of Property	ongoing

Jul-16	FIN20	Director of Finance	Budgetary	Failure of ICT systems	The Council's integrated Financial Management System (FMS) is held on an ICT platform. If this were to fail then potentially there will be a loss of functionality occurring during any downtime	3	2	6	System migrated to latest version. Payments system to be updated.	Head of Finance	2	2	4	→	Monitor reliability	Head of Finance	ongoing
Mar-18	FIN21	Director of Finance	Budgetary	Property Investment	The Council set up a Property Investment Board in 2017 to manage its property portfolio in order to secure additional income of £1 million to support its general fund. Risk moving forward relates to ongoing income.	2	3	6	Portfolio to be actively managed to maintain income levels. Income to be reviewed regularly when MTFS is updated.	Head of Property Services	1	3	3	→	PIB to assume responsibility for ongoing oversight.	Head of Property Services	Continuous

RESERVES

Category	Opening Balance 01/04/2019 £	Net Movement in Year £	Closing Balance 31/03/2020 £	Purpose
Revenue Reserves				
General Fund	(4,821,407)	402,536	(4,418,871)	Working balance to support the Council's revenue services. £2M is a suggested prudent minimum
Economic Impact (EIR)	(2,100,000)	0	(2,100,000)	To support the funding of unexpected/unplanned Council expenditure as a result of fluctuations in the economy.
Building Control	(149,514)	0	(149,514)	To provide against future losses and/or borrowing against Hertfordshire Building Control Ltd
HB Equalisation	(234,357)	0	(234,357)	To provide against future deficits on the Housing Benefit account
Total Revenue	(7,305,278)	402,536	(6,902,742)	
Capital Reserves				
Capital Receipts	0	0	0	Generated from sale of Council assets
New Homes Bonus	(4,592,778)	3,653,030	(939,748)	Government grant set aside for supporting capital expenditure
Section 106	(2,974,426)	336,727	(2,637,699)	Developers contributions towards facilities
Grants & Contributions	(239,088)	(182,820)	(421,908)	Disabled Facility Grants and other contributions
Reserve for Capital expenditure	(2,610,155)	0	(2,610,155)	Reserve set aside for supporting capital expenditure
Total Capital	(10,416,447)	3,806,937	(6,609,510)	
Other Earmarked Reserves				
Leavesden Hospital Open Space	(769,124)	0	(769,124)	To maintain open space on the ex hospital site
Abbots Langley - Horsefield	(1,275,190)	0	(1,275,190)	Developers contributions towards maintenance of site
Community Infrastructure Levy (CIL)	(3,324,407)	(711,877)	(4,036,284)	Developers contributions towards Infrastructure
Environmental Maintenance Plant	(123,357)	0	(123,357)	Reserve to fund expenditure on plant & machinery
Total Other	(5,492,078)	(711,877)	(6,203,955)	
Total All	(23,213,803)	3,497,596	(19,716,207)	