

INFRASTRUCTURE, HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE -

16 NOVEMBER 2021

PART I - DELEGATED

5. BUDGET MONITORING – QUARTER 2
(DoF)

1. Summary

1.1 This report covers this Committees financial position over the medium term (2021 – 2024) as at Quarter 2 (end of September)

1.2 The Quarter 1 comprehensive Budget Management report has already been presented to the Policy & Resources Committee at its meeting on 1 November 2021 which sought approval to a change in the Council’s 2021 - 2024 medium-term financial plan

2.0 Details

Revenue Budget

2.1 This Committee’s 2021/22 latest approved budget is **£1.810 million**. The forecast outturn is now estimated to be **£1.782 million** which results in a service variance of **(£0.028 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 to the end of Quarter 2.

2021/22 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	520	519	(622)	519	0
Infrastructure & Planning Policy	602	762	191	723	(39)
Economic Development	382	529	75	540	11
Total	1504	1810	(356)	1782	(28)

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 2021/22 capital budget is **£1.791 million**. The forecast outturn at Quarter 2 is **£1.586 million** resulting in a **(£0.205 million)** variance. This Committee’s Medium Term Capital Investment Programme is shown by scheme at **Appendix 2**.

2.6 The table below shows the 2021/22 latest capital programme budget, forecast outturn, spend to date and variance at quarter 2 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	662	122	18.4%	662	0
Economic Development	1,046	1,129	92	8.1%	924	(205)
Total	1,556	1791	142	11.9%	1,586	(205)

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	2021/22 Original Budget £	2021/22 Latest Budget £	2021/22 Actual to date £	2021/22 Forecast Outturn £	2021/22 Variance £
Planning	Application Fees	(696,420)	(593,770)	(241,681)	(593,770)	0
Parking	Penalty Charge Notices	(115,000)	(82,616)	(41,907)	(82,616)	0
	Pay and Display	(220,000)	(175,337)	(67,899)	(175,337)	0
Licences	Taxis & Establishments	(234,040)	(234,040)	(126,588)	(200,260)	33,780

- 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 the end of September 2021 the total outstanding debt for this Committee was £0.113 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 £0.055 million which mainly 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	5,798	40,427	54,833	101,058
Planning	12,000	0	12	12,012
Total	17,798	40,427	54,845	113,070

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: Sally Riley (Finance Manager)
Checked by: Hannah Doney (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

Infrastructure Housing & Economic Development			2021/22	2022/23	2023/24
Description	Main Group Heading	Details of Variances to Latest Approved Budget	£	£	£
Land & Property Info Section	Supplies and Services	Full budget not required due to reduced number of searches sent to HCC, increased number of Personal Searches.	(4,500)	0	0
	Income	Increased budget required as Street Naming application numbers increased, largely due to South Oxhey regeneration.	(3,000)	0	0
Environmental Initiatives	Premises	Budget moved to Trees and Landscapes	(500)	(500)	(500)
	Supplies and Services	Budget moved to Trees and Landscapes	(46,970)	(46,970)	(46,970)
Development Management	Supplies and Services	Budget moved from Trees and Landscapes to Development Management to pay for Professional Fees	16,000	16,000	16,000
Total Infrastructure and planning policy			(38,970)	(31,470)	(31,470)
Decriminalised Parking Enf SPA	Third Party Payments	3% inflationary increase as per parking contract with Hertsmere BC	11,530	23,390	35,610
Total Economic Development			11,530	23,390	35,610
Total Infrastructure, Housing & Economic Development			(27,440)	(8,080)	4,140
Policy & Resources					
Description	Main Group Heading	Details of Variances to Latest Approved Budget	2021/22	2022/23	2023/24
			£	£	£
Miscellaneous Income & Expend	Grants	Revision to forecast to reflect latest government guidance in relation to the Sales, Fees and Charges Income Guarantee Scheme.	161,541	0	0
	Premises	Full cleaning budget not required due to reduced occupancy	(10,000)	0	0
Office Services	Supplies and Services	Full budget not required for contract security services, under review for future requirement £5k. Reduced demand for postage due to smarter working practices £5k.	(10,000)	0	0
Total Policy and Resources			141,541	0	0
TOTAL Variances for Quarter 2 2021			225,131	57,470	69,690

