

PART I - DELEGATED

5. BUDGET MONITORING – PERIOD 10 (DoF)

1. Summary

1.1 This report covers this Committee's financial position over the medium term (2019 – 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 9 March 2020 which sought approval to a change in the Council's 2019 - 2023 medium-term financial plan

2. Details

Revenue Budget

2.1 This Committee's 2019/20 latest approved budget is **£4.586 million**. The forecast outturn is now estimated to be **£4.589 million** which results in a service variance of **£0.003 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 January (Period 10).

2019/20 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	859	878	440	916	38
Leisure	1,827	1,837	1,156	1,820	(17)
Environmental Services	1,974	1,871	1,265	1,853	(18)
Total	4,660	4,586	2,861	4,589	3

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 2019/20 capital budget is **£2.809 million**. The forecast outturn at Period 10 is **£1,857 million** resulting in a variance of **£0.952 million**. This Committee's Medium Term Capital Investment Programme is shown by scheme at **Appendix 2**.

2.6 The table below shows the 2019/20 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	26	43	34	79%	43	0
Leisure	1,071	1,251	981	78%	1,126	(125)
Environmental Services	1,646	1,515	610	40%	688	(827)
Total	2,743	2,809	1,625	58%	1,857	(952)

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.

Service	Income Stream	2019/20 Latest Budget £	2019/20 Actual to date £	2019/20 Forecast Outturn £	2019/20 Variance £
Leisure	Watersmeet	(570,530)	(579,584)	(580,530)	(10,000)
Environmental	Trade Waste	(720,380)	(705,706)	(720,380)	0
	Garden Waste	(982,600)	(979,660)	(982,600)	
	Clinical Waste	(108,150)	(99,633)	(99,560)	8,500
	Cemeteries	(184,130)	(161,722)	(189,130)	(5,000)

- 2.8 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 2020, the total outstanding debt for this Committee was £ 0.153 million. Debts less than a month old total £0.048 million and it is considered that this sum will be recovered. Outstanding debt over a year old is £0.003 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	12,612	37,984	2,516	53,112
Leisure	36,040	63,874	348	100,262
Total	48,652	101,858	2,864	153,374

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 and comment on the contents of the report.

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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	2019/20 £
Community Development	Supplies & Services	Increased expenditure following resilience events costs to address serious violence	2,100
Community Safety	Supplies & Services	increased expenditure due to additional costs for Youth Violence action panel. Budget includes ring fenced grant which will be carried forward into next year.	3,500
Licensing	Supplies & Services	increased legal fees resulting from absence of internal legal representation for a period of time. Will not be repeated going forward as internal Solicitor now in place (£7.8k)	7,875
	Income	There is a projected £15k reduction in Drivers income due to the 3 year licence structure as service is at the end of 3 year cycle. Projected £10k reduction in income of Vehicle licences. This is due to revised policies, amalgamation of operators and impact of Uber.	25,000
Community Arts	Income	Grant funding earmarked for health and wellbeing projects to be utilised in 2020/21. The budget for 2019/20 has been adjusted to match funding received.	2,150
Watersmeet	Supplies & Services	Increased expenditure due to significant increases in gas bill and additional spend on Repairs & Maintenance for repairs to various cracks in the walls around the stage area and electrical intake room, and fire door repairs as instructed the fire service following our fire safety audit	10,100
	Income	Increase income from pantomime sales, and expected underspend on panto related box office charges	(10,100)
Play Development - Play schemes	Supplies & Services	Reduced expenditure due to a reduced spend on the initial design and build costs for the new online leisure booking system as well as a reduction in the number of referral spaces required by partner organisations for 2019/20.	(17,700)
Leisure & Community Services	Supplies & Services	Reduced spend on printing and stationary due to office moves and creation of a central stationary cupboard	(2,000)
Refuse Domestic	Income	Transport subsidy reimbursement no longer received for domestic refuse	3,040
Refuse Trade	Supplies & Services	Budget transfer from Kerbside recycling for trade waste disposal	4,400
Recycling General	Income	Lower income expected from textile banks due to the reduction in price per tonne in textile collections	6,250
Garden Waste	Income	Income surplus of £3.2k received above the expected amount for transport subsidy from Hertfordshire County Council. A further £6k income is expected for 2019/20 transport subsidy.	(9,200)
Clinical Waste	Income	Reduction in income for clinical waste due to reduced number of contracts	8,500
Recycling Kerbside	Supplies & Services	(£4.4k) Budget transfer to Trade Refuse for cover waste disposal costs. Increased expenditure due to increasing costs of recycling. This is currently estimated at £12k	7,600
Environmental Maintenance	Income	Increased income from weed spraying.	(11,050)
Cemeteries	Income	Increased income from Memorial fees	(5,000)
Waste Management	Income	Income from HCC to assist with running cost of recycling vehicles known as the transport subsidy. Variance includes £11.6k income received above provision for 2018/19 and expected income for 2019/20	(22,500)
		TOTAL	2,965

