

# POLICY AND RESOURCES COMMITTEE

7 NOVEMBER 2017

## PART I - NOT DELEGATED

### 9. BUDGET MONITORING – MONTH 6 (SEPTEMBER) (DOF)

#### 1. Summary

1.1 Budget monitoring report is a key tool in scrutinising the Council's financial performance. It is designed to provide an overview to all relevant stakeholders. It is essential that the council monitors its budgets throughout the year to ensure that it is meeting its strategic objectives and that corrective action is taken where necessary.

1.2 This report seeks approval to a change in the Committee's 2017 - 2020 medium-term revenue financial plan. The report shows the Council's overall consolidated medium term financial plan for both revenue and capital.

#### 2. Details

2.1 An overall increase in the Council's budgets requiring the use of balances must be approved by Council. Virements between cost centres within each service are approved by each committee.

#### **Revenue**

2.2 The original net revenue budget for 2017/18 (as approved by Council on 21 February 2017) was **£12.163 million**. The latest budget is **£12.306 million**. The forecast outturn at period 6 (September) is estimated to be **£12.687 million** which gives a variance compared to the latest budget of **£0.381 million**. The table below shows how the forecast outturn has been constructed.

Net Revenue Budget 2017/18	£ million
<b>Original Net Revenue Budget</b>	<b>12.163</b>
Carry Forward from 2016/17	0.289
Variances Previously Approved - Period 4 (July)	(0.146)
<b>Latest Approved Budget</b>	<b>12.306</b>
Variances Reported This Period – Period 6 (September) <i>to be approved</i>	0.381
<b>Forecast Outturn</b>	<b>12.687</b>

#### **Service Budgets**

2.3 After removing other non-service costs (parish precepts and interest earned on investments) and indirect costs (internal recharges, capital financing charges & adjustments under statute) the net original direct revenue budget was set at **£10.538 million** and the latest budget is **£10.681 million**. The forecast outturn is now estimated to be **£11.062 million** which results in an unfavourable variance of **£0.381 million**.

2.4 The document attached (Budget Management 2017/18 - Annex 1) contains detailed information on the variance and the impact on the Council's medium term financial plan.

## **Capital**

- 2.5 The original budget for 2017/18 (as approved by Council on 21 February 2017) was **£17.605 million**. The latest budget is **£21.569 million**. Services have identified a variance of **£2.052 million** which has reduced the 2017/18 budget to **£19.517 million**. The table below shows how the forecast outturn has been constructed.

<b>Capital Investment Programme 2017/18</b>	<b>£ million</b>
<b>Original Budget</b>	<b>17.605</b>
Rephasing from 2016/17	3.974
Variances Previously Approved - Period 4 (July)	(10)
<b>Latest Approved Budget</b>	<b>21.569</b>
Variances Reported This Period – Period 6 (September) <i>to be approved</i>	(2.052)
<b>Forecast Outturn</b>	<b>19.517</b>

- 2.6 The document attached (Budget Management 2017/18 - Annex 1) contains detailed information on the variance and the impact on the Council's medium term financial plan.

### **3. Options/Reasons for Recommendation**

- 3.1 The recommendations below enable the Committee to make recommendations to Council concerning their budget.

### **4. Policy / Budget Reference and Implications**

- 4.1 In accordance with the Council's financial procedure rules, if the recommendations are accepted, this will amend the Council's budgets.

- 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 The following revenue and capital variations have been identified for all service committees for Period 6 (end of September).

<b>Variance</b>	<b>2017/18 £</b>	<b>2018/19 £</b>	<b>2019/20 £</b>
<b>Revenue</b> - (Favourable)/ Unfavourable	381,050	54,110	104,110
<b>Capital</b> - Increase / (Decrease)	(2,051,890)	2,520,630	2,200

### **7. Risk Management Implications**

- 7.1 There are no risks to the Council in agreeing the recommendations.

- 7.2 The following table gives the risks if the recommendations are rejected, together with a scored assessment of their impact and likelihood:

Description of Risk		Impact	Likelihood
1	The Council's Medium-Term Financial Plan would be out of date and officers would not have accurate budgets to work to.	III	A

- 7.3 The Council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood are plotted in the shaded area of the matrix. The remaining risks require a treatment plan. The risk is managed within the Finance services service plan.

Likelihood	A			1			Impact V = Catastrophic IV = Critical III = Significant II = Marginal I = Negligible	Likelihood A = >98% B = 75% - 97% C = 50% - 74% D = 25% - 49% E = 3% - 24% F = <2%
	B							
	C							
	D							
	E							
	F							
		I	II	III	IV	V		
		Impact						

## 8. Recommendation

To Council:

- 8.1 That the following revenue and capital budget variations be approved and incorporated into the three-year medium-term financial plan:-

Variance	2017/18 £	2018/19 £	2019/20 £
Revenue - (Favourable)/ Unfavourable	381,050	54,110	104,110
Capital - Increase / (Decrease)	(2,051,890)	2,520,630	2,200

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## Background Papers

Budget setting recommendations - Council 21 February 2017.  
Budget monitoring (Month 10) - Policy and Resources Committee 20 March 2017.  
Outturn for 2016/17 - Policy and Resources Committee 12 June 2017.  
Budget monitoring (Period 4 July) – Policy and Resources Committee 4 September 2017.

## ATTACHMENTS

Annex 1 – Budget Management 2017/18 Period 6 (end of September)

# Budget Management

# 2017/18

*Period 6 (End of September)*

## Budget Monitoring Summary

### Revenue

The original net direct revenue budget for 2017/18 was set at **£10.538 million**. As part of the 2016/17 outturn report in June, it was approved that unspent budgets totalling £0.289 million would be carried forward into 2017/18. This gave a 2017/18 approved working budget of **£10.827 million**.

The Period 4 budget monitoring was reported to Policy and Resources (P&R) Committee in September. P&R Committee reviewed the budget and recommended to Council some (but not all) of the budget adjustments; these were subsequently approved by Council on 17 October. This means that the latest approved working budget for 2017/18 is now **£10.681million**.

The net revenue expenditure forecast outturn at period 6 (September) provided by the services is now estimated to be **£11.062 million**. This gives an unfavourable variance when compared to the latest budget of **£0.381 million**.

Services have identified that the main contributors to this variance are:

		£
1	Car Park Enforcement: Income for this service is lower than anticipated due to a decrease in demand following the new charging regime and delay in the implementation of a new parking scheme in Rickmansworth which is now expected to go live in 2018.	145,000
2	<p>a. An increase in the cost of ICT Service. In October a report regarding the increase in spend was presented to Three Rivers' and Watford's Joint Management Board. The report highlighted that this level of budget is required under the current resourcing model in order to provide a functioning service that delivers acceptable levels of performance</p> <p>b. ICT savings from M3 and Proactive as these systems are no longer required.</p>	<p>191,200</p> <p>(40,370)</p>
3	One-off windfall income due to business rates refunds for the period of 2010-2017 after an appeal for the Council's car parks	(151,240)
4	Surveyors fees for acting on behalf of the Council for business rate appeals on the Council's car parks (see '3.' above)	45,000
5	Increase in cost due to implementation of a specialist document management system (IDOX).	60,000
6	Provision of Temporary Accommodation:	
	a. Target saving of £170,000 in respect of the Bury site in Rickmansworth will not materialise in the current year. This is now expected in 2018/19	170,000
	b. Target saving of £103,820 in respect of the development of 34 additional units within the District will not materialise in the current year. This is now expected in 2018/19	103,820
	c. Increase in cost due to the Council's statutory obligation under the Homeless reduction Act 2017. The act represents an immense change in the support that must be given to all persons who present themselves as homeless, including those who are not deemed to be vulnerable or in priority need	48,340

	d. Reduction in the cost of providing temporary accommodation as a result of securing better value accommodation which has been blocked booked in partnership with another Hertfordshire authority	(50,000)
7	Increase in property investment income predominantly from South Oxhey	(65,000)
8	Increased income from Garden waste due to higher participation	(13,000)
9	Saving in staffing costs due to a restructure in the Revenue & Benefits shared service	(29,800)
10	Total of other minor variances	(32,900)
	<b>Total:</b>	<b>381,050</b>

### **Capital**

The original budget for 2017/18 was set at **£17.605 million**. Approved budget re-phasing from 2016/17 totalling £3.974 million gives a latest budget of **£21.579 million**.

The Period 4 budget monitoring presented to Policy and Resources Committee in September recommended a net variance of £0.01 million (£10,000). This was subsequently approved by Council on 17 October, to give a latest approved capital budget of **£21.569 million**.

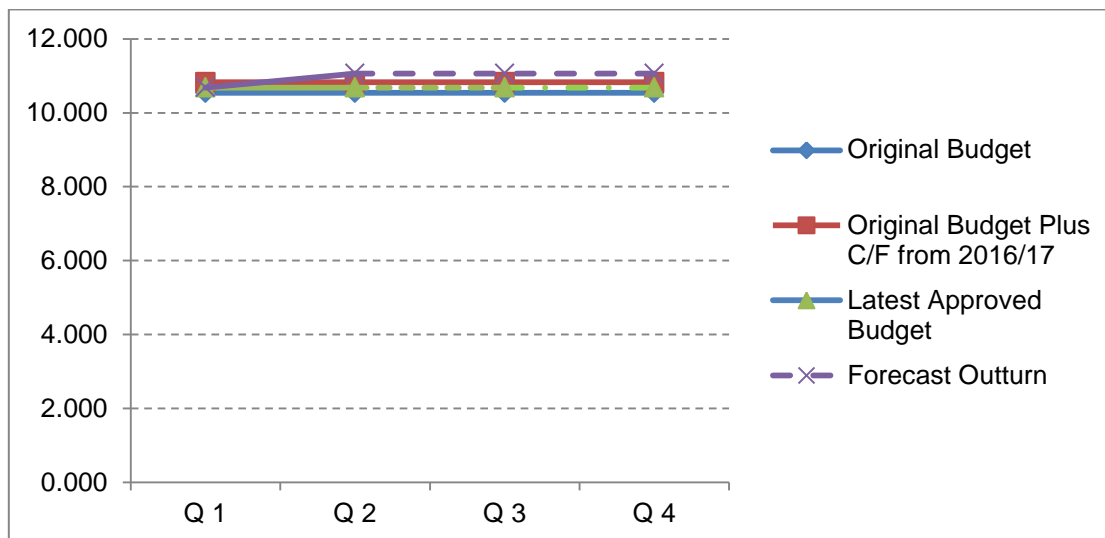
Services have identified a reduction in the forecasted outturn position at Period 6 of **£2.052 million**.

The main contributors to this variance are:

		£
1	Bury Lake Young Mariners capital scheme. Loan of £1,000,000 funded from capital to be drawn down in 18/19 following approval at P&R committee on 17 October 2017 and therefore needs to be re-phased.	(1,000,000)
2	Re-phasing of Temporary Accommodation. Other sites – these are going to planning committee in December, so unlikely to commence until 2018/19	(1,160,000)
3	Temporary Accommodation- Rickmansworth. Majority of spend by 31 March 2018, but amount held for retention to be paid in 2018/19.	(58,300)
4	Leavesden Management Plan - Council contribution towards the new café at Leavesden Country Park is to be paid to YMCA on completion – not now due to complete in current year and therefore re-phased to later years.	(200,000)
5	South Oxhey Initiative residual element of £100k to be re-phased to 2018/19	(100,000)
6	Property Investments - Purchase of three properties as approved by the Council's internal Property Investment Board (PIB). These purchases are funded from the £20 million investment pot identified in the Council's capital programme. Each investment was subject to a comprehensive business case and discussion at PIB.	670,940
7	Saving from the Council's contribution to capital works for Disabled Facilities.	(200,000)
9	Other variances	(4,530)
	<b>Total Variance</b>	<b>(£2,051,890)</b>

## 1.0 Revenue Budget

- 1.1 The Council's latest approved budget is **£10.681million**. The forecast outturn is now estimated to be **£11.062 million** which results in an unfavourable variance of **£0.381million**.
- 1.2 The trend over the financial year 2017/18 is plotted on the graph below. The forecast outturn should be compared with the original budget plus the carry forwards from 2016/17 as this is essentially the starting point for the 2017/18 working budget.



- 1.3 The table below compares the latest budget to the forecast outturn and shows the variance against each Committee. It also shows the spend to date up to the end of September (Period 6). The figures relate to direct costs and incomes within each Committee.

