

**LEISURE, ENVIRONMENT AND COMMUNITY COMMITTEE - 10 MARCH 2021
PART I - NOT DELEGATED**

**5. BUDGET MONITORING – PERIOD 10
(DoF)**

1. Summary

1.1 This report covers this Committee's financial position over the medium term (2020 – 2023) as at Period 10 (end of January)

1.2 The Period 10 comprehensive Budget Management report has already been presented to the Policy & Resources Committee at its meeting on 8 March 2021 which sought approval to a change in the Council's 2020 - 2023 medium-term financial plan

2.0 Details

Revenue Budget

2.1 This Committee's 2020/21 latest approved budget is **£6.098 million**. The forecast outturn is now estimated to be **£6.185 million** which results in a service variance of **£0.087 million**.

2.2 The table below compares the latest budget to the forecast outturn and shows the variance for each responsibility area within this Committee's remit. It also shows the spend up to the end of January (Period 10).

| 2020/21 Revenue Account | | | | | |
|--|--------------------|------------------|----------------------------|---------------------|-----------|
| | | (A) | | (B) | (B – A) |
| Leisure, Environment & Community | Original Budget | Latest Budget | Net Spend to Date | Forecast Outturn | Variance |
| | £000 | £000 | £000 | £000 | £000 |
| Community Safety & Partnership | 957 | 1,180 | 673 | 1,178 | (2) |
| Leisure | 1,589 | 2,330 | 1,732 | 2,336 | 6 |
| Environmental Services | 2,039 | 2,588 | 1,553 | 2,671 | 83 |
| Total | 4,585 | 6,098 | 3,958 | 6,185 | 87 |

2.3 The detail of comparing the latest budget to the forecast outturn together with an explanation of the variances is shown in **Appendix 1**.

Capital Programme

2.4 The capital programme has been designed to support and enhance the Council's core services and priorities.

2.5 This Committee's latest 2020/21 capital budget is **£1.843 million**. The forecast outturn at Period 10 is **£1.203 million** resulting in a variance of **(£0.640 million)**. This Committee's Medium Term Capital Investment Programme is shown by scheme at **Appendix 2**.

2.6 The table below shows the 2020/21 latest capital programme budget, forecast outturn, spend to date and variance at period 10 for each of the responsibility areas within the Committee's remit.

| Leisure, Environment & Community | Original Budget £000 | Latest Budget £000 | Spend to Date £000 | % of budget spent | Forecast Outturn £000 | Variance £000 |
|---|-----------------------------|---------------------------|---------------------------|--------------------------|------------------------------|----------------------|
| Community Safety & Partnership | 45 | 9 | 0 | 0% | 9 | 0 |
| Leisure | 344 | 491 | 167 | 34% | 491 | 0 |
| Environmental Services | 1,680 | 1,343 | 578 | 43% | 703 | (640) |
| Total | 2,069 | 1,843 | 745 | 40 % | 1,203 | (640) |

Income

2.7

Particular income generating items can fluctuate depending on the economic climate, popularity and affordability. The main risks that are considered the most critical and their financial position are shown in the table below. It should be noted that the income receivable from the Services below is not linear and are subject to peaks and troughs throughout the financial year.

- The 2020/21 pantomime and other shows was cancelled due to social distancing measures. The Council has received a grant of £157,500 from the Arts Council England. A further £17,500 is still expected. This grant will be used to cover a revised programme designed to offset losses on activities at Watersmeet up to the end of the financial year.
- Alternative Finance Model- AFM payment from HCC is based on reductions of residual waste. It was initially estimated that TRDC would receive approximately £104k, however HCC has since revised their estimates and it is now unlikely that any payments will be made.
- Licencing – A reduction in income has been reported on drivers and operator licenses. This is because no new driver applications are being received as a result of the on-going pandemic. There is further reduction on income received from street trading as the lockdown continues.

2.8

| Service | Income Stream | 2020/21 Original Budget £ | 2020/21 Latest Budget £ | 2020/21 Actual to date £ | 2020/21 Forecast Outturn £ | 2020/21 Variance £ |
|--------------------------|----------------------|----------------------------------|--------------------------------|---------------------------------|-----------------------------------|---------------------------|
| Environmental Protection | Trade Refuse | (749,187) | (655,877) | (651,171) | (655,877) | 0 |
| | Garden Waste | (982,600) | (990,000) | (993,943) | (994,000) | (4,000) |
| | Clinical Waste | (112,480) | (75,147) | (92,111) | (92,100) | (16,953) |

*The Council is applying to recoup both the losses of income on the AFM and licencing through the Governments income guarantee scheme.

