

INFRASTRUCTURE, HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE

22 SEPTEMBER 2020

PART I - DELEGATED

6. BUDGET MONITORING – PERIOD 4 (DoF)

1. Summary

1.1 This report covers this Committee's financial position over the medium term (2020 – 2023) as at Period 4 (end of July)

1.2 The Period 4 comprehensive Budget Management report has already been presented to the Policy & Resources Committee at its meeting on 7 September 2020 which sought approval to a change in the Council's 2020 - 2023 medium-term financial plan

2.0 Details

Revenue Budget

2.1 This Committee's 2020/21 latest approved budget is **£1.989 million**. The forecast outturn is now estimated to be **£1.876 million** which results in a service variance of **(£0.113) 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 July (Period 4).

2020/21 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	569	653	149	590	(63)
Infrastructure & Planning Policy	567	769	170	792	23
Economic Development	301	567	125	494	(73)
Total	1,437	1,989	444	1,876	(113)

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 2020/21 capital budget is **£1.238 million**. The forecast outturn at Period 4 is **£1.173 million** resulting in a variance of **(£0.127) million**. This Committee's Medium Term Capital Investment Programme is shown by scheme at **Appendix 2**.

2.6 The table below shows the 2020/21 latest capital programme budget, forecast outturn, spend to date and variance at period 4 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	728	816	53	7%	691	(125)
Economic Development	510	484	8	2%	482	(2)
Total	1,238	1,300	61	5%	1,173	(127)

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	2020/21 Original Budget £	2020/21 Latest Budget £	2020/21 Actual to date £	2020/21 Forecast Outturn £	2020/21 Variance £
Planning	Application Fees	(696,420)	(591,597)	(194,221)	(591,227)	0
Parking	Penalty Charge Notices	(115,000)	(76,667)	(7,373)	(76,667)	0
	Pay and Display	(220,000)	(146,667)	(10,079)	(146,667)	0
Licences	Taxis & Establishments	(234,040)	(234,040)	(94,443)	(218,810)	15,230

- 2.8 The Council charges its customers for various services by raising debtor invoices. The customer is given 21 days to pay and unless there is a dispute, a reminder is issued. If the debt remains outstanding, then a variety of recovery methods are employed including rearranging the payment terms, stopping the provision of the service or pursuing the debt through legal recovery processes.

- 2.9 As at 31st of July 2020 the total outstanding debt for this Committee was £ 0.147 million. Debts less than a month old total £0.025 million and it is considered that this sum will be recovered. Outstanding debt over a year old is £0.039 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	25,827	67,531	39,172	132,530
Planning	0	14,278	12	14,290
Total	25,827	81.809	39,184	146,820

3. Options/Reasons for Recommendation

- 3.1 The Committee is to note the changes concerning their budget.

4. Policy / Budget Reference and Implications

- 4.1 In accordance with the Council's financial procedure rules, the revenue and capital budgets will be updated accordingly, if the recommendation from the Policy & Resources Committee is agreed by Council.

- 4.2 There are no substantial changes to Council policy resulting from this report.

- 5. **Legal, Equal Opportunities, Staffing, Environmental, Community Safety, Public Health, Customer Services Centre, Communications & Website, and Health & Safety Implications**
 - 5.1 None specific.
- 6. **Financial Implications**
 - 6.1 As contained in the report
- 7. **Risk Management and Health and Safety Implications**
 - 7.1 None specific.
- 8. **Recommendation**
 - 8.1 That Members note & comment on the contents of the report.

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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			2020/21	2021/22	2022/23
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	£	£	£
Homelessness	Premises	Reduction in spend on Hire of Accommodation due to lower volumes of homeless people in the first 4 months of the year (non-covid-19 placements as they were recorded separately). The forecast does take account of a potential increase when evictions are able to resume in August and the Governments Coronavirus Job Retention Scheme closes on 31 October 2020. A further (£35k) saving on rough sleepers budget as the service has successfully recovered some costs from Hertfordshire County Council and Housing Benefit which has reduced our net expenditure.	(184,112)	0	0
	Income		123,812	0	0
Environmental Health Residential	Transport	Reduction in travel costs as officers have not undertaken visits during lockdown	(2,500)	0	0
		Reduced spend on equipment as staff continue to work from home	(500)	0	0
Development Plans	Supplies and Services	TRDC Annual Contribution to SW Herts Joint Strategic Plan for 3 years starting from 2019/20.	40,000	40,000	0
Land & Property Info Section			(£1.5k) saving due to reduced number of searches and requirement to send to Hertfordshire County Council and (£1k) savings on equipment & furniture and printing & stationary.	(2,430)	0
		Income	(£2.4k) increased income expected from property naming based on current projections.	(2,440)	0
Development Management	Staffing	Reduction in qualification training as this budget as HR confirmed they are paying further qualification fees	(3,500)	0	0
	Transport	Reduction in travel costs as officers continue to work from home	(2,000)	0	0
	Supplies and Services	£7.9k advertising budget previously reported as a variance in the Period 3 report to P&R to be reverted back to original budget there has not been a decrease in application numbers as a result of the pandemic. There is also a saving of (£2.7k) on equipment and printing stationary	5,150	0	0
	Income	Previously reported reduction in income of (£11.8k) on Pre application advice to be reverted back to original budget as the initially reduction was based on the expected impact of COVID19 which did not materialise. Also, planning condition fees to be subsumes into planning application income.	(11,834)	0	0
Sustainability Projects	Supplies and Services	£29k Transfer of Carbon Neutral Scheme budget to Climate change to fund the Climate Change Officer.	(29,160)	(14,580)	(14,580)
		Budget transferred to property services to fund project advisors.	(50,000)	0	0
Better Buses Fund		Increased costs of contributions towards better buses are due to increase due to inflation and HCC cost review of services	6,789	6,789	6,789
		TOTAL	(112,725)	32,209	(7,791)