2017/18 Revenue Account – General Fund Summary					
		(A)		(B)	(B – A)
Committee	Original Budget	Latest Budget	Net Spend to Period 6	Forecast Outturn	Outturn Variance
	£000	£000	£000	£000	£000
Leisure, Wellbeing & Health	2,270	2,278	702	2,249	(29)
Sustainable Development, Planning & Transport	1,834	1,848	217	2,170	322
General Public Services & Community Safety	1,947	1,805	291	1,795	(10)
Policy & Resources	4,487	4,750	3,380	4,848	98
<b>Net General Fund</b>	<b>10,538</b>	<b>10,681</b>	<b>4,590</b>	<b>11,062</b>	<b>381</b>

- 1.4 Each Committee's revenue medium term financial plan which incorporates comments by Officers is shown **Appendix 1**.
- 1.5 The detail of comparing latest budget to the forecast outturn together with an explanation of the variances by committee is shown in **Appendix 2**. Committee's with significant variances are provided in the narratives below
- 1.6 **Leisure, Wellbeing & Health**
- Expected increase of £15,000 in income due to higher volume of ticket sales for the forthcoming pantomime

## 1.7 Sustainable Development, Planning & Transport

- There are increased costs of £60,000 within development management due to the implementation of the specialist document management system (IDOX).
- Car Park Enforcement Income  
Reduced income targets totalling £145,000 this is due to lower demand relating to the new charging regime consisting of the first hour free and the second at £1. In addition there has been a delay in the implementation of the new charging scheme in Rickmansworth; this is now expected to commence January/ February 2018.
- Car Park Maintenance Income  
The Council received windfall income totalling (£155,240) following the successful appeal on the 2010 valuation of the Council's car parks.
- Temporary Accommodation  
  
Under-achievement of savings target meant to be achieved through a reduction in cost of Temporary Accommodation due to a delay in the development of the Bury site in Rickmansworth of £170,000  
  
Under-achievement of savings target due to delay in the development of Temporary accommodation 34 units in the district of £103,820  
  
Both of these are anticipated to be implemented in 2018/19.  
  
Council has received Homelessness grants totalling £162,500. There has been minimal spend against these to date, but it is expected that these will all be spent by the year end.  
  
Increase in cost of £48,340 due to the Council's statutory obligation under the Homeless reduction Act 2017. The act represents an immense change in the support that must be given to all persons who present themselves as homeless, including those who are not deemed to be vulnerable or in priority need  
  
Reduction of £50,000 in the cost of providing temporary accommodation as a result of securing better value accommodation which has been blocked booked in partnership with another Hertfordshire authority

## 1.8 General Public Services & Community Safety

- The Waste Service has offered up savings of (£13,000) for month 6: This is due to increase in income due to higher participation in Garden Waste

## 1.9 Policy and Resources

- Increase in property investment predominantly from South Oxhey (£65,000)
- Agents' fees for acting on behalf of the Council to secure BR appeals on the 2010 valuations for car parks. £45,000
- Saving of £29,800 in staffing costs due to a restructure in the Revenue & Benefits shared service



- ICT Service

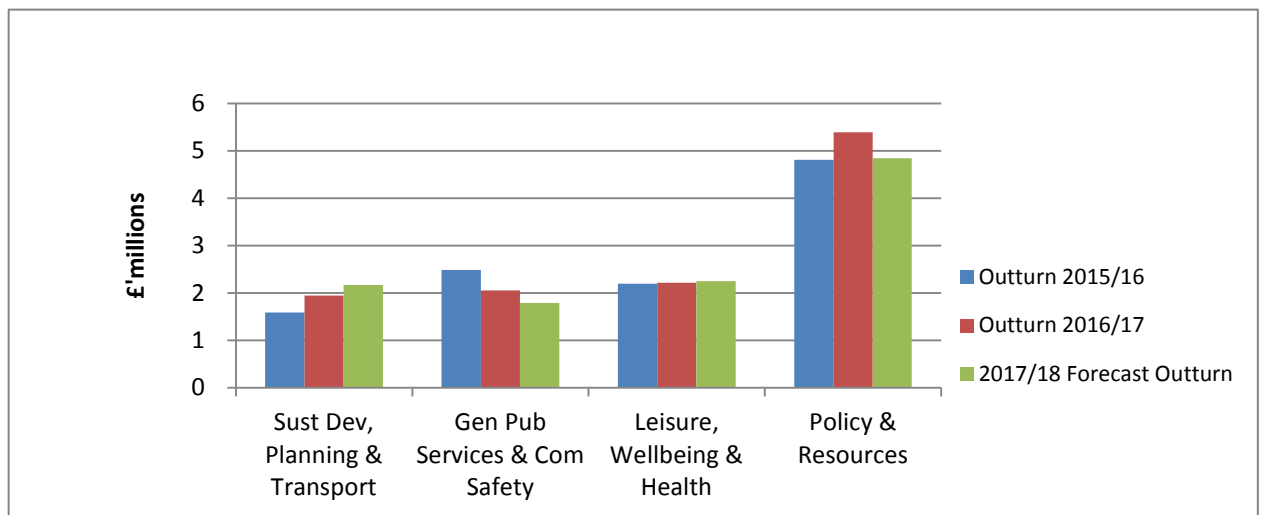
An increase in the cost of ICT Service. In October, a report on the increase in spend was presented to Three Rivers' and Watford's Joint Management Board. The report highlighted that this level of budget is required under the current resourcing model in order to provide a functioning service that delivers acceptable levels of performance.

Additionally the budget set for 2017/18 was not revised to incorporate the fundamental change to the IT operating model, despite it being acknowledged at the point of exiting from Capita that the new mixed service model, meeting our performance requirements, would be more expensive than the fully outsourced model. The report recommended that a new establishment and budget for the ICT Shared Service. This has been developed through consideration of industry standard practice methodology for the functions that are required within an ICT Service and an understanding of the gaps in the current ICT provision.

It should be noted that the budget under the Capita model had reduced over the term of the contract and potentially this would have led to an underfunding of the ICT service when it returned to an in-house provision.

- ICT Savings from M3 and Proactive of (£40,370) as these are no longer required.

1.10 The graph below shows the 2017/18 forecast outturn compared with the outturns for 2016/17 and 2015/16.



1.11 The effect of the variances on the Council's general fund balance over the medium term (2017/18 – 2019/20) is shown in the table below.

Movement on General Fund	2017/18	2018/19	2019/20
	£000	£000	£000
Balance at 1 April	(4,094)	(3,035)	(3,201)
(Surplus)/deficit	1,059	(166)	95
Balance at 31 March	(3,035)	(3,201)	(3,106)

*The surplus/deficit shown above is adjusted for the forecasted outturn. A prudent minimum general fund balance of not less than £2 million is considered appropriate.*

## 2.0 Capital Programme

- 2.1 The Council's capital programme has been designed to support and enhance its core services.
- 2.2 The original budget for 2017/18 was **£17.605 million**. The latest budget is **£21.569 million** which includes previously approved rephasing of **£3.974 million and a variance of 0.01 million (£10,000) reported in month 4.**

The forecast outturn for Capital expenditure at Period 6 is **£19.517 million**.

Services have identified a further variance of **£2.052 million** for 2017/18.

- i) **This includes a request to re-phase £2.523 million from 2017/18 to 2018/19.**

Main Capital Schemes with proposed re-phased budgets include:

- Bury Lake Young Mariners scheme - It is proposed that the £1,000,000 budget be fully re-phased into 2018/19 as the drawdown of the Council loan is now likely to commence contributing towards the project in early 2018/19, although no commencement date has been confirmed by BLYM at this point in time.
- Re-phasing of the Council's (£200,000) contribution towards the café at Leavesden Country Park from 2017/18 into 2018/19. The project is due for completion in May 2018 with the Council's contribution becoming due on completion.
- South Oxhey Initiative (£100,000) to be rephased into 2018/19.
- Temporary Accommodation Other sites: £1,160,000 million is proposed to be rephased into 2018/19 as construction of the 34 temporary accommodation units is expected to commence in Quarter 2 of 2018/19.

- ii) Savings of (£200,000)

Disabled Facilities. The Council contributed £200,000 to the Disabled facilities capital fund. This is demand led service it is unlikely that the full budget allocation will be spent this year. It is proposed that this (£200,000) be offered up as a saving in 2017/18 only.

- iii) Property Investment Board spend of £670,940

In accordance with the PIB delegations and following satisfactory business cases being made, there was spend on the purchase of three properties, these being The Grapevine public house, 2 Gosforth Path and 224d Gosforth Lane. This was funded by the Property Investment Board from the £20 million investment fund set aside for this purpose at the budget setting in February 2017.

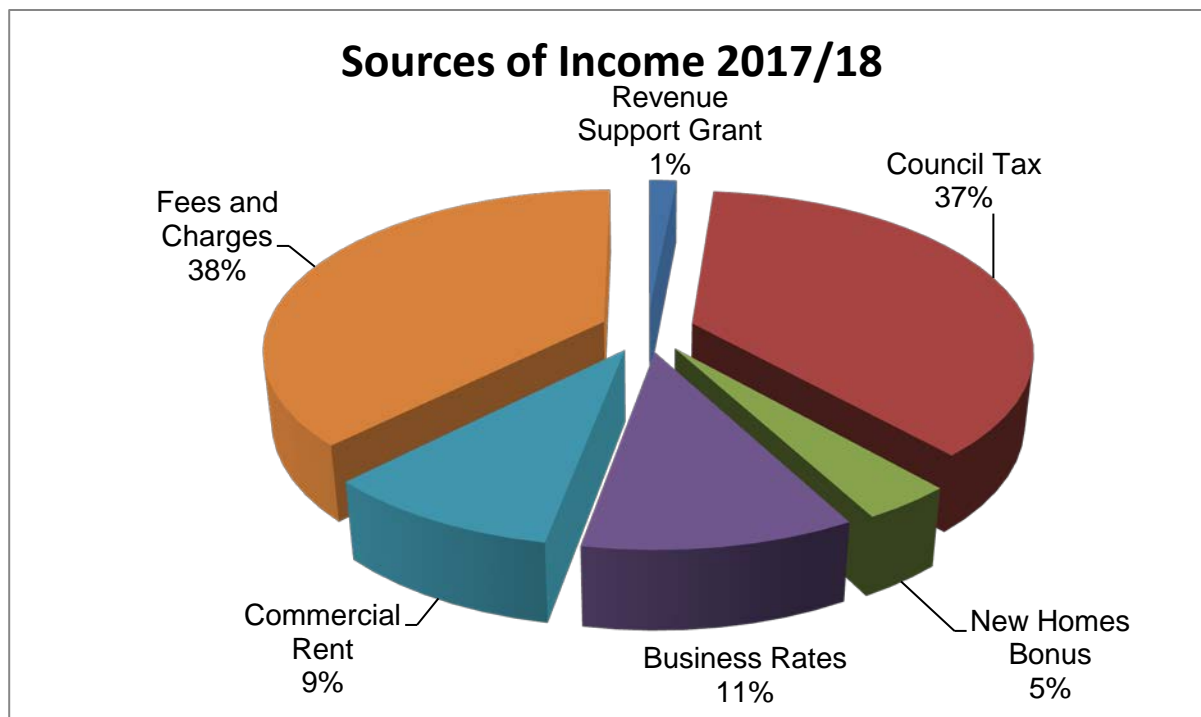
- 2.3 The table below shows the 2017/18 Capital Programme budget, forecast outturn, spend to date and variance for each service committee for period 6.

Committee	Original Budget £000	Latest Budget £000	Spend to P6 £000	Forecast Outturn £000	Outturn Variance £000
Leisure, Wellbeing & Health	1,946	2,883	447	1,671	(1,212)
Sustainable Development, Planning & Transport	3,761	4,576	287	3,058	(1,518)
General Public Services & Community Safety	395	950	359	945	(5)
Policy & Resources	736	1,883	1,003	2,536	682
<b>Total Service</b>	<b>6,839</b>	<b>10,292</b>	<b>2,096</b>	<b>8,210</b>	<b>(2,082)</b>
<i>South Oxhey Initiative</i>	<i>10,766</i>	<i>11,277</i>	<i>6,610</i>	<i>11,277</i>	<i>0</i>
<b>Total Capital</b>	<b>17,605</b>	<b>21,569</b>	<b>8,706</b>	<b>19,487</b>	<b>(2,082)</b>

- 2.4 As at the end of period 6, services have spent a total of £8,706 million against a latest budget of £21,569 million. This represents **40% of the budget**. The total spend to date includes the sum of £6.610 million which relates to the South Oxhey Initiative and if excluded from the total spend reduces the percentage spend against budget to **20%**.
- 2.5 Service accountants have met with budget holders who have confirmed that budgets will be spent by the end of the financial year; this will be monitored at future budget reports and any additional re-phasing will be identified as they become known.
- 2.6 The Council's Medium Term Capital Investment Programme is shown by scheme by each Committee at **Appendix 3** this includes commentary from officers. The reasons for the variance on each scheme reported for this period are shown at **Appendix 4**.
- 2.7 The capital programme is mainly supported by three income streams; capital receipts (derived from the sales of assets), grants and contributions, and the use of reserves. Services can also make a contribution to capital from surplus revenue funds if needed. In addition the Council may borrow to fund its capital programme. Borrowing maybe required for 2018/19, although it is anticipated that this will be funded from internal cash resources. Any decision on borrowing will be taken if and when the need arises. Funding of the capital investment programme over the medium term is shown at **Appendix 5**.