The Council charges its customers for various services by raising debtor invoices. The customer is given 21 days to pay and unless there is a dispute, a reminder is issued. If the debt remains outstanding, then a variety of recovery methods are employed including rearranging the payment terms, stopping the provision of the service or pursuing the debt through legal recovery processes.

2.9

As at 31 January 2021, the total outstanding debt for this Committee was £ 0.077 million. Debts less than a month old total £0.029 million and it is considered that this sum will be recovered. Outstanding debt over a year old is £0.005 million.

The table below shows a summary of the outstanding debt by the three main aged categories.

| Aged debt | Services | Under 1 Month | Over 1 Month to year | Over a year | Total |
|----------------------------------|------------------------------|---------------|----------------------|--------------|---------------|
| Committee | | £ | £ | £ | £ |
| Leisure, Environment & Community | Community Safety Partnership | 0 | 7,500 | 0 | 7,500 |
| | Environmental Services | 22,560 | 35,263 | 5,734 | 63,557 |
| | Leisure | 6,665 | 0 | 0 | 6,665 |
| | Total | 29,225 | 42,763 | 5,734 | 77,722 |

3. Options/Reasons for Recommendation

3.1 The Committee is to note the changes concerning their budget.

4. Policy / Budget Reference and Implications

4.1 In accordance with the Council's financial procedure rules, the revenue and capital budgets will be updated accordingly, if the recommendation from the Policy & Resources Committee is agreed by Council.

4.2 There are no substantial changes to Council policy resulting from this report.

5. Legal, Equal Opportunities, Staffing, Environmental, Community Safety, Public Health, Customer Services Centre, Communications & Website, and Health & Safety Implications

5.1 None specific.

6. Financial Implications

6.1 As contained in the report

7. Risk Management and Health and Safety Implications

7.1 None specific.

8. Recommendation

8.1 That Members note & comment on the contents of the report.

Report prepared by: Temi Opeyemi (Finance Manager)
Checked by: Nigel Pollard (Section Head Accountancy)

APPENDICES

Appendix 1 Explanations of revenue variances reported this period
Appendix 2 Medium term capital investment programme

Explanation of Variances reported in this period – Revenue

| Leisure, Environment & Community | | | |
|---|-----------------------|--|----------------|
| Description | Main Group Heading | Details of Outturn Variances to Latest Approved Budget | 2020/21 £ |
| Community Safety | Employees | Overtime budget not required as this is offset against legal fees for ASB. | (15,180) |
| | Transport | Essential car user full budget not required due to reduced staff travel during lockdown | (300) |
| Corporate Climate Change | Employees | Reduction in staff costs due to a delay in recruitment. | (12,900) |
| Community Partnerships | | Annual Leave paid back to departing member of staff | 22,930 |
| Env Health - Commercial Team | Third Party Payments | Expected additional charges from Watford BC did not materialise. Therefore full budget not required. | (25,000) |
| Licensing | Supplies and Services | Budget for DBS checks not required. Monies paid by applicant to TRDC and then paid out to DBS. | (12,500) |
| | Income | A reduction in income has been reported on drivers and operator licenses. This is because no new driver applications are being received as a result of the on-going pandemic. There is further reduction on income received from street trading as the lockdown continues. | 40,530 |
| Total Community Safety & Partnership | | | (2,420) |
| Description | Main Group Heading | Details of Outturn Variances to Latest Approved Budget | 2020/21 £ |
| Community Arts | Income | Shortfall in Income on activities as a result of Covid 19 pandemic. | 872 |
| Watersmeet | Employees | Variance mainly due to reduction in Temporary staffing costs as the venue remains closed to due the ongoing pandemic | (11,641) |
| | Premises | Reduced spend on cleaning due to the venue being closed | (3,000) |
| | Supplies and Services | Reduced spend on supplies and services mainly due to Catering, Equipment and Box Office expenditure due to the venue being closed | (36,850) |
| | Income | Reduced income mainly due to Catering, Lettings, Box Office commission due to venue being closed | 51,525 |
| Trees and Landscapes | Income | Income from land and ground maintenance and Hire of grounds not received due to COVID-19 Pandemic. | 14,132 |
| Playing Fields & Open Spaces | Premises | Reduction in Utility budgets due to reduced use of buildings as a result of the Pandemic. | (9,000) |
| Total Leisure | | | 6,038 |

