

**LEISURE, ENVIRONMENT AND COMMUNITY COMMITTEE**

**27 NOVEMBER 2019**

**PART I - NOT DELEGATED**

**7. BUDGET MONITORING – PERIOD 6**  
(DoF)

**1. Summary**

1.1 This report covers this Committee's financial position over the medium term (2019 – 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 4 November 2019 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 **£4.683 million**. The forecast outturn is now estimated to be **£4.679 million** which results in a service variance of **(£0.004 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).

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	863	880	52	873	(7)
Leisure	1,827	1,829	632	1,783	(46)
Environmental Services	1,974	1,974	510	2,023	49
<b>Total</b>	<b>4,664</b>	<b>4,683</b>	<b>1,194</b>	<b>4,679</b>	<b>(4)</b>

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 **£3.810 million**. The forecast outturn at Period 6 is **£3,858 million** resulting in a variance of **£0.048 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 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	26	44	34	77	44	0
Leisure	1,071	1,251	654	52	1,299	48
Environmental Services	1,646	2,515	350	14	2,515	0
<b>Total</b>	<b>2,743</b>	<b>3,810</b>	<b>1,038</b>	<b>27</b>	<b>3,858</b>	<b>48</b>

## 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 £
Environmental	Trade Waste	(720,380)	(352,601)	(720,380)	0
	Garden Waste	(982,600)	(974,870)	(982,600)	0
	Clinical Waste	(108,150)	(49,912)	(108,150)	0
	Cemeteries	(182,130)	(102,839)	(182,130)	0

- 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 30 September 2019, the total outstanding debt for this Committee was £ 0.474 million. Debts less than a month old total £0.461 million and it is considered that this sum will be recovered. Outstanding debt over a year old is £0.002 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	391,124	8,343	2,150	<b>401,617</b>
Leisure	69,919	1,633	348	<b>71,900</b>
<b>Total</b>	<b>461,043</b>	<b>9,976</b>	<b>2,498</b>	<b>473,517</b>

## 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 £	2020/21 £	2021/22 £
Community Partnerships	Employees	Budget transfer from Performance management and scrutiny following team restructure.	5,320	5,320	5,320
Env Health - Commercial Team	Third Party Payments	This service is now provided in partnership with Watford Borough Council. Variance of £13k due to delay in commencement of contract.	(13,000)	0	0
Watersmeet-General	Income	Watersmeet budgets to be realigned following a review by service manager. A saving of £2,500 variance is reported due to increased income for 2019/20.	(7,440)	470	0
Watersmeet-Entertainments			4,910	(1,090)	0
Leisure Venues	Third Party Payments	Adjustment to management fees for inflation and additional income relating to price increases that was not previously budgeted for 2019/20 only.	(35,000)	0	0
Leisure & Community Services	Employees	Budget transfer to Garden Waste account to cover the Head of Community Services costs for time spent on Garden Waste. This has a zero budget impact.	(8,730)	(8,930)	(9,030)
Refuse Trade	Supplies and Services	Budget to be transferred to trade refuse to cover the trade element of recycling payments.	23,000	23,000	23,000
Garden Waste	Various	Budget transfer from other Waste Services budgets to enable the full cost of the service to be shown. This has a zero budget effect.	700,820	710,190	722,710
Recycling Kerbside	Supplies and Services	Budget transferred from Trade Refuse to cover the trade element of recycling.	(23,000)	(23,000)	(23,000)
		Variance due to the shortfall in Alternative Finance pay-out for 2018/19. Payments received from Hertfordshire County Council (HCC) will reduce for future years following the announcement of £1.5m savings AFM payments from HCC.	32,300	0	0
Environmental Protection	Employees	Budget moved transferred to Garden Waste to cover the cost of back office officers time spent on the service. This has no effect on the overall waste budget.	(50,890)	(51,440)	(52,000)
Depot-Batchworth	Premises	Budget transferred to Garden Waste to fund its share of the cost of utilising Batchworth Depot. This has no effect on the overall waste budget.	(6,680)	(6,680)	(6,680)
Waste Management	Employees	Budget transferred to Garden Waste to fund the costs of employee and running costs of the service. This has no effect on the overall waste budget.	(615,920)	(624,460)	(636,100)
Environmental Maint Contractor	Employees	Budget transferred to Garden Waste to fund employee related costs for the service. This has no effect on the overall waste budget.	(10,340)	(10,380)	(10,560)
		<b>Total Leisure Environment &amp; Community</b>	<b>(4,650)</b>	<b>13,000</b>	<b>13,660</b>