### 3.0 Council Income

- 3.1 The Council is able to fund the provision of services from an array of income sources. The Council receives income from the Government in the form of grants, Council tax payments from residents and from customers who pay a fee or charge for using some specific council services. The budgeted income total for 2017/18 is £21.880 million. The two biggest sources of income are council tax and fees & charges. From 2019/20, the Council does not expect to receive any Revenue Support Grant from Central Government.
- 3.2 The chart below shows the amount of income for each source as a percentage of total income.



- 3.3 The table below shows the significant sources of income for chargeable services. It should be noted that the income receivable from the Regulatory Services and Parking Enforcement are not linear and are subject to peaks and troughs throughout the financial year. Under Environmental Protection services, trade waste is invoiced to customers half yearly in April and October and garden waste is charged for in one instalment at the beginning of the financial year.

Service	Income Stream	2017/18 Latest Budget £	2017/18 Actual to end of September £	% of Income received	2017/18 Forecast Outturn £
Regulatory Services	Land & Property Charges	(120,010)	(51,498)	42%	(120,010)
	Application Fees	(557,000)	(259,193)	47%	(557,000)
Parking Enforcement	Penalty Charge Notices	(200,000)	(107,903)	54%	(200,000)
	Long term Pay and Display	(104,650)	(55,406)	53%	(104,650)
	Parking Fees	(175,000)	0	0	(30,000)
Environmental Protection	Trade Refuse	(578,020)	(271,363)	47%	(600,000)
	Garden Waste	(828,000)	(839,436)	101%	(841,000)
Property Services	Property Investment Income	(300,000)	0	22%	(365,000)

3.4 Further details on the Council's key budget indicators for revenue service income streams (including volumes and trends) are shown at **Appendix 6**

#### 4.0 Debtors (invoicing)

4.1 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.

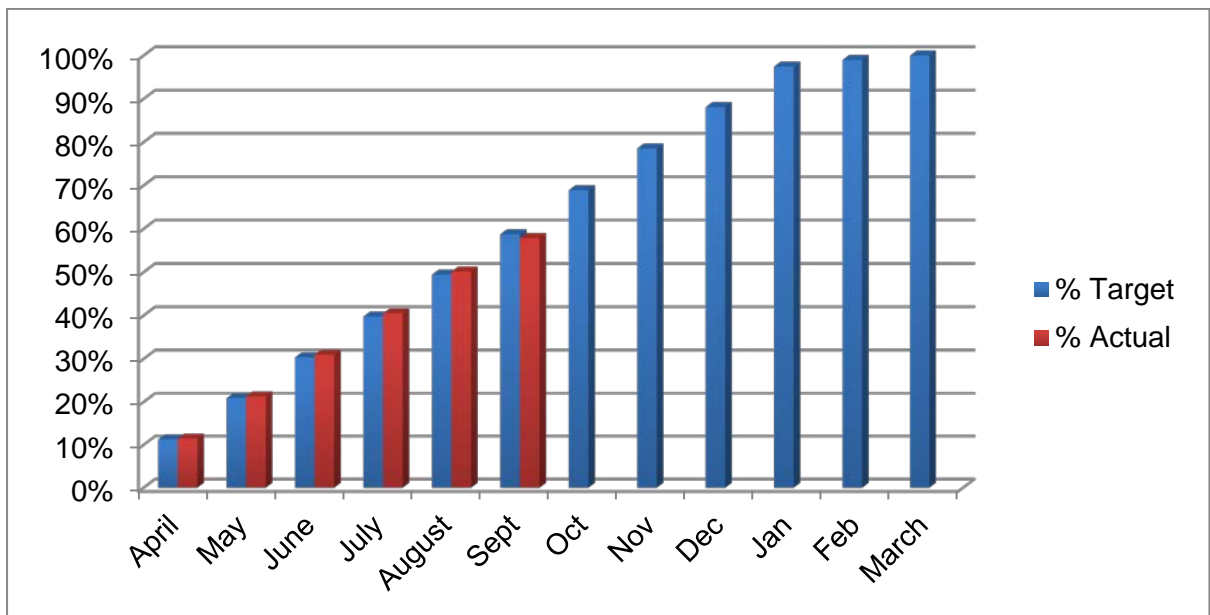
4.2 As at 30 September 2017, the total outstanding debt was £2.307 million of which £2.203 million is less than a month old and therefore it is anticipated that this will be recovered. Outstanding debt over a year old is £46,317 which is 2% of the total debt. The table below shows a summary of the outstanding debt by the three main aged categories.

Aged debt as at the end of July	Services	Under 1 Month	Over 1 Month to year	Over a year	Total
Committee		£	£	£	£
Leisure, Wellbeing & Health	Leisure	40,243	1,059	0	<b>41,302</b>
Sustainable Development, Planning & Transport	Housing	18,980	38,035	6,943	<b>63,958</b>
	Planning	5,660	0	0	<b>5,660</b>
	Regeneration	1,793,289	0	0	<b>1,793,289</b>
General Public Services & Community Safety	Environmental Services	129,549	2,353	2,292	<b>134,194</b>
Policy & Resources	Legal & Property	194,584	14,238	15,651	<b>224,472</b>
	Communications	300	0	0	<b>300</b>
	Corporate Services	126	0	0	<b>126</b>
	Customer Services	0	948	389	<b>1,337</b>
	Finance	20,590	1,250	21,043	<b>42,883</b>
<b>Total</b>		<b>2,203,320</b>	<b>57,884</b>	<b>46,317</b>	<b>2,307,521</b>

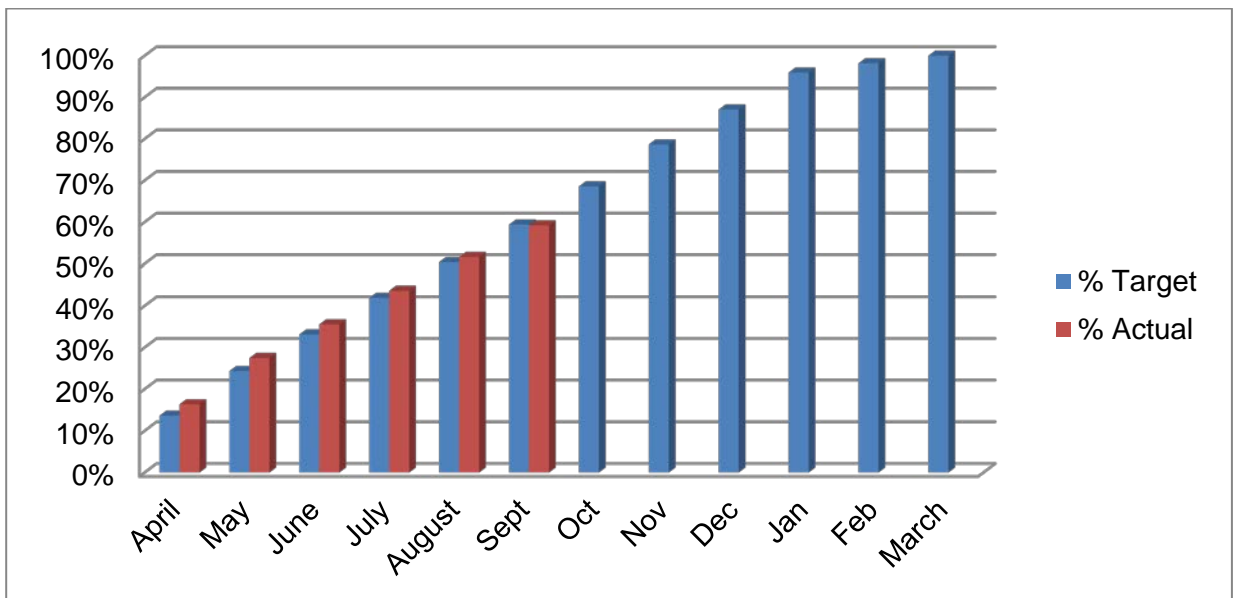
4.3 The main reason for the debt over year relates to recovery of court costs in Revenues and Benefits and in Legal Services. The large figure in Regeneration is for an invoice to Countryside for the South Oxhey Initiative project.

#### 5.0 Council Tax and Business Rates Collection

5.1 Council Tax. The Council's performance in the collection of Council Tax can be seen in the following chart. It shows the collection percentage to date together with the target for the year. The actual income collected as at 30 September 2017 is just below the profiled expectation for this point in the year.



5.2 **Business Rates.** The Councils performance for business rate collection is shown in the following chart. It shows the collection percentage to date together with the target for the year. The actual income collected as at the 30 September 2017 is in line with the profiled expectation for this point in the year.



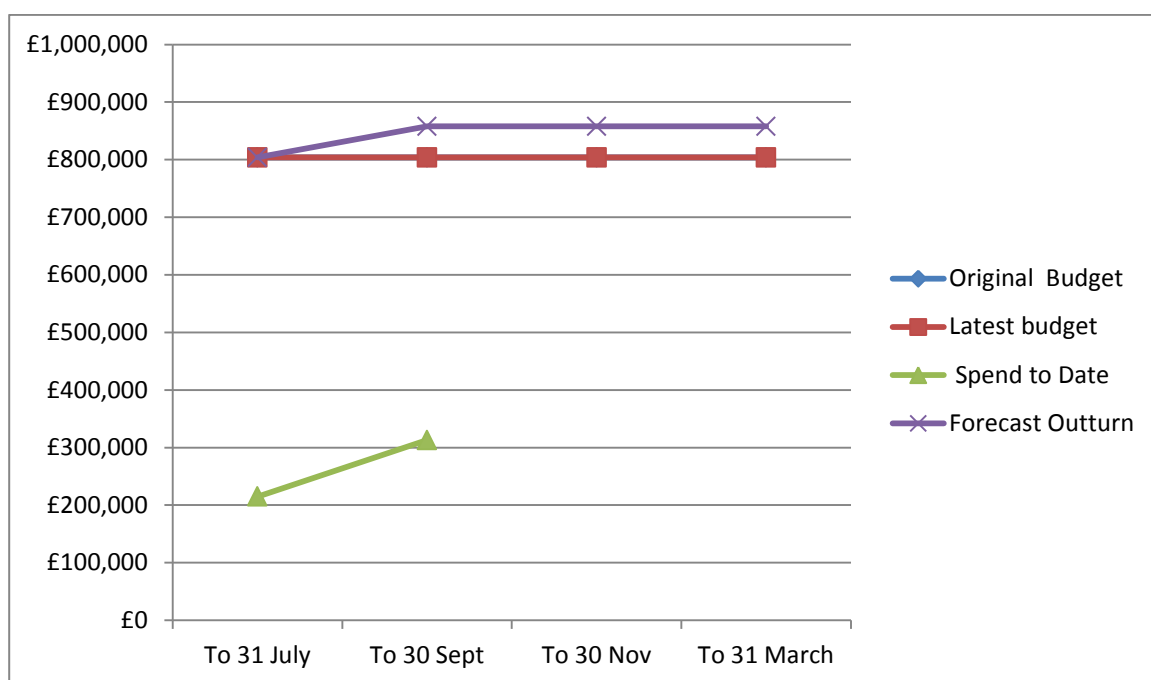
## 6.0 Treasury Management

- 6.1 The interest earned on the investments made by the Council supports the funding of the services it provides. The target rate for earning interest rate is set at 0.12% above the average bank rate; this currently equates to 0.37%. Up to the end of September, the average annualised interest rate earned on investments was 0.42%. It should be noted that that we have been able to invest for longer periods due to the anticipated re-phasing of the capital programme. This has been offset by having to hold large amounts of funds on call pending property investments.
- 6.2 The Council set a budget of **£139,000** on investment interest for 2017/18. The amount earned up to the end of September was **£114,700**.
- 6.3 Future returns are likely to reduce as sums previously invested will be released to support the Council's property investment and its major capital projects.

## 7.0 Key Risk Areas

7.1 Resources are allocated in the revenue and capital budgets to support the achievement of the Council's corporate plan. The Council's budget is exposed to risks that can potentially impact on service level provision.

7.2 A particular budget risk which the Council is exposed to is its statutory duty to provide temporary accommodation to the homeless families. The demand on this service has been increasing over the last few years and in order to meet the demand, the Council agreed to increase its expenditure budget by £0.300 million pa from 2016/17. In addition there will be additional costs of implementing the Council's statutory obligation regarding the Homeless Reduction Act 2017. The additional cost for 2017/18 relates to implementation and set up costs which are estimated to be £ 0.104 million. £0.020 million of the additional cost is funded from government grant. The majority of this spend will occur between December and March 2018. The chart below shows the cost of providing temporary accommodation for 2017/18.