| Description | Main Group Heading | Details of Outturn Variances to Latest Approved Budget | 2020/21 £ |
|---|-----------------------|---|---------------|
| Garden Waste | Income | Anticipated reduction on income due to Covid never materialised. Latest budget for the year has been exceeded. | (4,000) |
| Clinical Waste | Income | The impact of Covid 19 on income was less than anticipated. | (16,953) |
| Recycling Kerbside | Supplies and Services | An additional budget of £31,000 is required due to increased costs of recycling cans and plastics as more residents remain at home and the demand on the service increases. | 31,000 |
| | Income | AFM payment from HCC is based on reductions of residual waste. It was initially estimated that TRDC would receive approximately £104k, however HCC has since revised their estimates and it is now unlikely that we will receive anything | 104,370 |
| Cemeteries | Premises | Sewage rates budget not required this year | (1,080) |
| | Income | An anticipated increase in Burial fees expected as we go through the winter months | (5,000) |
| Waste Management | Transport | Full budget not required for Hire of vehicles | (5,000) |
| | Supplies and Services | Full budget not required for Equipment, Furniture and materials | (20,000) |
| Total Environmental Services | | | 83,337 |
| Total Leisure Community & Environment Services | | | 86,955 |

Medium Term Capital Investment Programme

| Leisure, Environment & Community | | | | | | | | | |
|---|---------------------------|-------------------------|---------------------|----------------------------|------------|--------------------|-----------------|-----------------|---|
| <i>Community Safety & Partnership</i> | Original Budget 2020/21 £ | Latest Budget 2020/21 £ | P10 Spend To Date £ | Forecast Outturn 2020/21 £ | Variance £ | Proposed 2021/22 £ | Draft 2022/23 £ | Draft 2023/24 £ | Comments |
| ASB Casework Management System | 18,750 | 0 | 0 | 0 | 0 | 18,750 | 0 | 0 | ASB Casework Management System rephased to 2021-22. There is potential for a saving if Police system is viable for longer - pending Procurement work by HCC & Herts Constabulary. |
| Capital Grants & Loans | 20,000 | 3,793 | 0 | 3,793 | 0 | 20,000 | 20,000 | 20,000 | Budget will be spent |
| Community CCTV | 6,000 | 6,000 | 0 | 6,000 | 0 | 6,000 | 6,000 | 6,000 | Budget will be spent |
| Total | 44,750 | 9,793 | 0 | 9,793 | 0 | 44,750 | 26,000 | 26,000 | |
| Leisure | | | | | | | | | |
| <i>Leisure</i> | Original Budget 2020/21 £ | Latest Budget 2020/21 £ | P10 Spend To Date £ | Forecast Outturn 2020/21 £ | Variance £ | Proposed 2021/22 £ | Draft 2022/23 £ | Draft 2023/24 £ | Comments |
| Heritage & Tourism Initiative | 0 | 0 | 5,521 | 0 | 0 | 0 | 0 | 0 | Budget is funded entirely from the National Lottery Heritage Fund and S106 monies |
| Countryside Management | 10,000 | 10,000 | 10,000 | 10,000 | 0 | 10,000 | 10,000 | 10,000 | Budget has been fully spent |
| Aquadrome | 21,000 | 21,000 | 18,169 | 21,000 | 0 | 21,000 | 22,500 | 22,500 | Budget will be spent |
| Allotments | 5,000 | 3,000 | 1,889 | 3,000 | 0 | 0 | 0 | 0 | Planned works were delayed due to Bees and Wasps. Work has now been completed awaiting invoice. |
| Scotsbridge-Chess Habitat | 0 | 0 | 0 | 0 | 0 | 11,390 | 0 | 0 | Re-phase capital budget to 2021/22. Budget is TRDC's contribution to an Environmental Agency (EA) led project, which requires further funding from other sources. Funding applications are due to be submitted by the EA in 2021/22 |
| Watersmeet External Roof Access | 55,750 | 55,750 | 0 | 55,750 | 0 | 0 | 0 | 0 | Contractor has been appointed. Works due to take place in March-April 2021 subject to planning approval at Feb planning committee |
| Watersmeet Stg Light Replace | 64,000 | 112,000 | 59,700 | 112,000 | 0 | 0 | 0 | 0 | Full budget to be spent by end of year. Phase 2 works expected to be completed in March |
| South Oxhey Leisure Centre | 6,000 | 6,155 | 4,018 | 6,155 | 0 | 0 | 0 | 0 | Budget will be spent |
| Leisure Facilities Improvement | 25,000 | 10,985 | 2,477 | 10,985 | 0 | 10,000 | 10,000 | 0 | Budget expected to be spent primarily around Sir James Altham Pool |
| Open Space Access Improvements | 50,000 | 123,000 | 37,022 | 123,000 | 0 | 50,000 | 50,000 | 50,000 | Budget will be spent by the end of the financial year |
| Outdoor Fitness Zones | 0 | 0 | 0 | 0 | 0 | 54,400 | 54,400 | 27,200 | |
| Improve Play Area-Future Schemes | 50,000 | 52,730 | 0 | 58,383 | 5,653 | 158,250 | 100,000 | 100,000 | Budget transferred from Cassiobridge Play Area Refurbishment |