## Medium Term Capital Investment Programme

Leisure, Environment & Community								
<i>Community Safety &amp; Partnership</i>	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend To Date	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Comments
Capital Grants & Loans	20,000	11,880	1,349	11,880	0	20,000	20,000	Budget of £20k has been transferred to Leisure to fund play area.
Community CCTV	6,000	32,410	32,410	32,410	0	6,000	6,000	Additional cameras purchased to address serious violence and county line. 2019/20 Project complete.
<b>Total</b>	<b>26,000</b>	<b>44,290</b>	<b>33,759</b>	<b>44,290</b>	<b>0</b>	<b>26,000</b>	<b>26,000</b>	
<i>Leisure</i>	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend To Date	Outturn £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Comments
Heritage & Tourism Initiative	0	316,137	341,521	341,517	25,380	0	0	Funding from the National Lottery Heritage Fund, Warner Bros. Studios Leavesden and S106 monies. The variance will be met from the agreed set a side s106 monies. All funding will be spent by the end of the life of the project (March 2021)
Countryside Management	10,000	10,000	0	10,000	0	10,000	10,000	
Watersmeet Refurbishment Toilets	24,100	24,100	28,035	28,000	3,900	0	0	Works completed. The increase will be met from the underspend on the Watersmeet schemes for hot water & pipework and whole life costing - see below
Aquadrome	21,000	36,812	0	36,812	0	21,000	21,000	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	
Bury Lake Young Mariners	0	80,008	80,008	80,008	0	0	0	Project complete. BLYM to repay £1m loan at £20k pa from 2019 for 50 years.
Scotsbridge-Chess Habitat Rest	0	11,390	0	11,390	0	0	0	Budget will be spent
South Oxhey Leisure Centre	0	12,890	1,077	6,890	(6,000)	6,000	0	Budget to be rephased to 2020/21 for external legal advise for the completion of the South Oxhey Leisure Centre
Leisure Facilities Improvement	685,000	83,280	1,233	83,280	0	0	0	£65,000 has been allocated to the resurfacing of King George V car park and for the mobile units to be moved (subject to planning permission) which are presently adjacent to William Penn Leisure Centre. The works are out to procurement with the view of the resurfacing works taking place in November. If this is not possible i.e. inclement weather then these will be postponed to the spring and the budget moved to 2020/21 though the next round of budget monitoring. The remaining budget will be spent
Open Space Access Improvements	50,000	93,000	0	93,000	0	50,000	50,000	Budget expected to be spent in this financial year. The Horses' Field – grazing project (including public consultation and fencing) and delayed provision of additional access point (from Year 1 Management Plan) to north of site from Langley Lane. Also, implementation of aspects of the Bishops Wood Management Plan including improvements at Batchworth Heath (pond desilting, bollard replacement and improvements of footpath link between the two)
Leavesden Management Plan	0	10,000	10,000	10,000	0	0	0	Work completed to external toilets
Improve Play Area-Future Schemes	0	118,855	25,499	118,855	0	50,000	100,000	Works to Barton Way Play area and retention monies due for Croxley Skate park to be completed in 2019/20. £50,000 budget rephased from 2020/21 to fund works to The Swillet Play area in 2019/20.

<i>Leisure</i>	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend To Date	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Comments
New Play Area-Chorleywood	97,420	0	0	0	0	0	0	
Leavesden CP Play Area	0	90,472	119,368	119,372	28,900	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	0	27,560	0	10,000	10,000	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	15,000	4,835	13,440	(1,560)	15,000	15,000	Underspend to meet overspend on Watersmeet toilets
Pavilions-Whole Life Costing	10,000	20,000	7,763	20,000	0	10,000	10,000	Budget expected to be spent in this financial year. Condition surveys presently being undertaken
Watersmeet - Hot Water pipework replac	38,000	38,000	32,195	35,700	(2,300)	0	0	Underspend to meet overspend on Watersmeet toilets
Watersmeet - cinema screen replaceme	15,000	15,000	2,037	15,000	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	0	2,000	0	0	0	Budget will be spent
The Swillett - Play area Refurbishment	0	147,420	0	147,420	0	0	0	Budget rephased from 2020/21 (Improve play area future schemes) to 2019/20
Cassiobridge Play Area Refurbishment	88,340	88,340	0	88,340	0	0	0	
<b>Total</b>	<b>1,070,860</b>	<b>1,250,264</b>	<b>653,571</b>	<b>1,298,584</b>	<b>48,320</b>	<b>177,000</b>	<b>221,000</b>	
<b>Environmental Services</b>								
<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 £	Comments
Waste Plant & Equipment	25,000	25,000	4,920	25,000	0	25,000	25,000	Budget will be spent
Waste Services Depot	931,200	1,408,940	22,748	1,408,940	0	0	0	To appoint main contractor in November with a commencement date of December. Potentially will need to defer some of the budget to 2020/21 but this will be confirmed firmed up in the next budget monitoring report
Bulk Domestic Waste	15,000	28,570	13,202	28,570	0	20,000	25,000	Increase costs for replacement bins and new properties
Waste & Recycling Vehicles	310,000	459,382	145,254	459,382	0	500,000	1,000,000	Budget expected to be spent in this financial year.
Street Furnishings	10,000	10,000	0	10,000	0	10,000	15,000	Budget expected to be spent
Paladin Bins	25,000	25,000	4,802	25,000	0	25,000	30,000	Budget expected to be spent
Cemetery Car Park	0	7,000	0	7,000	0	0	0	Budget expected to be spent
Energy Performance Certificate	2,000	4,000	0	4,000	0	2,000	2,000	Budget expected to be spent
Cemetery-Whole Life Costing	5,000	8,781	2,000	8,781	0	5,000	5,000	Budget expected to be spent
Replacement Ground Maintenance Vehic	323,000	538,443	157,395	538,443	0	93,000	40,000	Budget expected to be spent in this financial year. Tender out for a number of vehicles in September
<b>Total</b>	<b>1,646,200</b>	<b>2,515,116</b>	<b>350,321</b>	<b>2,515,116</b>	<b>0</b>	<b>680,000</b>	<b>1,142,000</b>	
<b>Total Leisure, Environment &amp; Community</b>	<b>2,743,060</b>	<b>3,809,670</b>	<b>1,037,651</b>	<b>3,857,990</b>	<b>48,320</b>	<b>883,000</b>	<b>1,389,000</b>	