7.3 Other key financial risks are shown at **Appendix 7** together with a risk matrix that shows the likelihood and impact of each risk if they were to materialise.

## APPENDICES

- Appendix 1 Medium term revenue budget by cost centre by Committee (2017-2020)
- Appendix 2 Explanations of revenue variances reported this Period
- Appendix 3 Medium term capital investment programme (2017-2020)
- Appendix 4 Explanations of capital variances reported this Period
- Appendix 5 Funding the capital programme (2016-2020)
- Appendix 6 Key budget indicators – Income streams
- Appendix 7 Budgetary risks

## Medium Term Revenue Budget by Committee

Leisure, Wellbeing & Health Committee		Medium Term Revenue Budget						
Cost Centre Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Period 6	Variances This Month	Forecast Outturn 2017/18	Revenue Forecast 2018/19	Revenue Forecast 2019/20	Comments
	£	£	£	£	£	£	£	
Citizens Advice Bureaux	303,340	303,340	257,340	0	303,340	303,340	303,340	Budget is expected to be fully spent in this financial year
Community Development	5,500	5,500	(14,063)	0	5,500	5,500	5,500	The actual includes income from the area assessment grant which will be used to fund existing commitments.
Community Partnerships	173,720	173,720	80,993	0	173,720	175,310	176,920	
Leisure s106 Projects	26,520	26,520	27,639	0	26,520	40,210	40,600	The income target is made up of grant funding and s106 funding. £27k of this money is to be used to fund a Capital scheme for the improvement of play areas (7925)
Health Commercial Team	190,990	190,990	(26,893)	(10,000)	180,990	194,760	196,390	Actuals includes a (£79k) invoices raised for cost recovery as a result of as successful legal claim, this will be re distributed between environmental health, legal and external resources upon receipt of payment. There is a saving on staffing costs in the current year due to vacancies
Health Residential Team	89,010	89,010	55,383	0	89,010	92,590	96,230	
Licensing	(187,760)	(187,760)	(113,558)	0	(187,760)	(194,700)	(202,710)	A cost recovery exercise being considered.
Cemeteries	(163,320)	(163,320)	(68,617)	0	(163,320)	(163,580)	(163,580)	This service experiences seasonal fluctuations and demand is expected to rise in the winter months
Community Arts	11,910	11,910	(1,991)	0	11,910	11,910	11,910	Extra income is from HLF grant. The full budget is expected to be fully spent in the year
Watersmeet	13,545	13,545	(32,366)	0	13,545	10,995	9,765	Increase ticket sales for forthcoming pantomime
Watersmeet-Entertainments	10,650	10,650	(23,948)	(15,000)	(4,350)	7,320	8,100	
Leavesden PDU	(35,000)	(35,000)	(17,500)	0	(35,000)	(35,000)	(35,000)	
Active Community Development Fund	43,670	43,670	17,525	0	43,670	43,540	43,400	Budget is expected to be fully spent in this financial year
Oxhey Hall	(3,000)	(3,000)	(1,500)	0	(3,000)	(3,000)	(3,000)	Budget is for rental income
Trees & Landscapes	389,070	389,070	84,705	0	389,070	393,530	396,090	Circa £90,000 is made up pf grant money which is due to be fully spent in 2017/18. £15,379 of income received from London underground for work to Pheasants wood.
Museum	(700)	(700)	0	0	(700)	(700)	(700)	
Playing Fields & Open Spaces	40,435	47,335	(15,973)	0	47,335	40,435	40,435	The majority of the expenditure is expected to be spend in the second half of the year.
Play rangers	42,180	42,180	14,875	0	42,180	43,110	43,610	Income higher than anticipated, however currently investigating the possibility of utilising the additional funding to hire additional staff to further enhance the play rangers business plan
Aquadrome	13,780	13,780	15,696	0	13,780	8,090	7,390	



Leisure, Wellbeing & Health Committee		Medium Term Revenue Budget						
Cost Centre Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Period 6	Variances This Month	Forecast Outturn 2017/18	Revenue Forecast 2018/19	Revenue Forecast 2019/20	Comments
Leisure Venues	20,220	20,220	4,951	(3,900)	16,320	(113,680)	(113,680)	Rental increase from Oxhey Jets FC
Leisure Development	256,550	256,550	121,228	0	256,550	260,380	263,590	Budget is expected to be fully spent in this financial year
Play schemes	67,070	67,070	60,655	0	67,070	66,270	65,450	
Sports Development	25,340	25,340	16,284	0	25,340	25,340	25,340	Budget is expected to be fully spent in this financial year
Croxley Skate park	20,430	20,430	15,408	0	20,430	20,430	20,430	Budget is expected to be fully spent in this financial year
Community & Parish Grants	35,700	35,700	11,199	0	35,700	35,700	35,700	Subject to committee decisions
Leisure & Community Services Support	225,150	225,150	64,604	0	225,150	230,740	232,910	
Public Health	0	0	(128,007)	0	0	0	0	Grant received, will be offset by corresponding expenditure
TRC Grounds Maintenance	654,640	655,740	298,325	0	655,740	660,550	665,200	Budget is expected to be fully spent in this financial year
<b>Total</b>	<b>2,269,640</b>	<b>2,277,640</b>	<b>702,396</b>	<b>(28,900)</b>	<b>2,248,740</b>	<b>2,159,390</b>	<b>2,169,630</b>	

Sustainable Development, Planning & Transport Committee		Medium Term Revenue Budget						
Cost Centre Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Period 6	Variances This Month	Forecast Outturn 2017/18	Revenue Forecast 2018/19	Revenue Forecast 2019/20	
	£	£	£	£	£	£	£	
Housing Services Needs	332,360	332,360	180,748	0	332,360	342,070	347,200	
Easy Let	5,110	5,110	4,460	0	5,110	5,110	5,110	Easy let has now ended
Choice Based Lettings	21,000	21,000	0	0	21,000	21,000	21,000	This budget is transferred at year end to cover contributions from TRDC towards Herts Choice Homes.
Homelessness	435,200	435,200	(71,822)	170,000	707,360	(44,200)	209,200	Savings target in cost of temporary accommodation will not be achieved due to a delay in the development of the Bury site in Rickmansworth
				103,820				Savings target in cost of temporary accommodation in the district will not be achieved due to a delay in identification of appropriate sites
				48,340				Net additional cost of meeting the Council's statutory obligation under the new Homeless Reduction Act 2017. This years costs relate to implementation and set up costs as the scheme goes live in April 2018. The net cost includes government grant funding of £20,000 in all years.
				(50,000)				Reduction in the cost of Homelessness as a result of using better value temporary accommodation which has been block booked in partnership with Broxbourne Council. This is only envisaged to be in place for two years.
Housing Associations	(2,000)	(2,000)	(2,500)	0	(2,000)	(2,000)	(2,000)	
Fuel Voucher Scheme	3,500	3,500	0	0	3,500	3,500	3,500	Budget is used for match funding for Beat The Killer Cold scheme, currently being reviewed
Parking & Street Enforcement	30,000	30,000	0	0	30,000	0	0	This relates to work on parking and street enforcement pilot project including pavement parking, littering, fly tipping and abandoned vehicles, which has not yet incurred any costs
Energy Efficiency	19,500	31,500	(5,235)	0	31,500	19,500	19,500	£12k from Herts Warmer Homes Scheme carried forward from 2016/17- this has now been committed with the agreement signed on 01/08/2017. The remaining budget will be used for top up funding and promotion of schemes to residents.
Sustainability Projects	33,960	33,960	13,134	0	33,960	34,170	34,390	Budget is expected to be fully spent by the end of the year
Land Charges	(300)	(300)	8,738	0	(300)	800	1,900	Mid year review shows income collected is approximately £9k under target, this is because of changes and complexities of searches has resulted in more requests being sent to Herts Council and costs associated with this are higher than anticipated. This is being reviewed as part of a cost recovery exercise.
Land Drainage	5,000	5,000	0	0	5,000	5,000	5,000	
Car Parking Enforcement	(110,060)	(107,060)	(48,748)	145,000	37,940	(249,230)	(272,800)	Reduced income targets totalling £145,000 this is due to lower demand relating to the new charging regime consisting of the first hour free and the second at £1. In addition there has been a delay in the implementation of the new charging scheme in Rickmansworth; this is now expected to commence January/ February 2018.
Car Parking - Maintenance	84,850	80,350	(73,907)	(155,240)	(74,890)	80,350	80,350	One off windfall income due to Business rate refund for the period of 2010-2017 after revaluation at the Council's car parks

Sustainable Development, Planning & Transport Committee		Medium Term Revenue Budget						
Cost Centre Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Period 6	Variances This Month	Forecast Outturn 2017/18	Revenue Forecast 2018/19	Revenue Forecast 2019/20	
	£	£	£	£	£	£	£	
Dial - A - Ride	33,780	33,780	0	0	33,780	33,780	33,780	This is billed 6 months in arrears. In October/November and April. The first bill is fixed at £12k a year and the second varies depending on service take up.
Street Naming & Numbering	7,130	7,130	1,364	0	7,130	7,130	7,130	
Better Buses	86,570	109,570	(56,570)	0	109,570	86,570	86,570	Awaiting invoice from Hertfordshire County Council for current and previous year
Planning Environmental Initiatives	47,470	47,470	22,466	0	47,470	47,470	47,470	
Planning & Economic Development	0	1,390	2,751	0	1,390	0	0	
Development Management	118,780	195,380	58,252	60,000	255,380	209,040	205,760	Variance is for the IDOX hosted solution
DECS	117,310	117,310	58,686	0	117,310	118,500	119,670	
Development Plans	385,360	454,360	154,096	0	454,360	389,730	394,000	This budget will be used to pay for evidence based studies being commissioned in accordance with adopted LDS and normal running of local plan service.
Technical Support	166,630	0	0	0	0	0	0	Transferred to CSC in period 4
Hertfordshire Building Control	(25,390)	(25,390)	(51,204)	0	(25,390)	6,420	6,420	Awaiting invoice from Hertfordshire Building Control for actuals as shown
Batchworth Depot	38,130	38,130	22,645	0	38,130	38,130	38,130	
<b>Total</b>	<b>1,833,890</b>	<b>1,847,750</b>	<b>217,353</b>	<b>321,920</b>	<b>2,169,670</b>	<b>1,152,840</b>	<b>1,391,280</b>	

General Public Services & Community Safety Committee		Medium Term Revenue Budget							
Cost Centre Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Period 6	Variances This Month	Forecast Outturn 2017/18	Revenue Forecast 2018/19	Revenue Forecast 2019/20		
	£	£	£	£	£	£	£		
Community Safety	175,950	175,950	(24,393)	2,700	178,650	176,940	177,950	Additional income reflects PCC grants and income for partnership projects from housing providers and other funding sources- this will be used to fund existing partnership commitments. Transfer from Performance and Scrutiny to fund a one off increase in temporary staffing (see Policy and Resources Committee)	
Sewerage	(40)	(40)	0	0	(40)	(40)	(40)		
Domestic Refuse Collection	(19,130)	(19,130)	(4,956)	0	(19,130)	(17,520)	(15,380)	Grant to Herts Waste Partnership paid in full at beginning of the year	
Trade Refuse Collection	(434,880)	(434,880)	(295,296)	(22,000)	(456,880)	(468,480)	(468,480)	Increase in customers	
General Recycling	(15,910)	(15,910)	(7,826)	0	(15,910)	(15,910)	(15,910)		
Garden Waste	(738,000)	(772,000)	(826,794)	(13,000)	(785,000)	(809,000)	(833,600)	Increase in participation	
Clinical Waste Collection	(88,820)	(88,820)	(49,261)	0	(88,820)	(88,820)	(88,820)	Customers billed in April & October. Invoice from HCC for Q2 disposal costs of approx. £3k is yet to be received	
Kerbside Recycling	(589,290)	(745,260)	(230,559)	0	(745,260)	(588,990)	(588,990)	Awaiting invoice for the cost of disposal. The costs fluctuate based on the market value of materials.	
Abandoned Vehicles	750	750	360	0	750	750	750	Budget is expected to be fully spent	
Pest Control	63,490	63,490	32,853	0	63,490	64,130	64,130	Budget is expected to be fully spent	
Environmental Maintenance	25,110	25,110	174	0	25,110	25,110	25,110	This budget is expected to be fully spent by the end of the year	
Public Conveniences	4,200	4,200	0	0	4,200	4,200	4,200		
Animal Control	48,740	48,740	22,230	0	48,740	49,030	49,330	Budget is expected to be fully spent	
Environmental Protection	345,500	379,500	141,377	0	379,500	383,890	388,360	Budget is expected to be fully spent	
Environmental Mtce - Contractor	493,140	494,690	199,740	0	494,690	498,820	502,690	More costs are incurred in the second half of the year	
Trade Refuse Contractor	253,260	254,770	100,779	0	254,770	256,340	257,620	This will be fully spent by the end of the year	
Clinical Waste Contractor	71,380	71,440	16,703	0	71,440	71,910	72,390	Awaiting invoice from Hertfordshire County Council for the cost of disposal	
Waste Management	2,351,540	2,362,550	1,215,526	22,000	2,384,550	2,401,000	2,415,400	Increase in road tax for 19 HGV vehicles at a cost of £650 each. 5 MOT's for non contract vehicles estimated at £10k	
<b>Total</b>	<b>1,946,990</b>	<b>1,805,150</b>	<b>290,656</b>	<b>(10,300)</b>	<b>1,794,850</b>	<b>1,943,360</b>	<b>1,946,710</b>		