Medium Term Capital Investment Programme

Leisure, Environment & Community									
<i>Community Safety & Partnership</i>	Original Budget 2019/20 £	Revised Budget 2019/20 £	Spend To Date	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Comments
Capital Grants & Loans	20,000	10,910	1,349	10,910	0	20,000	20,000	20,000	Budget will be rephased at year end. Due to length of projects associated with grants, this amount to be rephased is yet to be quantified.
Community CCTV	6,000	32,410	32,411	32,410	0	6,000	6,000	6,000	Budget has been fully spent
Total	26,000	43,320	33,760	43,320	0	26,000	26,000	26,000	
<i>Leisure</i>	Original Budget 2019/20 £	Revised Budget 2019/20 £	Spend To Date	Outturn £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Comments
Heritage & Tourism Initiative	0	341,517	370,192	341,517	0	0	0	0	Funding from the National Lottery Heritage Fund, Wamer Bros. Studios Leavesden and S106 monies.
Countryside Management	10,000	10,000	0	10,000	0	10,000	10,000	10,000	
Watersmeet Refurbishment Toilets	24,100	28,000	28,035	28,000	0	0	0	0	Works completed.
Aquadrome	21,000	36,812	20,156	36,812	0	21,000	21,000	22,500	Construction of dog free picnic area and wildwood den in 2019/20
Allotments	5,000	10,000	0	10,000	0	5,000	5,000	5,000	
Bury Lake Young Mariners	0	80,008	80,008	80,008	0	0	0	0	Project complete. BLYM to repay £1m loan at £20k per annum from 2019 for 50 years.
Scotsbridge-Chess Habitat Rest	0	11,390	0	0	(11,390)	11,390	0	0	Awaiting further information from Environmental Agency
South Oxhey Leisure Centre	0	6,890	3,035	6,890	0	6,000	0	0	Budget for external legal advise for the completion of the South Oxhey Leisure Centre
Leisure Facilities Improvement	685,000	58,280	52,295	58,280	0	25,000	0	0	Awaiting final invoice for the resurfacing of King George V car park and for the mobile units.
Open Space Access Improvements	50,000	93,000	0	20,000	(73,000)	123,000	50,000	50,000	Budget to be rephased into 2020/21- £70k identified for new pedestrian access at The Horses Field and £3k for bylaws signage
Leavesden Management Plan	0	10,000	10,000	10,000	0	0	0	0	Work completed to external toilets
Improve Play Area-Future Schemes	0	118,855	43,597	86,375	(32,480)	82,480	100,000	100,000	Budget to be rephrased to fund future capital schemes. Any variance on the project in 2019/20 to be funded from S106 monies and grant funding from HS2.

	Original Budget 2019/20 £	Revised Budget 2019/20 £	Spend To Date	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Comments
New Play Area-Chorleywood	97,420	0	0	0	0	0	0	0	
Leavesden CP Play Area	0	119,372	127,042	119,372	0	0	0	0	Project complete, retention monies to be paid. The variance is met from the agreed Council's set aside S106 reserve
Aquadrome-Whole Life Costing	10,000	27,560	5,206	27,560	0	10,000	10,000	11,000	To be spent on maintenance of Ultrasound units, footpath repairs arising out of annual footpath inspections, repair of fishing platform erosion damage, repair of floating islands fish refuges and commission of Phase 1 Habitat Survey.
Watersmeet-Whole Life Costing	15,000	13,440	5,266	5,440	(8,000)	23,000	15,000	20,000	Budget to be rephased as the roof repairs work are expected to be undertaken when the weather improves.
Pavilions-Whole Life Costing	10,000	20,000	12,879	20,000	0	10,000	10,000	11,000	Budget expected to be spent in this financial year. Condition surveys presently being undertaken.
Watersmeet - Hot Water pipework replacement	38,000	35,700	33,803	35,700	0	0	0	0	
Watersmeet - cinema screen replacement	15,000	15,000	9,339	15,000	0	0	0	0	New approved project for 2019/20. Project expected to be completed by end of January.
Fairway Inn-Whole Life Costing	2,000	2,000	2,000	2,000	0	0	0	0	Budget will be spent.
The Swillet - Play area Refurbishment	0	128,540	108,128	128,540	0	18,880	0	0	
Cassiobridge Play Area Refurbishment	88,340	84,310	70,152	84,310	0	4,030	0	0	
Total	1,070,860	1,250,674	981,133	1,125,804	(124,870)	349,780	221,000	229,500	

<i>Environmental Services</i>	Original Budget 2019/20 £	Revised Budget 2019/20 £	Spend To Date	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Comments
Waste Plant & Equipment	25,000	25,000	6,768	25,000	0	25,000	25,000	25,000	Budget will be spent
Waste Services Depot	931,200	408,940	69,093	108,940	(300,000)	1,300,000	0	0	This budget will not be utilised in this financial year due to delay in the appointment of contractor
Bulk Domestic Waste	15,000	28,570	19,842	28,570	0	20,000	25,000	30,000	
Waste & Recycling Vehicles	310,000	459,382	308,268	308,272	(151,110)	651,110	1,000,000	400,000	Vehicles not due for delivery until 2020/21. Budget to be rephased
Street Fumishings	10,000	10,000	10,103	10,000	0	10,000	15,000	15,000	
Paladin Bins	25,000	25,000	22,994	30,000	5,000	25,000	30,000	60,000	Additional budget required to fund the purchase of 20 Bins required for the new South Oxhey regeneration project
Cemetery Car Park	0	7,000	4,436	7,000	0	0	0	0	Budget expected to be spent
Energy Performance Certificate	2,000	4,000	558	1,000	(3,000)	5,000	2,000	2,000	Budget to be rephased, there is planned schedule of works to get these completed due to changes in legislation.
Cemetery-Whole Life Costing	5,000	8,781	7,085	8,781	0	5,000	5,000	5,000	Budget expected to be spent
Replacement Ground Maintenance Vehicles	323,000	538,443	160,860	160,853	(377,590)	470,590	40,000	280,000	Delivery of vehicles expected in 2020/21. There is on going tenders for ride on mowers
Total	1,646,200	1,515,116	610,007	688,416	(826,700)	2,511,700	1,142,000	817,000	
Total Leisure, Environment & Community	2,743,060	2,809,110	1,624,900	1,857,540	(951,570)	2,887,480	1,389,000	1,072,500	