

LEISURE, ENVIRONMENT AND COMMUNITY COMMITTEE

25 NOVEMBER 2020

PART I - NOT DELEGATED

6. BUDGET MONITORING – PERIOD 6 (DoF)

1. Summary

1.1 This report covers this Committee's financial position over the medium term (2020 – 2023) as at Period 6 (end of September)

1.2 The Period 6 comprehensive Budget Management report has already been presented to the Policy & Resources Committee at its meeting on 2 November 2020 which sought approval to a change in the Council's 2020 - 2023 medium-term financial plan

2. Details

Revenue Budget

2.1 This Committee's 2020/21 latest approved budget is **£5,996 million**. The forecast outturn is now estimated to be **£6,167 million** which results in a service variance of **£0.171 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 to date up to the end of September (Period 6).

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	1,105	280	1,103	(2)
Leisure	1,589	2,468	845	2,440	(28)
Environmental Services	2,039	2,423	591	2,624	201
Total	4,585	5,996	1,716	6,167	171

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 **£2.775 million**. The forecast outturn at Period 6 is **£1.886 million** resulting in a variance of **£0.889 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 6 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	536	85	15%	534	(2)
Environmental Services	1,680	2,230	169	7.5%	1,343	(887)
Total	2,069	2,775	254	22.5%	1,886	(889)

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.

- Please note The 2020/21 pantomime and other shows have been cancelled due to social distancing measures. The Council applied for and received a grant of £175,000 from the Arts Council England. It is expected that 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- Following the presentation of the Period 6 report at Policy and Resources Committee, Hertfordshire County Council have updated projections of the Alternative Finance Model (AFM). The end of year projection has increased by £42,740, thereby reducing the reported deficit from £322,350 to £279,610. This variance will be reported during the next budget monitoring cycle
- Nappy Sacks- The process for selling nappy sacks, at 30 pence each, required an update due to Covid-19 and also because officers were collecting cash. The process in which nappy sacks are purchased going forward will be changed with updated pricing. Officers will report any budget changes through the budget monitoring process although this is expected to be small. An online ordering process was agreed, whereby rolls of nappy sacks will be sold for £10 with a postage charge of £3. Current outlets are being written to, to ask if they will agree to be invoiced upfront for any stock, which they can then sell at either £10 per roll or 40 pence per sack depending on the requirement of the resident. If an outlet is not prepared to be invoiced they will cease to be an outlet.

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 £
Leisure	Licenses	(234,040)	(218,810)	(133,492)	(218,810)	0
	Watersmeet	(693,100)	(516,558)	(53,567)	(465,098)	51,460
Environmental Protection	Trade Refuse	(749,187)	(573,587)	(314,839)	(573,587)	0
	Garden Waste	(982,600)	(975,320)	(987,626)	(990,000)	(14,680)
	Clinical Waste	(112,480)	(75,147)	(42,073)	(75,147)	0
	Cemeteries	(191,530)	(191,530)	(103,087)	(195,870)	(4,340)

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 September 2020, the total outstanding debt for this Committee was £ 0.618 million. Debts less than a month old total £0.590 million and it is considered that this sum will be recovered. Outstanding debt over a year old is £0.006 million.

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

Services	Under 1 Month	Over 1 Month to year	Over a year	Total
	£	£	£	£
Environmental Services	561,386	9,154	6,485	577,025
Leisure	29,065	12,621	0	41,686
Total	590,451	21,775	6,485	618,711

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.

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Checked by: Tina Stankley (Interim Head of Finance)