Policy & Resources Committee		Medium Term Revenue Budget						
Cost Centre Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Period 6	Variances This Month	Forecast Outturn 2017/18	Revenue Forecast 2018/19	Revenue Forecast 2019/20	
	£	£	£	£	£	£	£	
Corporate Management	164,280	164,280	45,730	0	164,280	164,280	164,280	Awaiting invoices for external audit fees which are due in Q3
Register of Electors	36,800	36,800	(14,066)	0	36,800	36,800	36,800	£16k additional income received from Government grant which has been ring-fenced for promoting early registrations for 2018.
Conducting Elections	26,320	26,320	4,910	0	26,320	76,320	76,320	Lower than expected spend to economies of combined polls in May 2017 (County & District). Oxhey Hall and Hayling by elections in October will increase this spend by £10k
Council Newspaper	13,300	13,300	0	(13,300)	0	0	0	Merged activity from Council newspaper into Communication Team
Customer Service Centre	626,950	793,580	409,304	0	793,580	803,730	827,390	
Democratic Representation	281,030	281,030	142,037	0	281,030	281,030	281,030	
Major Incident Planning	90,710	90,710	32,147	0	90,710	91,360	92,030	Awaiting annual invoice from Hertfordshire County Council
Miscellaneous Expenditure	236,242	336,242	104,957	0	336,242	149,832	48,832	
Non Distributable Costs	236,000	236,000	233,882	0	236,000	236,000	236,000	This is a payment reduce the pension deficit and was paid in one lump sum in June
Oxhey Drive	10,850	10,850	7,979	0	10,850	10,850	10,850	On Target
Communication Team	106,120	106,120	44,529	13,300	119,420	120,410	121,390	Merged activity from Council newspaper into Communication
Legal Practice	333,170	333,170	139,176	0	333,170	335,690	338,220	
Committee Administration	147,590	147,590	59,618	0	147,590	149,010	150,460	
Miscellaneous Properties	(106,640)	(108,640)	(96,108)	0	(108,640)	(106,640)	(106,640)	Rents are invoiced in advance
Office Services	489,090	489,090	187,716	0	489,090	494,350	499,710	Budget will be fully spent
Asset Management	121,170	121,170	201,059	45,000	166,170	126,670	133,840	Agents fees for acting on behalf of the Council in securing Business rate reductions on the Council's car parks
Elections & Electoral Registration	107,180	107,180	67,345	0	107,180	111,260	115,420	
Accountancy Practice	424,860	424,860	320,012	0	424,860	428,260	432,950	Q2 Recharge to Watford is pending
Parish Elections	0	0	(11,395)	0	0	0	0	Self funding budget from Government grant.
County Elections	0	0	(38,902)	0	0	0	0	Invoices from HCC yet to be received
ICT Shared Services	697,190	697,190	170,570	191,200	848,020	747,560	747,600	Increase in the cost of ICT Service. A report on the increase in spend was presented to Three Rivers and Watford's Joint Management Board. The report highlighted that this level of budget is required under the current resourcing model in order to provide a functioning service that delivers acceptable levels of performance.
				(40,370)				Savings on M3 and Pro Active as these services are no longer required
Revs & Bens Management	86,170	86,170	41,957	(29,800)	56,370	44,700	45,570	Savings achieved through staffing restructure

Policy & Resources Committee		Medium Term Revenue Budget						
Cost Centre Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Period 6	Variations This Month	Forecast Outturn 2017/18	Revenue Forecast 2018/19	Revenue Forecast 2019/20	
	£	£	£	£	£	£	£	
Parliamentary Elections	0	0	(33,772)	0	0	0		Awaiting invoices from Government
Council Tax	324,710	324,710	230,796	0	324,710	327,850	329,870	Awaiting income from shared services recharges for Q2.
Benefits & Allowances	748,600	748,600	494,504	0	748,600	757,510	763,220	This budget is expected to be fully spent by year end.
NNDR	31,700	31,700	46,145	0	31,700	32,000	32,300	Awaiting income from shared services recharges for Q2.
Benefit Fraud	101,530	101,530	64,502	0	101,530	102,330	103,140	Shared services recharge to Watford is pending.
Garages & Shops	(1,519,830)	(1,519,830)	(728,911)	(65,000)	(1,584,830)	(2,114,310)	(2,114,310)	The target rental income of £300,000 set and monitored by the Council's Property Investment Board is likely to be exceeded the current year
Chief Executive	166,180	166,180	80,178	0	166,180	167,790	169,420	
Performance & Scrutiny	50,060	50,060	24,751	(2,700)	47,360	50,490	50,940	Transfer to Community safety to fund a one off increase in temporary staffing (see General Public Services and Community Safety Committee)
Sundry Debtors	198,850	198,850	135,963	0	198,850	201,960	203,770	Awaiting income from shared services recharges for Q2.
Human Resources	320,400	320,400	106,438	0	320,400	325,160	329,740	Awaiting Q2 charge for Watford on Human Resources
Three Rivers House	356,770	356,770	187,447	0	356,770	356,770	356,770	
Basing House	4,740	3,350	2,875	0	3,350	(4,650)	(10,650)	Rental income from Rivertech from June 2017 Stepped increases expected for the next two years. Roof repairs and loft insulation work expected to commence in October 2017.
Director of Finance	62,780	62,780	61,209	0	62,780	63,390	64,610	Shared services recharge to Watford is pending.
Referendums	0	0	(65,156)	0	0	0	0	Awaiting Invoice from Central Government
Vacancy Provision	(120,000)	(120,000)	0	0	(120,000)	(120,000)	(120,000)	This represents a 1% vacancy factor as the budgets assumed a full establishment. This will be removed when the Council's revised salaries are calculated as part of the budget setting process
Officers Standby	6,140	6,140	0	0	6,140	6,140	6,140	
Finance Shared Services Client	43,050	43,050	28,668	0	43,050	44,050	45,050	
Internal Audit Shared Services Client	71,460	71,460	20,169	0	71,460	71,460	71,460	Awaiting invoice from Hertfordshire County Council for Q2
Council Tax Shared Service	(186,140)	(186,140)	0	0	(186,140)	(186,140)	(186,140)	Income for Court costs is calculated at the year end
Benefits Shared Services Client	(588,870)	(588,870)	266,118	0	(588,870)	(566,870)	(566,870)	Expected to be on budget, there is a timing difference between payments made to applicants and grant received fro the Government
Business Rates Shared Services Client	(107,090)	(107,090)	(12,000)	0	(107,090)	(107,090)	(107,090)	Income is received at year end
Fraud Shared Services Client	(2,910)	(2,910)	0	0	(2,910)	(2,910)	(2,910)	
Insurance Shared Services Client	402,960	402,960	418,498	0	402,960	402,960	402,960	Insurance costs paid in full at beginning of year. Invoices to be raised to shop rental clients
Debt Recovery Shared Services Client	(6,140)	(6,140)	0	0	(6,140)	(6,140)	(6,140)	
<b>Total</b>	<b>4,487,332</b>	<b>4,750,572</b>	<b>3,380,877</b>	<b>98,330</b>	<b>4,848,902</b>	<b>4,103,222</b>	<b>4,067,332</b>	
<b>Total all Committees</b>	<b>10,537,852</b>	<b>10,681,112</b>	<b>4,591,283</b>	<b>381,050</b>	<b>11,062,162</b>	<b>9,358,812</b>	<b>9,574,952</b>	

## Explanation of Variances reported in this period - Revenue

## Appendix 2

Explanation of Revenue Variances Reported This Period 6 (September)					
<b>Leisure, Wellbeing &amp; Health</b>					
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2017/18 £	2018/19 £	2019/20 £
Watersmeet	Income	Expected increase in ticket sales for the forthcoming pantomime	(15,000)	0	0
Environmental Health - Commercial Team	Employees	Vacancy saving	(10,000)	0	0
Leisure Venues	Income	Increase in rent from Oxhey Jets FC	(3,900)	(3,900)	(3,900)
<b>TOTAL</b>			<b>(28,900)</b>	<b>(3,900)</b>	<b>(3,900)</b>
<b>Sustainable Development, Planning &amp; Transport</b>					
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2017/18 £	2018/19 £	2019/20 £
Car Park Enforcement	Income	Reduced income targets totalling £145,000 this is due to lower demand relating to the new charging regime consisting of the first hour free and the second at £1. In addition there has been a delay in the implementation of the new charging scheme in Rickmansworth; this is now expected to commence January/ February 2018.	145,000	0	0
Car Park Maintenance	Income	One off windfall income due to business rate refund for the period of 2010-2017 on the Council's car park.	(155,240)	0	0
Development Management	Supplies and Services	Increased costs of the specialist document management system (IDOX).	60,000	60,000	60,000
Homelessness (Temporary Accommodation)	Various	Net additional cost of meeting the Council's statutory obligation under the new Homeless Reduction Act 2017. This years costs relate to implementation and set up costs as the scheme goes live in April 2018. The net cost includes government grant funding of £20,000 in all years.	48,340	54,040	54,040
	Supplies and Services	Reduction in the cost of Homelessness as a result of using better value temporary accommodation which has been block booked in partnership with Broxbourne Council. This is only envisaged to be in place for two years.	(50,000)	(50,000)	0
		Savings target in cost of temporary accommodation will not be achieved due to a delay in the development of the Bury site in Rickmansworth	170,000	0	0
		Savings target in cost of temporary accommodation in the district will not be achieved due to a delay in identification of appropriate sites	103,820	0	0
<b>TOTAL</b>			<b>321,920</b>	<b>64,040</b>	<b>114,040</b>

<b>General Public Services &amp; Community Safety</b>					
<b>Description</b>	<b>Main Group Heading</b>	<b>Details of Outturn Variances to Latest Approved Budget</b>	<b>2017/18 £</b>	<b>2018/19 £</b>	<b>2019/20 £</b>
Community Safety	Employees	Transfer from Performance and Scrutiny to fund a one off increase in temporary staffing (see Policy and Resources Committee)	2,700	0	0
Trade Refuse Collection	Income	Increase in the number of trade customers	(22,000)	(22,000)	(22,000)
Garden Waste	Income	Increase due to higher participation.	(13,000)	(13,000)	(13,000)
Waste Management	Transport	Increase in road tax and MOT's for waste vehicles	22,000	22,000	22,000
		<b>TOTAL</b>	<b>(10,300)</b>	<b>(13,000)</b>	<b>(13,000)</b>
<b>Policy and Resources</b>					
<b>Description</b>	<b>Main Group Heading</b>	<b>Details of Outturn Variances to Latest Approved Budget</b>	<b>2017/18 £</b>	<b>2018/19 £</b>	<b>2019/20 £</b>
Council Newspaper	Supplies and Services	Merged activity to Communication from Council Newspaper)	(13,300)	(13,300)	(13,300)
Communication Team	Supplies and Services		13,300	13,300	13,300
Performance and Scrutiny	Employees	Transfer to community safety to fund a one off increase in temporary staffing (see General Public Services and Community Safety Committee)	(2,700)	0	0
Revenue & Benefits	Employees	Savings achieved through staffing restructure	(29,800)	(42,330)	(42,330)
Investment Properties (Garages & shops)	Income	The target rental income of £300,000 set and monitored by the Council's Property Investment Board is likely to be exceeded the current year	(65,000)	0	0
Information Technology	Supplies and Services	Increase in the cost of ICT Service. A report on the increase in spend was presented to Three Rivers and Watford's Joint Management Board. The report highlighted that this level of budget is required under the current resourcing model in order to provide a functioning service that delivers acceptable levels of performance.	191,200	123,240	123,240
		ICT savings from M3 and Pro active as these products are no longer required	(40,370)	(73,940)	(73,940)
Asset Management	Supplies and Services	One off costs agents fees for acting on behalf of the Council in securing business rate reductions on the Council's car parks.	45,000	0	0
		<b>TOTAL</b>	<b>98,330</b>	<b>6,970</b>	<b>6,970</b>
		<b>TOTAL Variances for Period 6 (September) 2017</b>	<b>381,050</b>	<b>54,110</b>	<b>104,110</b>



