

INFRASTRUCTURE, HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE

17 MARCH 2020

PART I - NOT DELEGATED

6. 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

2.0 Details

Revenue Budget

2.1 This Committee's 2019/20 latest approved budget is **£1.495 million**. The forecast outturn is now estimated to be **£1.513 million** which results in a service variance of **£0.018 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)
Infrastructure, Housing and Economic Development	Original Budget	Latest Budget	Net Spend to Date	Forecast Outturn	Variance
	£000	£000	£000	£000	£000
Housing	537	468	(158)	507	39
Infrastructure & Planning Policy	642	630	125	614	(16)
Economic Development	85	397	137	392	(5)
Total	1,264	1,495	104	1,513	18

*There is grant income of £554k (£346k homelessness, £96k refugee and £122k planning development) within Infrastructure, Housing & Economic Development for which the equivalent spend is currently being incurred.

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 **£1.257 million**. The forecast outturn at Period 10 is **£0.919 million** resulting in a variance of **(£0.338) 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.

Infrastructure, Housing and Economic Development	Original Budget £000	Latest Budget £000	Spend to Date £000	% of budget spent	Forecast Outturn £000	Variance £000
Housing	510	549	250	45%	387	(162)
Economic Development	531	708	270	38%	532	(176)
Total	1,041	1,257	520	41%	919	(338)

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 £
Planning	Application Fees	(626,420)	(615,946)	(626,420)	0
Parking	Penalty Charge Notices	(115,000)	(100,223)	(115,000)	0
	Pay and Display	(220,000)	(179,475)	(220,000)	0
Licences	Taxis & Establishments	(215,520)	(219,123)	(190,520)	25,000

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 31st of January 2019, the total outstanding debt for this Committee was £ 0.103 million. Debts less than a month old total £0.018 million and it is considered that this sum will be recovered. Outstanding debt over a year old is £0.025 million which relates to unpaid rent on temporary accommodation.

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
	£	£	£	£
Housing	18,020	52,167	25,462	95,649
Sustainability	0	7,044	0	7,044
Total	18,020	59,211	25,462	102,693

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

Infrastructure Housing & Economic Development			
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2019/20 £
Herts Choice Homes	Supplies & Services	Reduction in expenditure as the grant to Herts Choice homes is no longer paid.	(8,750)
Homelessness General Fund	Supplies & Services	Saving due to customers approaching the service late making prevention and mediation more difficult. Pathways with partners are planned for next year to maximise all opportunities.	(15,000)
Env Health - Residential Team	Internal Recharge	Administration of Disabled Facilities Grant outsourced to Herts Building Control, therefore internal charge to capital no longer applicable	62,670
Land & Property Info Section	Income	£10k reduction in income, due to a reduction in number of Official searches against increase in Personal Searches (which are free). Larger scale conveyancing businesses, which are dominating the market, tend to utilise Personal Searches. There is also the additional impact of Brexit on house sales. Underspend of (£930) on printing and stationary	9,070
Development Management	Income	Increased income from pre application advice	(16,110)
Hertfordshire Building Control	Supplies & Services	Reduced spend on fees and contractual services	(7,500)
HS2 Planning	Income	Income received from HS2 to cover Officer time/travel spent on this project	(1,110)
Sustainability Projects	Supplies & Services	Budget savings as no expenditure is expected in 2019.	(5,000)
		TOTAL	18,270

Medium Term Capital Investment Programme

Infrastructure Housing & Economic Development										
<i>Economic Development</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
Cycle Schemes	25,000	77,177	58,185	77,177	0	25,000	0	25,000	25,000	2 schemes have been implemented (cycle storage at Rickmansworth station and Leavesden lighting). New Cycle parking at Croxley Green station imminent
Disabled Parking Bays	2,500	1,500	1,435	2,800	1,300	2,500	0	2,500	2,500	Additional invoice expected to cover November to January.
Controlled Parking	85,000	184,580	40,740	59,580	(125,000)	175,000	125,000	50,000	50,000	£25k to be rephased for the consolidation order work and other schemes. £100k to be rephased for ongoing schemes including Rickmansworth West and Croxley Green.
Car Parking Services	0	4,400	11,138	4,400	0	0	0	0	0	Capital monies spent on new parking schemes arising from Members Working Party. Monies to be utilised from Controlled Parking at end of financial year.
Princes Trust-Business Start-up	10,000	10,000	0	10,000	0	10,000	0	10,000	10,000	A Service Level Agreement is in place, the budget will be spent by year end.
Listed Building Grants	5,000	5,000	0	0	(5,000)	5,000	0	5,000	5,000	Budget not utilised - no applications were received
South Oxhey Initiative	0	192,791	64,479	192,791	0	0	0	0	0	Ongoing project management to ensure the project is delivered fulfilling the Councils objectives. It provides for both internal resource retained for this purpose as well as the wider consultancy team for property advice and legal advice. Progressing the CPO works for phase 3 now so expect to spend most of this budget in 19/20.
Parking Bay & Verge Protection	110,000	17,760	17,760	17,760	0	254,240	0	60,000	40,000	
Highways Enhancement	110,000	19,260	17,923	19,260	0	147,620	0	50,000	50,000	Budget expected to be spent
Bus Shelters	9,000	34,000	23,414	23,420	(10,580)	19,580	10,580	9,000	9,000	Budget to be rephased for Chorleywood bus shelter in 20/21, preparation work underway
Retail Parades	30,000	48,000	11,160	15,665	(32,335)	168,115	32,335	30,000	30,000	Budget to be rephased to fund on going works at Delta Gains Parade refurbishment
Carbon Neutral Council	2,000	4,000	0	0	(4,000)	4,000	4,000	0	0	Budget not utilised in 2019/20. This is to be rephased in 2020/21
Rickmansworth Work Hub	39,000	0	0	0	0	39,000	0	0	0	Project rephased to 2020/21
Car Park Restoration	45,000	45,000	16,438	45,000	0	10,000	0	10,000	35,000	Works commenced and will be completed by year end.
Estates, Paths & Roads	20,000	21,881	7,566	21,881	0	20,000	0	20,000	20,000	Bad weather has delayed planned works. Those that are not completed by year end will be rephased into 2020/21.
TRDC Footpaths & Alleyways	20,000	24,000	0	24,000	0	20,000	0	20,000	25,000	Agreed works are currently out to tender. May need to rephase into 2020/21
Integration of Firmstep to uniform Licensing applications	19,000	19,000	0	19,000	0	0	0	0	0	
Total	531,500	708,349	270,238	532,734	(175,615)	900,055	171,915	291,500	301,500	

<i>Housing</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
Disabled Facilities Grant	500,000	539,339	249,790	376,669	(162,670)	500,000	0	500,000	586,000	(£100k) Savings in the budget as demand led service, values of applications lower than expected. Due to the outsourcing of the Administration for the Disabled Facilities Grants to Herts Building Control, the charge from staff within the Environmental Health team is no longer required (£62.6k)
Home Repairs Assistance	10,000	10,000	0	10,000	0	10,000	0	10,000	10,000	Demand led service. This will not be rephased.
Total	510,000	549,339	249,790	386,669	(162,670)	510,000	0	510,000	596,000	
Total Infrastructure Housing & Economic Development	1,041,500	1,257,688	520,028	919,403	(338,285)	1,410,055	171,915	801,500	897,500	