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

Explanation of Revenue Variances Reported Period 6 (September)					
Leisure, Environment & Community					
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2020/21 £	2021/22 £	2022/23 £
Community Partnerships	Supplies & Services	£30k legal budget transfer to Community Safety to match expenditure. £200 saving on equipment furniture and Material.	(30,200)	0	0
	Transport	Staff travelling expenses due to Covid 19.	(610)	0	0
Community Safety	Supplies & Services	£30k legal budget transfer to Community Partnerships to match expenditure. £250 saving reported on printing and stationary as staff continue to work from home	29,750	0	0
	Transport	Staff travelling expenses due to Covid 19.	(500)	0	0
Leisure & Community Services	Supplies & Services	Printing and stationary budget not required in 2020/21 due to staff working remotely	(4,750)	0	0
Croxley Green Skateboard Park	Premises	Reduced expenditure on repairs and maintenance budget due to Covid 19	(2,500)	0	0
Sports Devel-Sports Projects	Employees	Reduced spend on Temporary Staffing budget, Hire of rooms and Equipment and Furniture due to reduced activities due to Covid 19.	(7,000)	0	0
	Premises		(2,000)	0	0
	Supplies & Services		(2,000)	0	0
Play Development - Play schemes	Employees	Reduced spend on Temporary Staffing budget, Hire of rooms and Grants & Contributions due to reduced activities due to Covid 19.	(36,500)	0	0
	Premises		(7,000)	0	0
	Supplies & Services		(8,000)	0	0
Leisure Development	Employees	Reduced spend on Temporary Staffing budgets.	(10,000)	0	0
Aquadrome	Premises	£14.2k Additional budget required to fund the hire and running of a generator for the Ski Club. £250 residual saving on Gas servicing.	13,950	(250)	(250)
Play Rangers	Transport	Budget saving on diesel costs.	(300)	0	0
Playing Fields & Open Spaces	Income	(£7.2k) budget reduction on utilities. £10k shortfall in income on hire of Football Pitches due to reduced activities as a result of the on going pandemic. £6k income budget relating to non vatable hire of football pitches and hire of hockey pitches has been removed.	16,090	6,090	6,090
	Premises		(7,240)	(7,240)	(7,240)
Trees And Landscapes	Income	Reduced spend on staff travel costs, printing and stationary and advertising. £4.3k reduced income from hire of grounds due to COVID 19 restrictions on activities.	4380	0	0
	Supplies & Services		600	0	0
	Transport		(3,500)	0	0
Active Community Devel Fund	Employees	Budget reduction on Hire of rooms, Temporary Staffing and Equipment Furniture and material due to activities not going on as a result of Covid 19	(15,730)	0	0
	Premises		(4,500)	0	0
	Supplies & Services		(2,300)	0	0
Watersmeet	Income	Due to Covid, additional loss of income as a result of panto being cancelled and Watersmeet being closed.	51,460	0	0
Community Arts	Employees	Temporary staffing budget no longer needed in the current year as a result of not delivering activities due to Covid 19.	(2,000)	0	0

Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2020/21 £	2021/22 £	2022/23 £
Street Cleansing	Transport	Annual transport contractual uplift.	600	600	600
Waste Management	Income	£2.8k additional cost due annual Transport contractual uplift as agreed.. An additional (£36.7k) additional income due to the transport subsidy from Hertfordshire County Council being higher than previously anticipated.	(36,700)	0	0
	Transport		2,800	2,800	2,800
Environmental Protection	Supplies & Services	Reduction in spend is expected on staff travel expenses, printing & stationary and conferences due to Covid 19	(3,010)	0	0
	Transport		(350)	0	0
Cemeteries	Income	Increase income of (£5k) from burial fees is expected. This is offset by reduced income from the upkeep of graves as take up for the service is low.	(4,340)	660	660
Animal Control	Income	Reduced income on the return of strays based on the previous years actuals.	560	0	0
	Transport		(2,000)	0	0
Environmental Maintenance	Transport	Reduced spend on contractual hire no longer required	(480)	(480)	(480)
Abandoned Vehicles	Supplies & Services	Reduced spend on fees and contractual services	(500)	(500)	(500)
Recycling Kerbside	Income	An increase in income of (£64k) is expected from recycling credits. This is due to increased collection of recyclable goods as people continue to work from home. There is a projected £322k reduction in AFM monies- this is due to an increase in residual waste.	258,350	0	0
Garden Waste	Income	Annual Transport contractual uplift as agreed of £1.4k. Increased income from subscription to the Garden Waste Service (£14.6k)	(14,680)	0	0
	Transport		1,450	1,450	1,450
Recycling General	Supplies & Services	This budget not required for the current year as textile banks were emptied free of charge by contractor	(1,500)	0	0
Refuse Trade	Transport	Annual Transport contractual uplift as agreed with supplier	620	620	620
Grounds Maintenance	Transport	Annual Transport contractual uplift as agreed with supplier	470	470	470
		TOTAL	170,890	4,220	4,220