## Medium Term Capital Investment Programme

Leisure, Wellbeing & Health	Original Budget 2017/18	Latest Budget 2017/18	Spend to end of Period 6 (September)	Forecast Outturn 2017/18	Variance this Period	Request to be rephased	Latest Budget 2018/19 Pending Approval	Latest Budget 2019/20 Pending Approval	Officers Comments
	£	£	£	£	£		£	£	
Maple Cross Tennis Courts	0	3,070	0	3,070	0	0	0	0	
Eastbury Tennis Courts	0	1,660	0	1,660	0	0	0	0	
Heritage & Tourism Initiative	20,000	30,210	0	30,210	0	0	0	0	Funding towards Abbots Langley Leisure Project - awaiting decision from the Heritage Lottery Fund.
Countryside Management	10,000	10,000	10,000	10,000	0	0	10,000	10,000	Budget is fully spent
Watersmeet Boiler Replacement	48,000	48,000	39,302	48,000	0	0	0	0	Further works on ventilation in boiler room to be completed
Aquadrome	21,000	21,000	15,897	21,000	0	0	21,000	21,000	Budget is expected to be fully spent
Allotments	5,000	5,000	5,446	5,000	0	0	5,000	5,000	
Bury Lake Young Mariners	750,000	1,000,000	0	0	(1,000,000)	(1,000,000)	0	0	This was approved at P&R on 17 October. This will be a loan of a £1,000,000 over 50 years. The Council is likely to commence contributing towards project in month 4 of the project. Presently there is no commencement date. All to be rephased into 2018/19.
Scotsbridge - Chess Habitat	17,388	17,390	6,000	6,000	(11,390)	(11,390)	11,390	0	Completion of feasibility study in 2017/18 implementation of capital project now 2018/19
South Oxhey Leisure Centre	60,000	107,850	28,333	107,850	0	0	0	0	The majority of this budget is for external legal and leisure consultant support for Leisure Management Contract Procurement. It is likely that some of the budget will need to be rephased into 2018/19 but this is yet to be quantified.
Buildings Improvements	50,000	50,000	31,163	50,000	0	0	50,000	50,000	
Cemetery Car Park	95,000	95,000	18,423	95,000	0	0	0	0	This budget will be fully spent
Capital Grants & Loans	60,000	135,650	27,351	135,650	0	0	60,000	60,000	Subject to Committee Decisions

Leisure, Wellbeing & Health	Original Budget 2017/18	Latest Budget 2017/18 incl. rephasing	Spend to end of Period 6 (September)	Forecast Outturn 2017/18	Variance this Period	Request to be rephased	Latest Budget 2018/19 Pending Approval	Latest Budget 2019/20 Pending Approval	
	£	£	£	£	£		£	£	
Watersmeet Air Conditioning & Heating	0	3,000	0	3,000	0	0	0	0	
Access Improvements	50,000	81,450	12,248	81,450	0	0	50,000	50,000	This budget is expected to be fully spent
Leavesden Management Plan	0	200,000	0	0	(200,000)	(200,000)	200,000	0	The £200,000 is the Council contribution towards the Café at Leavesden County Park and will only be paid at the end of the project. The project being managed by YMCA is due to be completed in May 2018. This will be rephased into 2018/19
Tractor for Leisure Venues	0	25,000	0	25,000	0	0	0	0	Due to be purchased by January 2018
Improve Play Area - Future Schemes	50,000	190,380	141,291	190,380	0	0	315,000	100,000	Funding for Skidmore Way play area - consultation commencing November 2017
New Play Area-Chorleywood	0	0	0	0	0	0	102,320	0	
Energy Performance Certificate	4,000	4,000	0	4,000	0	0	2,000	2,000	Work is on going.
Cemetery - Whole Life Costing	5,000	15,000	6,320	15,000	0	0	5,000	5,000	
Aquadrome - Whole Life Costing	10,000	10,000	0	8,540	(1,460)	(1,460)	10,000	10,000	Virement of £1,460 to fund overspend on Aquadrome ultrasound units
Replacement of Grounds Maintenance Vehicles	334,525	411,210	41,220	411,210	0	0	23,000	323,000	Ongoing tendering of plant and vehicles - potentially some of the budget will need to be deferred into 2018/19- this is yet to be quantified
Watersmeet - Whole Life Costing	15,000	15,000	5,331	15,000	0	0	15,000	15,000	Projects ongoing - budget expected to be fully spent
Pavilions - Whole Life Costing	10,000	21,560	5,878	21,560	0	0	10,000	10,000	Budget is expected to be fully spent
Fairway Inn - Whole Life Costing	2,000	2,000	0	2,000	0	0	2,000	2,000	
Scotsbridge Sports Pitch	0	50,000	0	50,000	0	0	0	0	Awaiting sign off of documentation between Sport England and Rickmansworth Hockey Club
Batchworth Lake Access Improvements	277,000	277,000	0	277,000	0	0	0	0	The majority of work will be completed by the end of October. Budget will be fully spent by the end of the year
Aquadrome Ultra Sound Units	52,000	52,000	53,443	53,460	1,460	1,460	0	0	Project completed with slight overspend. To be met by Virement from Aquadrome whole life costing budget
<b>TOTAL</b>	<b>1,945,913</b>	<b>2,882,430</b>	<b>447,647</b>	<b>1,671,040</b>	<b>(1,211,390)</b>	<b>(1,211,390)</b>	<b>891,710</b>	<b>663,000</b>	

Sustainable Development, Planning & Transport	Original Budget 2017/18	Latest Budget 2017/18 incl. rephasing	Spend to end of Period 6 (September)	Forecast Outturn 2017/18	Variance this Period	Request to be rephased	Latest Budget 2018/19 Pending Approval	Latest Budget 2019/20 Pending Approval	
	£	£	£	£	£		£	£	
Cycle Schemes	25,000	56,670	2,269	56,670	0	0	25,000	25,000	Annual work programme includes nine schemes of which four are deliverable, outline costed, waiting consents. Further work to the Sustainability and Development Committee may include other proposals. The Primary scheme cost has been estimated at £53,714. This will likely be supplemented by external match funding.
Disabled Parking Bays	5,000	5,000	0	5,000	0	0	5,000	5,000	This is spent as the need arises . No planned works at present
Controlled Parking	50,000	182,000	9,446	182,000	0	0	50,000	50,000	£125k has been committed so far to be spent in this financial year.
Princes Trust - Business Start-up	10,000	10,000	0	10,000	0	0	10,000	10,000	Memorandum of Understanding is in place to contribute to the princes trust scheme. This will be spent
Listed Building Grants	5,000	10,000	0	10,000	0	0	5,000	5,000	Demand led- Council policy to provide grant scheme for repairs of heritage assets
South Oxhey Initiative	400,000	531,340	62,289	431,340	(100,000)	(100,000)	100,000	0	The scheme is on going. £100,000 to be rephased into 2018/19 for legal and management fees.
Parking Bays	40,000	112,000	0	112,000	0	0	40,000	40,000	This committee has agreed 3 schemes - School Mead, South Way and Barnhurst Path. This is subject to planning permission and in partnership with HCC and WCHT.
Highways Enhancements	50,000	62,200	11,313	62,200	0	0	50,000	50,000	No concrete proposals currently confirmed; Members to be consulted; interdependent to some extent on HCC Members Highway Locality Budgets which are currently being allocated (once allocated it becomes clear what local priorities remain).
Bus Shelters	16,000	16,000	0	16,000	0	0	9,000	9,000	Two shelters are due to be provided this year. Locations are to be agreed. The shelter costs is £10k including all electrics but not including any utility service works, there is the potential for this to reduce to one location

Sustainable Development, Planning & Transport	Original Budget 2017/18	Latest Budget 2017/18 incl. rephasing	Spend to end of Period 6 (September)	Forecast Outturn 2017/18	Variance this Period	Request to be rephased	Latest Budget 2018/19 Pending Approval	Latest Budget 2019/20 Pending Approval	
	£	£	£	£	£		£	£	
Retail Parades	30,000	100,750	(0)	100,750	0	0	30,000	30,000	Primary source of funding for Electronic Vehicle charging for retail centres (estimated at £116,000) but is likely to attract supplementary external funding) and signage schemes to promote key retail locations (Croxley Green, Rickmansworth)- this is estimated to cost between £5k and £10k also likely to be supplemented by external matched funding. A short procurement process exercise is expected to commence in November with work commencing by Mid January to early February 2018
Rickmansworth Work Hub	25,000	45,000	5,992	45,000	0	0	0	0	Budget will be spent on Basing House and new office within Three Rivers House re Rivertech.
Disabled Facilities Grants	500,000	854,640	170,399	654,640	(200,000)	0	500,000	500,000	This Council's contribution for 2017/18 will not be required as the budget is currently in excess of demand
Home Repairs Assistance	5,000	5,000	0	5,000	0	0	5,000	5,000	
Car Park Restoration	45,000	45,000	0	45,000	0	0	10,000	10,000	Awaiting invoice from WBC for works completed. A survey has been planned to highlight any works that needs doing.
Renovation Grants	10,000	10,000	0	10,000	0	0	10,000	10,000	This is a demand-led budget and a requirement if a case arises, rephasing from this budget would not be required
Estates, Paths & Roads	35,000	35,000	2,256	35,000	0	0	20,000	20,000	
TRDC Footpaths & Alleyways	20,000	20,000	0	20,000	0	0	20,000	20,000	Budget is expected to be fully spent
Temporary Accommodation Rickmansworth	1,180,000	1,165,730	22,542	1,107,430	(58,300)	(58,300)	58,300	0	Current projection for completion of project is March 2018. The £58k proposed rephase is a 5% retention value that will be retained under the contract for the defects liability period.
Temporary Accommodation-Other sites	1,260,000	1,260,000	0	100,000	(1,160,000)	(1,160,000)	2,160,000	0	This is for the construction of the 34 units of temporary accommodation. Construction is expected to commence Quarter 2 of 2018.
Parking Pay & Display Machines	50,000	50,000	0	50,000	0	0	0	0	Part of introduction of charges for short term parking, delayed implementation early 2018
<b>TOTAL</b>	<b>3,761,000</b>	<b>4,576,330</b>	<b>286,507</b>	<b>3,058,030</b>	<b>(1,518,300)</b>	<b>(1,318,300)</b>	<b>3,107,300</b>	<b>789,000</b>	

General Public Services & Community Safety	Original Budget 2017/18	Latest Budget 2017/18 incl. rephasing	Spend to end of Period 6 (September)	Forecast Outturn 2017/18	Variance this Period	Request to be rephased	Latest Budget 2018/19 Pending Approval	Latest Budget 2019/20 Pending Approval	
	£	£	£	£	£		£	£	
Replace Plant & Vehicles	25,000	25,000	11,914	25,000	0	0	25,000	25,000	
Waste Services Depot	0	0	0	0	0	0	493,800	0	
Bulk Domestic Waste	30,000	50,000	12,117	50,000	0	0	10,000	10,000	Budget is expected to be fully spent
7770 - Refuse Vehicle Camera System	0	0	0	0	0	0	0	0	
Waste & Recycling Vehicles	305,000	816,990	316,836	816,990	0	0	475,000	310,000	Some rephasing is expected. Hard to quantify at this stage in the year
Street Furnishings	10,000	10,000	1,558	5,000	(5,000)	(5,000)	15,000	10,000	Full Budget will not be spent. £5000 to be rephased into 2018/19
Paladin Bins	25,000	48,350	16,940	48,350	0		25,000	25,000	Budget is expected to be fully spent
<b>TOTAL</b>	<b>395,000</b>	<b>950,340</b>	<b>359,366</b>	<b>945,340</b>	<b>(5,000)</b>	<b>(5,000)</b>	<b>1,043,800</b>	<b>380,000</b>	