Medium Term Capital Investment Programme

Infrastructure Housing & Economic Development								
<i>Economic Development</i>	Original Budget 2020/21 £	Latest Budget 2020/21 £	P4 Spend To Date £	Forecast Outturn 2020/21 £	Variance £	Forecast 2021/22 £	Forecast 2022/23 £	Comments
Cycle Schemes	25,000	39,583	3,900	39,583	0	25,000	25,000	A number of schemes have been identified. Awaiting approval and implementation of the Strategy.
Disabled Parking Bays	2,500	2,500	0	2,500	0	2,500	2,500	No annual pattern to submission of applications, managed by WBC on this Council's behalf.
Controlled Parking	50,000	97,585	0	97,585	0	100,000	50,000	2 schemes in pipeline Croxley & Rickmansworth West totalling £100k
Princes Trust-Business Start-up	10,000	10,000	0	10,000	0	10,000	10,000	A Service Level Agreement is in place, the budget will be spent by year end.
Listed Building Grants	5,000	3,000	0	3,000	0	5,000	5,000	Demand Led service, no applications so far
South Oxhey Initiative	0	109,223	48,023	109,223	0	0	0	Ongoing project management to ensure the project is delivered fulfilling the Council's objectives. It provides for both internal resource retained for this purpose as well as the wider consultancy team for contract and legal advice.
Parking Bay & Verge Protection	254,240	100,000	0	100,000	0	214,240	40,000	2 schemes identified for 2020/21
Highways Enhancement	147,620	147,620	0	47,620	(100,000)	150,000	50,000	£100k rephased for High Elms Lane - other monies to be used for Ebury Way/other projects this year.
Bus Shelters	9,000	19,580	0	19,580	0	9,000	9,000	2 bus shelters pending implementation.
Retail Parades	135,780	168,115	579	168,115	0	30,000	30,000	£70k identified for Delta Gain and £120k for Electric Vehicle Charging Points
Carbon Neutral Council	0	4,000	0	4,000	0	0	0	
Rickmansworth Work Hub	39,000	25,000	0	0	(25,000)	39,000	0	This is to be used to replace the boiler and some of the windows. Procurement was delayed due to the pandemic and works need to be carried out in the spring/summer so will be delayed until Spring 2021
Car Park Restoration	10,000	10,000	0	10,000	0	10,000	35,000	Survey will take place in September which will identify what works are required
Estates, Paths & Roads	20,000	20,000	0	20,000	0	20,000	20,000	Planned works South Oxhey Playing Fields
TRDC Footpaths & Alleyways	20,000	40,850	0	40,850	0	20,000	25,000	Planned works Ebury Way - out to procurement
Integration of Firmstep to uniform Licensing applications	0	19,000	0	19,000	0	0	0	Ongoing project
Total	728,140	816,056	52,502	691,056	(125,000)	634,740	301,500	
<i>Housing</i>	Original Budget 2020/21 £	Latest Budget 2020/21 £	P4 Spend To Date £	Forecast Outturn 2020/21 £	Variance £	Forecast 2021/22 £	Forecast 2022/23 £	Comments
Disabled Facilities Grant	500,000	474,108	8,165	474,108	0	500,000	586,000	Adaptations were unable to take place for 3 months due to Covid19. £85k of adaptations have been approved and will commence shortly.
Home Repairs Assistance	10,000	10,000	0	8,000	(2,000)	10,000	10,000	Demand led service, no applications received to date.
Total	510,000	484,108	8,165	482,108	(2,000)	510,000	596,000	
Total Infrastructure Housing & Economic Development	1,238,140	1,300,164	60,667	1,173,164	(127,000)	1,144,740	897,500	