Medium Term Capital Investment Programme

Infrastructure Housing & Economic Development												
<i>Economic Development</i>	Original Budget 2021/22 £	Latest Budget 2021/22 £	Qtr. 2 Spend To Date	Forecast £	Variance £	Latest Budget 2022/23 £	Forecast £	Variance £	Latest Budget 2023/24 £	Forecast £	Variance £	Comments
Cycle Schemes	64,583	64,583	0	40,000	(24,583)	25,000	49,583	24,583	25,000	25,000	0	Projects identified as part of the current Cycling Programme including Grand Union canal towpath (£40k), additional projects will commence once the Local Cycling and Walking Infrastructure Plans are finalised. Rephase £24,583 into 2022/23
Disabled Parking Bays	2,500	2,500	774	2,500	0	2,500	2,500	0	2,500	2,500	0	Budget will be spent
Controlled Parking	164,425	164,425	0	94,425	(70,000)	50,000	120,000	70,000	50,000	50,000	0	Schemes progressing include Rickmansworth West, High Elms Lane and the Consolidation Order. Other schemes to be delivered next year as part of the 2 year work programme. Rephase £70k into 2022/23
Princes Trust-Business Start-up	10,000	10,000	0	10,000	0	10,000	10,000	0	10,000	10,000	0	Historically paid in March
Listed Building Grants	2,500	2,500	0	2,500	0	2,500	2,500	0	2,500	2,500	0	Demand Led Service - no applications received to date
South Oxhey Initiative	0	27,690	2,090	27,690	0	0	0	0	0	0	0	Scheme due to complete this year
Parking Bay & Verge Protection	301,473	301,473	28,130	191,473	(110,000)	40,000	150,000	110,000	40,000	40,000	0	Rephase £110k into 2022/23 for future Work Programme
Highways Enhancement	194,384	194,384	0	194,384	0	50,000	50,000	0	50,000	50,000	0	Schemes being prepared, will monitor spend.
Bus Shelters	9,000	9,000	0	9,000	0	9,000	9,000	0	9,000	9,000	0	Awaiting Programme once identified requests
Retail Parades	188,000	194,849	34,504	194,849	0	30,000	30,000	0	30,000	30,000	0	Delta Gain retail refurbishment project is still awaiting landowner consent to proceed, EVCP procurement due early 2021/22)
Carbon Neutral Council	0	4,000	0	4,000	0	0	0	0	0	0	0	Budget will be spent
Rickmansworth Work Hub	39,000	39,000	4,270	39,000	0	0	0	0	0	0	0	Full survey has been carried out and a programme of works will be created and completed
Car Park Restoration	10,000	10,000	0	10,000	0	35,000	35,000	0	35,000	35,000	0	Inspection underway to identify requirements
Estates, Paths & Roads	20,000	28,843	8,521	28,843	0	20,000	20,000	0	20,000	20,000	0	Budget will be fully spent - Rainbow crossing awaiting revised quotes
TRDC Footpaths & Alleyways	40,000	56,350	14,175	56,350	0	25,000	25,000	0	25,000	25,000	0	Planned works include 2 rainbow crossings
Integration of Firmstep to uniform Licensing applications	0	19,000	0	19,000	0	0	0	0	0	0	0	Project has just started
Total	1,045,865	1,128,597	92,464	924,014	(204,583)	299,000	503,583	204,583	299,000	299,000	0	
<i>Housing</i>	Original Budget 2021/22 £	Latest Budget 2021/22 £	Qtr. 2 Spend To Date	Forecast £	Variance £	Latest Budget 2022/23 £	Forecast £	Variance £	Latest Budget 2023/24 £	Forecast £	Variance £	Comments
Disabled Facilities Grant	500,000	652,000	122,140	652,000	0	586,000	586,000	0	586,000	586,000	0	Additional grants of £74k approved
Home Repairs Assistance	10,000	10,000	0	10,000	0	10,000	10,000	0	10,000	10,000	0	Demand led service - no applications received to date
Total	510,000	662,000	122,140	662,000	0	596,000	596,000	0	596,000	596,000	0	
Total Infrastructure Housing & Economic Development	1,555,865	1,790,597	214,604	1,586,014	(204,583)	895,000	1,099,583	204,583	895,000	895,000	0	