Policy & Resources	Original Budget 2017/18	Latest Budget 2017/18 incl. rephasing	Spend to end of Period 6 (September)	Forecast Outturn 2017/18	Variance this Period	Request to be rephased	Latest Budget 2018/19 Pending Approval	Latest Budget 2019/20 Pending Approval	
	£	£	£	£	£	£	£	£	
Professional Fees-Internal	226,590	226,590	0	226,590	0	0	226,590	226,590	This is for internal officer time spent on capital projects. This will be charged at year end.
Election Equipment	10,000	16,000	0	16,000	0	0	6,000	6,000	Election equipment replacements required in early 2018
Members' IT Capital Grants	14,060	14,060	25,919	25,920	11,860	11,860	0	0	New surface pro equipment purchased for all members in current year. £11,860 rephased from 2018/19 to 2017/18.
Chorleywood House Estate	0	12,900	0	12,900	0	0	0	0	Proposed works under review for fencing
ICT-Managed Service - Project Costs	60,000	254,380	0	254,380	0	0	60,000	60,000	This budget will be used for the infrastructure road map delivery and telephony replacement. The specification is expected to be completed by December 2017 with the procurement exercise completed by February 2018. There may be some re-rephasing but at this stage in the year this is difficult to quantify
Garage Improvements	25,000	30,960	0	30,960	0	0	25,000	25,000	Reviewing the possibility of refurbishment on garages, PID in progress
ICT - TRDC - Licence Costs	100,000	281,340	0	281,340	0	0	100,000	100,000	To be used against infrastructure road map delivery and telephony replacement. Commitment of £79,000 for Microsoft audit licence shortfall. There maybe some rephasing but it is difficult to quantify at this stage in the year
Customer Contact Programme	0	30,000	7,760	30,000		0	67,500	0	
ICT Website Development	0	14,870	0	14,870	0	0	0	0	Work on this project to commence in the second half of the year
ICT Elections	15,000	15,000	14,142	15,000	0	0	16,000	17,000	One off costs covers the annual election management software licence
ICT Hardware Replacement	45,000	263,710	173,542	263,710	0	0	45,000	45,000	Commitment raised for £188k contribution to replacement switches, server room rack replacement and virtual service hosts
TRH Whole Life Costing	103,000	233,000	71,947	233,000	0	0	103,000	103,000	Work is on going. Awaiting a decision on the future of 3 rivers house
35-37 Oxhey Drive - Whole Life Costing	0	4,400	0	4,400	0	0	0	0	Required to bring the building up to standard to let.
Basing House - Whole Life Costing	2,000	2,000	0	2,000	0	0	2,000	2,000	Budget is expected to be fully spent
Investment Property - Shops	0	11,900		11,900	0	0	0	0	
ICT- Land Charges	0	18,750	0	18,750	0	0	0	0	Commitment raised for £5k for public access for land charges
Installation Solar system TRH	0	2,500	0	2,500	0	0	0	0	Installation of solar panels has been fully completed. This is a residual budget which will be used to fund overspends in other capital schemes
FMS Upgrade	0	58,000	35,902	58,000	0	0	0	0	This is TRDC's 40% share of the FMS upgrade.

Policy & Resources	Original Budget 2017/18	Latest Budget 2017/18 incl. rephasing	Spend to end of Period 6 (September)	Forecast Outturn 2017/18	Variance this Period	Request to be rephased	Latest Budget 2018/19 Pending Approval	Latest Budget 2019/20 Pending Approval	
	£	£	£	£	£	£	£	£	
IT Modernisation (Road Map)	0	117,420	0	117,420	0	0	0	0	Commitment has been raised for £117,0000 for the storage solution and backup infrastructure
Business Application Upgrade	90,000	178,000	2,850	178,000	0	0	90,000	90,000	Commitment raised for Capital Housing Garage System upgrade and TRDC backup infrastructure.
ICT Modernisation	40,000	91,610	0	91,610	0	0	40,000	40,000	This budget will be used for the infrastructure road map delivery and telephony replacement. The specification is expected to be completed by December 2017 with the procurement exercise completed by February 2018. There may be some re-rephasing but at this stage in the year this is difficult to quantify
Community CCTV	6,000	6,000	0	6,000	0	0	6,000	6,000	Awaiting Procurement Process
Property Investment Board	0	0	670,940	670,940	670,940	0	0	0	Purchase of 3 Properties: the Grapevine public house, 2 Gosforth Path and 224D Gosforth Lane being funded from the £20 million investment pot as part of the Councils Capital Programme. Each investment was subject to a comprehensive business case and approved by the Council's Property Investment Board.
<b>TOTAL</b>	<b>736,650</b>	<b>1,883,390</b>	<b>1,003,002</b>	<b>2,566,190</b>	<b>682,800</b>	<b>11,860</b>	<b>787,090</b>	<b>720,590</b>	
<b>TOTAL Capital</b>	<b>6,838,563</b>	<b>10,292,490</b>	<b>2,096,522</b>	<b>8,240,600</b>	<b>(2,051,890)</b>	<b>(2,522,830)</b>	<b>5,829,900</b>	<b>2,552,590</b>	
<b>SOUTH OXHEY INITIATIVE</b>									
South Oxhey Initiative	10,766,000	11,277,040	6,610,256	11,277,040	0	0	3,171,776	0	This is an ongoing scheme, any unspent monies will be rephased into 2018/19. This will be determined at year end. Budget spend is dependant on completion of property acquisitions or agreement of compensation values for commercial interests.
<b>TOTAL Capital</b>	<b>17,604,563</b>	<b>21,569,530</b>	<b>8,706,778</b>	<b>19,517,640</b>	<b>(2,051,890)</b>	<b>(2,522,830)</b>	<b>9,001,676</b>	<b>2,552,590</b>	

# Explanation of Variances Reported this Period - Capital

# APPENDIX 4

Explanation of Capital Variances Reported This Period 6 (September)				
Leisure, Wellbeing & Health				
Description	Details of Outturn Variances to Latest Approved Budget	2017/18 £	2018/19 £	2019/20 £
Bury Lake Young Mariners	This was approved at P&R on 17 October. The Council is likely to commence contributing towards project in month 4. Presently, no start date has been given. To be rephased into 2018/19.	(1,000,000)	1,000,000	0
Scotsbridge - Chess Habitat	Completion of feasibility study in 2017/18 implementation of capital project now 2018/19	(11,390)	11,390	0
Leavesden Management Plan	This is the Council contribution towards the Café at Leavesden County Park and will only be paid at the end of the project. The project being managed by YMCA is due to be completed in May 2018. This will be rephased into 2018/19	(200,000)	200,000	0
Aquadrome - Whole Life Costing	Virement of £1,460 to fund overspend on Aquadrome ultrasound units	(1,460)	0	0
Aquadrome Ultra Sound Units	Aquadrome Ultra Sound Units	1,460	0	0
<b>TOTAL</b>		<b>(1,211,390)</b>	<b>1,211,390</b>	<b>0</b>
Sustainable Development, Planning & Transport				
Description	Details of Outturn Variances to Latest Approved Budget	2017/18 £	2018/19 £	2019/20 £
South Oxhey Initiative	The scheme is on going. Rephasing of legal and management fees	(100,000)	100,000	0
Temporary Accommodation Rickmansworth	This project is scheduled for completion in March 2018. The £58,000 proposed rephase is a 5% retention value that will be retained under the contract for the defects liability period.	(58,300)	58,300	0
Temporary Accommodation-Other sites	This is for the construction of the 34 units of temporary accommodation. Construction is expected to commence Quarter 2 of 2018.	(1,160,000)	1,160,000	0
Disabled Facilities	This Council's contribution for 2017/18 will not be required as the budget is currently in excess of demand	(200,000)	0	0
<b>TOTAL</b>		<b>(1,518,300)</b>	<b>1,318,300</b>	<b>0</b>



<b>General Public Services &amp; Community Safety</b>				
<b>Description</b>	<b>Details of Outturn Variances to Latest Approved Budget</b>	<b>2017/18 £</b>	<b>2018/19 £</b>	<b>2019/20 £</b>
Street Furnishings	Full Budget will not be spent. £5000 to be rephased into 2018/19	(5,000)	5,000	
<b>TOTAL</b>		<b>(5,000)</b>	<b>5,000</b>	<b>0</b>
<b>Policy and Resources</b>				
<b>Description</b>	<b>Details of Outturn Variances to Latest Approved Budget</b>	<b>2017/18 £</b>	<b>2018/19 £</b>	<b>2019/20 £</b>
Members' IT Capital Grants	New surface pro equipment purchased for all members in current year. £11,860 rephased from 2018/19 to 2017/18 and £2,200 to be rephased form 2018/19 to 2019/20.	11,860	(14,060)	2,200
Property Investment Board	Purchase of three properties: These are funded from the £20 million investment pot as part of the Councils Capital Programme. Each investment was subject to a comprehensive business case which have been approved by the Council's Property Investment Board.	670,940	0	0
<b>TOTAL</b>		<b>682,800</b>	<b>(14,060)</b>	<b>2,200</b>
<b>TOTAL Variances for Period 6 (September) 2017</b>		<b>(2,051,890)</b>	<b>2,520,630</b>	<b>2,200</b>

## Funding the Capital Investment Programme 2017-2020

Funding	2017/18	2017/18	2017/18	2018/19	2019/20
	Original	Latest	Forecast	Latest	Latest
	Budget	Budget	Outturn	Budget pending approval	Budget pending approval
	£	£	£	£	£
<b>Balance Brought Forward</b>					
Government Grants and Other Contributions	6,382	64,771	64,771	6,384	6,384
Section 106 Contributions	3,578,323	3,545,064	3,545,064	3,495,064	3,462,194
Capital Receipts Reserve	2,612,223	6,209,665	6,209,665	1,894,648	306,518
Future Capital Expenditure Reserve	3,066,770	3,066,770	3,066,770	3,066,770	3,066,770
New Homes Bonus Reserve	4,538,519	3,542,002	3,542,002	2,124,387	49,360
<b>Total Funding Brought Forward</b>	<b>13,802,217</b>	<b>16,428,272</b>	<b>16,428,272</b>	<b>10,587,253</b>	<b>6,891,226</b>
<b>Generated in the Year</b>					
Govt Grants: Disabled Facility Grants	250,000	499,568	499,568	250,000	250,000
Other Contributions:Leavesden Management Plan	0	0	0	0	0
Other Contributions: Abbots Langley Parish Council	0	135,500	135,500	82,130	0
Other Contributions: Other external Sources	0	0	0	32,870	0
Section 106 Contributions	50,000	0	0	0	0
Capital Receipts Reserve	1,099,996	1,099,996	1,099,996	1,100,002	1,099,914
Future Capital Expenditure Reserve	0	0	0	0	0
New Homes Bonus Reserve	864,517	864,517	864,517	701,741	501,741
<b>Total Generated</b>	<b>2,264,513</b>	<b>2,599,581</b>	<b>2,599,581</b>	<b>2,166,743</b>	<b>1,851,655</b>
<b>Use of Funding</b>					
Govt Grants: Disabled Facility Grants	(250,000)	(557,955)	(357,955)	(250,000)	(250,000)
Other Contributions:Leavesden Management Plan	0	0	0	0	0
Other Contributions: Abbots Langley Parish Council	0	(135,500)	(135,500)	0	0
Other Contributions: Other external Sources	0	0	0	(82,130)	0
Section 106 Contributions	(50,000)	(50,000)	(50,000)	(32,870)	0
Capital Receipts Reserve	(3,712,219)	(7,266,903)	(5,415,013)	(2,688,132)	(1,085,854)
Future Capital Expenditure Reserve	0	0	0	0	(665,635)
New Homes Bonus Reserve	(2,826,341)	(2,282,132)	(2,282,132)	(2,776,768)	(551,101)
<b>Total Use of Funding</b>	<b>(6,838,560)</b>	<b>(10,292,490)</b>	<b>(8,240,600)</b>	<b>(5,829,900)</b>	<b>(2,552,590)</b>
<b>Balance Carried Forward</b>					
Government Grants and Other Contributions	6,382	6,384	206,384	6,384	6,384
Section 106 Contributions	3,578,323	3,495,064	3,495,064	3,462,194	3,462,194
Capital Receipts Reserve	0	42,758	1,894,648	306,518	320,578
Future Capital Expenditure Reserve	3,066,770	3,066,770	3,066,770	3,066,770	2,401,135
New Homes Bonus Reserve	2,576,695	2,124,387	2,124,387	49,360	0
<b>Total Funding Carried Forward</b>	<b>9,228,170</b>	<b>8,735,363</b>	<b>10,787,253</b>	<b>6,891,226</b>	<b>6,190,291</b>
South Oxhey Initiative	2017/18	2017/18	2017/18	2018/19	2019/20
	Original	Latest	Forecast	Latest	Latest
	Budget	Budget	Outturn	Budget pending approval	Budget pending approval
	£	£	£	£	£
<b>Balance Brought Forward</b>	0	0	0	0	0
Generated in the Year (Land Receipts)	3,312,084	3,312,084	3,312,084	1,755,618	3,342,086
Generated in the Year (LEP Funding)	1,200,000	1,200,000	1,200,000	0	0
Use of Funding (Spend)	(10,766,000)	(11,277,044)	(11,277,044)	(3,171,776)	0
Internal Borrowing	6,253,916	6,764,960	6,764,960	1,416,158	(3,342,086)
<b>Total South Oxhey Funding Carried Forward</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Key Budget Indicators – Income Streams

## Appendix 6

Cost Centre	Service	Month	2014/15		2015/16		2016/17		2017/18	
1391 10506	Land & property Charges Searches		£	Volume	£	Volume	£	Volume	£	Volume
		April	(9,397)	140	(9,970)	158	(6,921)	108	(7,075)	103
		May	(9,878)	144	(9,864)	128	(8,968)	120	(9,164)	129
		June	(9,995)	140	(11,356)	175	(7,733)	116	(11,207)	153
		July	(12,743)	167	(11,496)	149	(6,767)	98	(7,341)	107
		August	(8,817)	143	(7,778)	108	(8,135)	116	(7,501)	113
		September	(9,300)	122	(9,220)	129	(6,274)	89	(9,210)	130
		October	(9,658)	151	(8,086)	108	(7,614)	107		
		November	(8,329)	139	(9,191)	129	(9,391)	104		
		December	(7,604)	103	(7,273)	98	(7,749)	86		
		January	(4,833)	76	(5,362)	78	(2,089)	74		
		February	(7,775)	118	(7,225)	99	(9,698)	98		
		March	(11,559)	0	(10,559)	127	(7,450)	101		
		<b>Total</b>	<b>(109,888)</b>	<b>1,443</b>	<b>(107,380)</b>	<b>1,486</b>	<b>(88,789)</b>	<b>1,217</b>	<b>(51,498)</b>	<b>735</b>

**Comments:** The latest budget is £120,010. These figures include all types of searches that are charged at different rates. There has been an increase in the number of searches of approximately 10.5% compared with the same period last year.