| <i>Leisure</i> | Original Budget 2020/21 £ | Latest Budget 2020/21 £ | P10 Spend To Date £ | Forecast Outturn 2020/21 £ | Variance £ | Proposed 2021/22 £ | Draft 2022/23 £ | Draft 2023/24 £ | Comments |
|---|---------------------------|-------------------------|---------------------|----------------------------|------------------|--------------------|------------------|------------------|--|
| Aquadrome-Whole Life Costing | 10,000 | 27,354 | 13,623 | 27,354 | 0 | 10,000 | 11,000 | 11,000 | Budget will be spent on improvements to utility services by the end of the financial year. |
| Watersmeet-Whole Life Costing | 15,000 | 23,000 | 6,711 | 23,000 | 0 | 15,000 | 20,000 | 20,000 | Full budget to be spent by end of financial year |
| Pavilions-Whole Life Costing | 10,000 | 12,316 | 1,348 | 12,316 | 0 | 10,000 | 11,000 | 11,000 | A review of usage of the Pavilions is underway. Future use to be reviewed by the end of financial year |
| Watersmeet - Hot Water pipework replacement | 0 | 1,898 | 1,810 | 1,898 | 0 | 0 | 0 | 0 | Full budget to be spent. |
| The Swillet - Play area Refurbishment | 18,880 | 26,221 | 5,090 | 26,221 | 0 | 0 | 0 | 0 | Awaiting final invoice following 6 month defect inspection |
| Cassiobridge Play Area Refurbishment | 4,030 | 5,653 | 0 | 0 | (5,653) | 0 | 0 | 0 | Project complete, remaining budget transferred to Improve Play Area-Future Schemes |
| Total | 344,660 | 491,062 | 167,378 | 491,062 | 0 | 350,040 | 288,900 | 251,700 | |
| | | | | | | | | | |
| <i>Environmental Services</i> | Original Budget 2020/21 £ | Latest Budget 2020/21 £ | P10 Spend To Date £ | Forecast Outturn 2020/21 £ | Variance £ | Proposed 2021/22 £ | Draft 2022/23 £ | Draft 2023/24 £ | Comments |
| Waste Plant & Equipment | 25,000 | 29,996 | 14,386 | 14,966 | (15,030) | 40,030 | 25,000 | 25,000 | budget to be rephased to allow purchase of vehicle for animal control in 2021/22 |
| Waste Services Depot | 1,000,000 | 665,672 | 8,374 | 35,672 | (630,000) | 1,300,000 | 0 | 0 | Budget rephased as work is not likely to be done in this financial year |
| Bulk Domestic Waste | 20,000 | 31,528 | 35,821 | 36,028 | 4,500 | 30,500 | 40,000 | 40,000 | Budget to be rephased from 2021/22 due to additional bin purchases |
| Waste & Recycling Vehicles | 500,000 | 164,110 | 163,122 | 164,110 | 0 | 0 | 1,887,000 | 400,000 | Budget will be fully spent |
| Street Furnishings | 10,000 | 10,000 | 10,009 | 10,000 | 0 | 15,000 | 15,000 | 15,000 | Budget will be fully spent |
| Paladin Bins | 25,000 | 39,121 | 25,920 | 39,121 | 0 | 40,000 | 60,000 | 60,000 | Budget will be spent by the end of the financial year on replacement bins. |
| Energy Performance Certificate | 2,000 | 5,000 | 815 | 5,000 | 0 | 2,000 | 2,000 | 2,000 | A programme of works has been started on all TRDC assets. |
| Cemetery-Whole Life Costing | 5,000 | 6,697 | 1,814 | 6,697 | 0 | 5,000 | 5,000 | 5,000 | Repair works to be carried out on Cemetery house in Feb 21 |
| Replacement Ground Maintenance Vehicles | 93,000 | 390,590 | 317,933 | 390,590 | 0 | 120,000 | 280,000 | 180,000 | Budget will be spent by March 2021. |
| Total | 1,680,000 | 1,342,714 | 578,194 | 702,184 | (640,530) | 1,552,530 | 2,314,000 | 727,000 | |
| | | | | | | | | | |
| Total Leisure, Environment & Community | 2,069,410 | 1,843,569 | 745,572 | 1,203,039 | (640,530) | 1,947,320 | 2,628,900 | 1,004,700 | |