

**INFRASTRUCTURE, HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE**

**19 NOVEMBER 2019**

**PART I - NOT DELEGATED**

**5. 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 2 November 2019 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 **£1.572 million**. The forecast outturn is now estimated to be **£1.676 million** which results in a service variance of **£0.104 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)
Infrastructure, Housing and Economic Development	Original Budget	Latest Budget	Net Spend to Date	Forecast Outturn	Variance
	£000	£000	£000	£000	£000
Housing	537	564	(182)	549	(15)
Infrastructure & Planning Policy	642	756	36	764	8
Economic Development	81	252	(14)	363	111
<b>Total</b>	<b>1,260</b>	<b>1,572</b>	<b>(160)</b>	<b>1,676</b>	<b>104</b>

It should be noted that the spend to date is showing a negative as grant income of £554k (£346k homelessness, £81k refugee and £122k planning development) has not yet incurred the equivalent expenditure. In addition, the spend on Better buses, Dial a ride and the Cycling strategy will be made nearer the end of the financial year.

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 **£1.703 million**. The forecast outturn at Period 6 is **£1.296 million** resulting in a variance of **(£0.407) 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.

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	557	159	29	549	(8)
Economic Development	531	1,146	101	9	747	(399)
<b>Total</b>	<b>1,041</b>	<b>1,703</b>	<b>260</b>	<b>15</b>	<b>1,296</b>	<b>(407)</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 £
Planning	Application Fees	(546,420)	(317,024)	(546,420)	0
Parking	Penalty Charge Notices	(130,000)	(62,742)	(130,000)	0
	Pay and Display	(265,030)	(102,046)	(220,000)	45,030
Licences	Taxis & Establishments	(225,520)	(174,793)	(225,520)	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 £ 0.113 million. Debts less than a month old total £0.023 million and it is considered that this sum will be recovered. Outstanding debt over a year old is £0.022 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	23,101	46,561	21,834	<b>91,497</b>
Community Infrastructure Levy	0	21,904	0	<b>21,904</b>
<b>Total</b>	<b>23,101</b>	<b>68,465</b>	<b>21,834</b>	<b>103,401</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

Infrastructure Housing & Economic Development			2019/20	2020/21	2021/22
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	£	£	£
Homelessness General Fund	Third Party Payments	Variance as a result of securing less expensive Temporary Accommodation.	(15,000)	0	0
Land & Property Info Section	Employees	£5k additional budget is due to the increase in number of searches sent to Hertfordshire County Council sent to HCC for official highways responses as result of changes in the search forms (CON29)- this is offset by (£2k) Increase in income due to volume of requests received for street naming.	3,000	0	0
Development Management	Income	As a result of the reduced number of major apps in 18/19 there are fewer condition applications this year to date and also national guidance is encouraging less pre commencement conditions on applications.	5,000	0	0
Director Community & Env Servs	Supplies and Services	Budget transferred to Garden Waste to cover the time spent on the service.	(3,740)	(3,780)	(3,820)
		Increase in budget is as a result of one off payment for the Head of LA1 work and responsibilities and quarterly payments.	13,950	4,180	4,180
HS2 Planning	Income	Income received from HS2 to cover Officer time/travel spent on this project	(9,460)	0	0
Car Parking	Income	Parking income is expected to be below expected budget for 2019/20 and future years. There is reduced P&D off street income compared budget. Income slightly ahead of this time last year but budget unlikely to be achieved based on previous year income. Variance also partly as a result of Park Road car park closure for majority of 18/19 and the monies received for its closure. This car park has appeared to be in minimal use since it reopened. For future years, parking income is expected to outturn around £460k. However, this may change if Local Worker permits are introduced in Rickmansworth (a current proposed scheme and there is a corresponding increase in car park use. Permit income expected to be similar to 18/19.	110,660	151,160	149,220
		<b>Permits</b> New permit schemes not delivered at start of 19/20 due to ongoing statutory processes, however, scheme in Ferry car park, Chorleywood and Winton Drive, Croxley Green (long stay visitor parking) are imminent. Kings Langley parking scheme has been withdrawn with resulting loss of estimated income. Future years forecast based on 19/20, however, if further permit schemes are implemented this may increase i.e. Local Workers Permit.			
<b>Total Infrastructure Housing &amp; Economic Development</b>			<b>104,410</b>	<b>151,560</b>	<b>149,580</b>