Cost Centre	Service	Month	2014/15		2015/16		2016/17		2017/18	
1400 10618	Car Park Enforcement PCN		£	Volume	£	Volume	£	Volume	£	Volume
		April	(21,374)	321	(22,098)	261	(25,593)	338	(19,359)	340
		May	(14,718)	295	(15,099)	247	(17,796)	331	(17,596)	262
		June	(13,861)	304	(13,731)	316	(21,528)	346	(15,417)	277
		July	(21,285)	355	(21,102)	349	(26,589)	375	(18,263)	293
		August	(14,534)	366	(13,986)	302	(16,241)	375	(15,291)	334
		September	(27,112)	310	(18,195)	363	(26,209)	356	(21,977)	332
		October	(32,467)	319	(17,477)	391	(20,590)	383		
		November	8,932	369	(15,831)	325	(19,385)	334		
		December	(14,255)	382	(12,625)	293	(17,017)	415		
		January	(16,009)	298	(17,992)	320	(20,014)	386		
		February	(15,509)	326	(18,037)	356	(20,878)	359		
		March	(23,105)	0	(21,418)	379	(32,714)	414		
		<b>Total</b>	<b>(205,297)</b>	<b>3,645</b>	<b>(207,591)</b>	<b>3,902</b>	<b>(264,554)</b>	<b>4,412</b>	<b>(107,903)</b>	<b>1,838</b>

**Comments:** The latest budget is £200,000 which includes Penalty Charge Notices (PCN's) and Residents & Visitors permits. The charging structure is based on the severity of the contravention. The charge relating to a serious contravention is £70 and payable within 28-days (reduced to £35 if paid within 14 days). The charge relating to a less serious contravention is £50 payable within 28 days (reduced to £25 if paid within 14-days). Residents are charged on a zonal basis. The no of PCN's issued can reduce due to greater parking compliance.

1400	Car Park Enforcement	Month	2014/15		2015/16		2016/17		2017/18	
			£	Volume	£	Volume	£	Volume	£	Volume
I0619	Long Term Pay & Display Tickets	April	(8,340)	3,294	(8,624)	3,249	(7,364)	3,234	(10,130)	2,980
	<i>Volume= No. of tickets issued</i>	May	(8,831)	3,202	(10,439)	3,507	(7,928)	3,325	(6,950)	2,761
		June	(8,280)	3,266	(9,123)	3,320	(7,492)	3,677	(10,612)	3,418
		July	(8,128)	4,194	(10,536)	3,391	(9,183)	2,862	(9,052)	2,785
		August	(7,423)	3,195	(8,158)	3,205	(7,514)	3,923	(8,460)	3,041
		September	(2,062)	3,498	(7,546)	3,972	(9,558)	3,138	(10,201)	2,782
		October	0	0	(9,558)	3,612	(7,214)	2,527		
		November	(27,133)	7,261	(8,121)	3,379	(7,450)	4,252		
		December	(9,052)	4,402	(8,349)	4,277	(9,322)	3,374		
		January	(7,729)	2,574	(8,562)	2,496	(10,687)	3,336		
		February	(12,579)	3,640	(6,629)	3,500	(9,760)	3,235		
		March	(7,250)	0	(13,211)	4,216	(9,821)	3,268		
		<b>Total</b>	<b>(106,807)</b>	<b>38,526</b>	<b>(108,856)</b>	<b>42,124</b>	<b>(103,293)</b>	<b>40,151</b>	<b>(55,406)</b>	<b>17,767</b>

**Comments:** The latest 2017/18 budget is £104,650 . There are different charging regimes for different car parks within the district. However most pay & display car parks in Rickmansworth operate the following regulations - Monday - Friday, 8.30am - 6.30pm max stay up to 24 Hours - charge £4.

1545	Development Management	Month	2014/15		2015/16		2016/17		2017/18	
			£	Volume	£	Volume	£	Volume	£	Volume
I0508	Application Fees	April	(59,565)	167	(24,850)	155	(30,951)	173	(36,351)	171
	<i>Volume = No. of Applications</i>	May	(35,214)	120	(43,346)	136	(33,000)	150	(58,783)	182
		June	(20,074)	137	(30,839)	156	(25,720)	155	(44,355)	174
		July	(24,085)	150	(97,374)	153	(54,534)	173	(70,547)	171
		August	(19,207)	115	(23,016)	117	(33,823)	149	(25,335)	163
		September	(23,825)	130	(259,166)	108	(22,277)	160	(23,822)	153
		October	(16,873)	137	(30,416)	145	(47,494)	144		
		November	(35,746)	106	(40,981)	122	(48,334)	136		
		December	(44,244)	133	(58,336)	123	(183,750)	150		
		January	(36,860)	137	(32,081)	119	(38,085)	160		
		February	(41,780)	121	(48,275)	159	(46,772)	153		
		March	(22,600)	0	(41,177)	160	(33,943)	175		
		<b>Total</b>	<b>(380,073)</b>	<b>1,453</b>	<b>(729,857)</b>	<b>1,653</b>	<b>(598,683)</b>	<b>1,878</b>	<b>(259,193)</b>	<b>1,014</b>

**Comments:** The latest 2017/18 budget is £557,000. There are a number of different charging levels dependent on the type & size of the proposed area. The table of current fees for each type can be found on the Councils website.

Cost Centre	Service	Month	2014/15		2015/16		2016/17		2017/18	
			£	Volume	£	Volume	£	Volume	£	Volume
1421	Trade Refuse									
I0531	Fees	April	(232,534)	605	(283,252)	631	(258,321)	611	(263,228)	622
		May	500	0	(1,740)	1	(235)	0	(209)	0
		June	(1,153)	5	(2,049)	2	160	0	(1,038)	0
		July	(2,504)	14	(931)	0	(1,213)	(3)	(441)	0
		August	(1,042)	1	(235)	0	(604)	3	(412)	
		September	(4,844)	1	(11,868)	0	(897)	(3)	(6,035)	
		October	(236,625)	0	(287,980)	0	(256,828)	0		
		November	1,656	(1)	(5,386)	0	(415)	(4)		
		December	(1,539)	1	(1,788)	0	(727)	3		
		January	(2,237)	3	1,764	0	679	0		
		February	(970)	2	(7,593)	0	9	0		
		March	30,962	0	(2,190)	0	(6,604)	0		
		<b>Total</b>	<b>(450,330)</b>	<b>631</b>	<b>(603,248)</b>	<b>634</b>	<b>(524,995)</b>	<b>607</b>	<b>(271,363)</b>	<b>622</b>

**Comments:** The latest 2017/18 budget is £578,020. Customers are invoiced twice a year in April and October. Income can fluctuate depending on the size of the bin collected and customers reducing their bin size and using the recycling service

Cost Centre	Service	Month	2014/15		2015/16		2016/17		2017/18	
			£	Volume	£	Volume	£	Volume	£	Volume
1425	Garden Waste									
I0670	Charge	April	0	n/a	0	n/a	(450)	18	(770,319)	17,996
		May	0	n/a	0	n/a	(197,125)	7,074	(29,917)	2,990
		June	0	n/a	0	n/a	(199,525)	7,479	(18,996)	766
		July	0	n/a	0	n/a	(122,770)	4,661	(9,612)	238
		August	0	n/a	0	n/a	(38,620)	1,508	(7,083)	
		September	0	n/a	0	n/a	(15,060)	553	(3,509)	
		October	0	n/a	0	n/a	(7,005)	135		
		November	0	n/a	0	n/a	(3,435)	108		
		December	0	n/a	0	n/a	(1,120)	42		
		January	0	n/a	0	n/a	(90)	5		
		February	0	n/a	0	n/a	(70)	0		
		March	0	n/a	0	n/a	70	0		
		<b>Total</b>					<b>(585,200)</b>	<b>21,583</b>	<b>(839,436)</b>	<b>21,990</b>

**Comments:** The latest 2017/18 budget is £828,000 This is a new service, commenced in July 2016. The standard charges for 2017/18 are £35 for the first bin and £70 for a second bin. Customers in receipt of benefits pay a concession fee of £28 for the first bin. As at the end of July, approximately 21,990 residents had signed up for this service. Officers are predicting an increase of £30,000 per annum due to take up.

## Budgetary Risk

## APPENDIX 7

Risk No.	Type of Risk	Comment	Risk Impact	Risk Likelihood
7	The Medium term financial position worsens.	In that the general fund balance falls below the minimum prudent threshold and capital funding is insufficient to meet the capital programme. This appears as item no.8 in the Council's strategic risk register.	IV	D
8	Revenue balances insufficient to meet estimate pay award increases	The medium term planning period takes into account a 1% increase for the period 2017/18 to 2019/20	III	D
9	Revenue balances insufficient to meet other inflationary increases	Other than contractual agreements, budgets have been cash limited where possible.	II	D
10	Interest rates resulting in significant variations in estimated interest income	The interest rate has a significant impact on the proceeds from capital receipts that are invested in the money market. The volatility of the global economy continues to place uncertainty on the investment strategy.	III	C
11	Inaccurate estimates of fees and charges income	See Key Budget Indicators shown in the latest Budget Monitoring report	V	E
12	Revenue balances insufficient to meet loss of partial exemption for VAT	If the council's expenditure on functions for which it receives income that is exempt for VAT purposes exceeds 5% of its total vat able expenditure, then the Council may lose its ability to recover VAT on all of its exempt inputs. <i>Three Rivers House has now been given the opt to tax status which reduces this risk and means all lettings are now subject to VAT. <b>This risk has been downgraded from III/ E to II/E</b></i>	II	E
13	The estimated cost reductions and additional income gains are not achieved	Savings identified and included in the budget will be monitored as part of the budget monitoring process	IV	E

14	The Council is faced with potential litigation and other employment related risks	The Council has no outstanding litigation cases.	III	E
15	The amount of government grant is adversely affected	The grant settlement for 2017/18 and provisional settlements for 2018/19 and 2019/20 have been factored into the MTFP. The Council decided to accept the Government's offer of a four year settlement.	II	E
16	Localising support for council tax	The introduction of universal credits and the localising of support for Council Tax will substantially alter the administering of Housing and Council Tax Benefits	II	E
17	Right to Buy Receipts & VAT Shelter Receipts	Under the housing stock transfer with Thrive Homes Limited (THL) the Council is entitled to use its share of the proceeds to fund the capital programme. The level of activity on these income streams are outside the Council's control.	IV	E
18	Fluctuations in Business Rates Retention	The Council is legally obliged to cover the first 7.5% loss on its pre-determined baseline level.	IV	C
19	Failure to deliver the South Oxhey Initiative to desired outcomes and objectives	This is a key project. This appears as item no.7 in the Council's strategic risk register.	IV	D
20	Failure of ICT systems	The Council's integrated Financial Management System (FMS) is held on an ICT platform. If this were to fail then potentially there will be a loss of functionality occurring during any downtime.	III	E

Note: The risk numbers relate to the Council's risk register. Risk numbers 1-6 do not relate to finance or budgetary risks.

**Matrix Key**

		Impact					Likelihood	Impact
		I	II	III	IV	V		
Likelihood	A						A equal to/or > 98%	V = Catastrophic
	B						B = 75% - 97%	IV = Critical
	C			10	18		C = 50% - 74%	III = Significant
	D		9	8	7,19		D = 25% - 49%	II = Marginal
	E		12,15,16	14, 20	13,17	11	E = 3% - 24%	I = Negligible