Medium Term Capital Investment Programme

Leisure, Environment & Community								
<i>Community Safety & Partnership</i>	Original Budget 2020/21 £	Latest Budget 2020/21 £	P6 Spend To Date £	Forecast Outturn 2020/21 £	Variance £	Forecast 2021/22 £	Forecast 2022/23 £	Comments
ASB Casework Management System	18,750	0	0	0	0	18,750	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	Budget will be spent
Community CCTV	6,000	6,000	0	6,000	0	6,000	6,000	Budget will be spent
Total	44,750	9,793	0	9,793	0	44,750	26,000	
<i>Leisure</i>	Original Budget 2020/21 £	Latest Budget 2020/21 £	P6 Spend To Date £	Forecast Outturn 2020/21 £	Variance £	Forecast 2021/22 £	Forecast 2022/23 £	Comments
Countryside Management	10,000	10,000	3,639	10,000	0	10,000	10,000	Budget will be spent on agreed 2020/21 Work Programme across the district, including works on the Management Plans
Aquadrome	21,000	21,000	17,423	21,000	0	21,000	22,500	Budget will be spent
Allotments	5,000	3,000	1,889	3,000	0	5,000	5,000	All planned works have been completed - some additional work will be completed in the autumn.
Scotsbridge-Chess Habitat	0	11,390	0	11,390	0	0	0	This project has not yet progressed due to involvement with the Environment Agency.
Watersmeet External Roof Access	55,750	55,750	0	55,750	0	0	0	Procurement process has commenced . Full budget is expected to be spent.
Watersmeet Stg Light Replace	64,000	64,000	36,992	112,000	48,000	0	0	Project commenced. £48k rephased from 2021/22 to 2020/21 to facilitate the works to be completed whilst Watersmeet is closed due to Covid19.
South Oxhey Leisure Centre	6,000	9,155	2,552	9,155	0	0	0	Budget for Legal fees for South Oxhey Leisure Centre redevelopment.
Leisure Facilities Improvement	25,000	30,985	0	30,985	0	0	0	The budget will be used for the decommissioning of Sir James Altham pool.
Open Space Access Improvements	50,000	123,000	2,485	123,000	0	50,000	50,000	Budget will be spent during 2020/21, this will include pathways and fencing at a number of sites across the district.
Improve Play Area-Future Schemes	50,000	110,980	0	60,980	(50,000)	150,000	100,000	Re-phasing £50,000 for Denham Way Play Area from 2020/21 into 2021/22. Funding proposal due to be submitted to HS2 in early 2021/22 for a wider project at Denham Way playing fields to enhance the play area, tennis courts, pavilion and recreation offer on site.
<i>Leisure</i>	Original Budget 2020/21 £	Latest Budget 2020/21 £	P6 Spend To Date £	Forecast Outturn 2020/21 £	Variance £	Forecast 2021/22 £	Forecast 2022/23 £	Comments
Aquadrome-Whole Life Costing	10,000	27,354	12,769	27,354	0	10,000	11,000	Budget will be spent this financial year
Watersmeet-Whole Life Costing	15,000	23,000	0	23,000	0	15,000	20,000	Full budget to be spent by end of year.
Pavilions-Whole Life Costing	10,000	12,316	0	12,316	0	10,000	11,000	A review of usage of the Pavilions is underway. Future use to be reviewed by the end of 2020
Watersmeet - Hot Water pipework replacement	0	1,898	1,810	1,898	0	0	0	Retention monies to be paid this year. Full budget to be spent.
The Swillet - Play area Refurbishment	18,880	26,221	4,814	26,221	0	0	0	Budget will be spent - includes retention funds
Cassiobridge Play Area Refurbishment	4,030	5,653	0	5,653	0	0	0	Budget will be spent on retention monies for this project
Total	344,660	535,702	84,478	533,702	(2,000)	271,000	229,500	

<i>Environmental Services</i>	Original Budget 2020/21 £	Latest Budget 2020/21 £	P6 Spend To Date £	Forecast Outturn 2020/21 £	Variance £	Forecast 2021/22 £	Forecast 2022/23 £	Comments
Waste Plant & Equipment	25,000	29,996	13,855	29,996	0	25,000	25,000	Budget will be fully spent
Waste Services Depot	1,000,000	1,335,672	5,349	665,672	(670,000)	670,000	0	Original scope for the project came in over budget so needed to be re designed. New plans have been submitted to Planning Committee in October. Once approval has been received a final design will be agreed and planning conditions discharged. Off site manufacture of the units will commence. To avoid the busy season for the Depot works are planned to commence on 11th January. This will be the first phase so mainly rewiring and utility works. The building will be manufactured off site with a view to delivery February/March. The new building will be completed and groundworks carried out to the first phase on the site. These will be completed April/May. When the new building is complete the team will decamp from the old building into the new one. The old building will be demolished and further groundworks carried out. Project due for completion July 2021.
Bulk Domestic Waste	20,000	31,528	19,044	31,528	0	35,000	40,000	Budget will be fully spent.
Waste & Recycling Vehicles	500,000	311,110	0	164,110	(147,000)	147,000	1,740,000	£147k to be rephased to 2021/22 to purchase two 7.5ton Refuse Collection Vehicles. A new Trade lorry has been received and now awaiting invoice in 20/21.
Street Furnishings	10,000	10,000	0	10,000	0	15,000	15,000	Budget will be fully spent.
Paladin Bins	25,000	29,121	18,080	39,121	10,000	40,000	60,000	Budget required for bin replacements.
Energy Performance Certificate	2,000	5,000	0	5,000	0	2,000	2,000	A programme of works has been started on all TRDC assets.
Cemetery-Whole Life Costing	5,000	6,697	0	6,697	0	5,000	5,000	Works to the memorial garden and new signage planned.
Replacement Ground Maintenance Vehicles	93,000	470,590	112,473	390,590	(80,000)	120,000	280,000	£80,000 of the 20/21 budget to be rephased into 2021/22 for the acquisition of mini sweeper. The rest of the 20/21 budget will be used to purchase 3 ride-on-mowers, 1 Trilo leaf sucker, 5 Transit vans and 2 pick-up' trucks which are all due to be delivered before Christmas 2020.
Total	1,680,000	2,229,714	168,801	1,342,714	(887,000)	1,059,000	2,167,000	
Total Leisure, Environment & Community	2,069,410	2,775,209	253,279	1,886,209	(889,000)	1,374,750	2,422,500	