## Medium Term Capital Investment Programme

Infrastructure Housing & Economic Development								
<i>Economic Development</i>	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend To Date	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Comments
Cycle Schemes	25,000	77,177	24,803	77,177	0	25,000	25,000	2 schemes have been ordered, awaiting implementation (cycle storage at Rickmansworth station and Leavesden lighting).
Disabled Parking Bays	2,500	2,500	0	1,500	(1,000)	2,500	2,500	Budget unlikely to be spent fully based on current demand
Controlled Parking	85,000	184,580	9,880	184,580	0	50,000	50,000	Scheme progressing
Car Parking Services	0	4,400	3,420	4,400	0	0	0	
Princes Trust-Business Start-up	10,000	10,000	0	10,000	0	10,000	10,000	
Listed Building Grants	5,000	5,000	0	5,000	0	5,000	5,000	
South Oxhey Initiative	0	192,791	7,187	192,791	0	0	0	Management fees for the project
Parking Bay & Verge Protection	110,000	212,000	17,760	17,760	(194,240)	254,240	60,000	Annual cycle not sufficient time for these works to be designed, agreed and implemented, as a result these schemes have not been delivered to date. HCC work on a 3 year cycle for such schemes. One proposed scheme seeking landowner consent (School Mead). Another scheme at South Way to be reviewed. Annual programme for future works to be agreed in November 2019 at IHED Committee. Remaining monies to be rephased but monies will be requested if required in the current year.
Highways Enhancement	110,000	116,880	17,923	19,260	(97,620)	147,620	50,000	Budget rephased for 20/21 for large proposed Parking Scheme
Bus Shelters	9,000	34,000	0	34,000	0	9,000	9,000	
Retail Parades	30,000	153,780	0	48,000	(105,780)	135,780	30,000	£40k for retail parade scheme expected to be delivered this financial year, £3k for Welcome signs. Rephased remaining budget for Electric Vehicle Charging project which is currently with consultants for procurement.
Carbon Neutral Council	2,000	4,000	0	4,000	0	0	0	
Rickmansworth Work Hub	39,000	39,000	0	39,000	0	0	0	
Car Park Restoration	45,000	45,000	15,437	45,000	0	10,000	10,000	
Estates, Paths & Roads	20,000	21,881	4,455	21,881	0	20,000	20,000	
TRDC Footpaths & Alleyways	20,000	24,000	0	24,000	0	20,000	20,000	
Integration of Firmstep to uniform Licensing applications	19,000	19,000	0	19,000	0	0	0	
<b>Total</b>	<b>531,500</b>	<b>1,145,989</b>	<b>100,865</b>	<b>747,349</b>	<b>(398,640)</b>	<b>689,140</b>	<b>291,500</b>	
<i>Housing</i>	Original Budget 2019/20 £	Latest Budget 2019/20 £	Spend To Date	Forecast Outturn 2019/20 £	Variance £	Forecast 2020/21 £	Forecast 2021/22 £	Comments
Disabled Facilities Grant	500,000	539,339	159,243	539,339	0	500,000	500,000	It is likely that some of this budget will be rephased to the next financial year. This will be reported in the next budget monitoring cycle
Home Repairs Assistance	10,000	18,000	0	10,000	(8,000)	10,000	10,000	Service incorrectly carried forward £8k from 2018/19, Should be treated as a saving
<b>Total</b>	<b>510,000</b>	<b>557,339</b>	<b>159,243</b>	<b>549,339</b>	<b>(8,000)</b>	<b>510,000</b>	<b>510,000</b>	
<b>Total Infrastructure Housing &amp; Economic Development</b>	<b>1,041,500</b>	<b>1,703,328</b>	<b>260,108</b>	<b>1,296,688</b>	<b>(406,640)</b>	<b>1,199,140</b>	<b>801,500</b>	