

POLICY AND RESOURCES COMMITTEE – 13 JUNE 2022

PART I - NOT DELEGATED

10. SUMMARY OF THE FINANCIAL YEAR END POSITION FOR 2021/22 (DoF)

1 Summary

1.1 This report shows the year end position for the financial year ending on 31 March 2022 for both revenue and capital and makes the following recommendations:-

- to carry forward to 2022/23 certain unspent revenue budgets and;
- to rephase those capital budgets that require completion in 2022/23

1.2 The report focuses on the variation between the latest agreed budget and the final expenditure and income for the financial year. This comparison provides an indication of the accuracy and robustness of financial control and the achievement of the strategic objective to manage resources to deliver the Council’s strategic priorities and service needs.

2 Details

Revenue

2.1 The revised 2021/22 budget as approved by Council on 22 February 2022 was **£13.335 million**. The period 10 (end of January) budget management report was presented to this Committee at its meeting on 14 March 2022. The report showed an unfavourable variance of £0.025 million, making the latest approved budget for 2021/22 **£13.360 million**. This revised budget was approved by Council at its meeting on 24 May 2022. This report compares the year end position to the latest budget.

2.2 The year end position is a net cost of services of **£11.972 million** which represents a favourable variance of **£1.388 million** when compared to the latest budget.

2.3 Officers are requesting to carry forward **£0.602 million**, included in the underspend above, to enable projects to be completed in 2022/23 that were delayed in 2021/22. **Appendix 2** details each carry forward request.

2.4 After taking into account the carry forward requests, there is a favourable balance of **£0.786 million** that would be returned to reserves, this includes unplanned for housing grant of £127k and recycling credits of £147k received from County that came in at the very end of the year and have offset existing expenditure.

2.5 The table and chart below summarise the variance for each committee.

Committee	Original Budget	Latest Budget	Outturn	Variance
	£000	£000	£000	£000
Leisure, Environment and Community	4,419	5,387	4,786	(601)
Infrastructure, Housing and Economic Development	1,504	1,699	1,374	(325)
Policy & Resources	4,790	4,178	3,727	(451)
Net Direct Cost of Service	10,713	11,264	9,887	(1,377)
Corporate Costs (Interest Earned/ Paid)	2,046	2,096	2,085	(11)
Net Cost of Services	12,759	13,360	11,972	(1,388)
Carry Forwards Requests				602
(Surplus)/Deficit after Carry Forwards				(786)

2.6 The details of all the variances are shown in Appendix 1, significant variances (all variances +/-(-) £10,000) are shown below:

	Variance £000
<i>Increase in Costs</i>	
Asset Management Property - Increased spend on consultancy and staffing	41
Finance -Increased spend on temporary staffing	10
Council Tax Client - Increased spend in Printing & Stationery	32
Reduction in income on Garages and Shops	40
Trees & Landscapes - Increased costs due to storms	24
<i>Additional Income</i>	
Homelessness - Grant income to be spent in 2021/22	(127)
Kerbside Recycling - Increase in recycling	(147)
Cemeteries	(61)
Garden Waste	(11)
Waste Management- Transport subsidy	(45)
Development Management - Planning fees	(9)
Office Services - Internal Recharges	(22)
Investment Properties	(80)
Sports Development - Sports Projects	(14)

<i>Underspends</i>	
Citizens Advice	(18)
Street Cleansing	(11)
Grounds Maintenance	(16)
Community partnerships	(17)
Corporate Climate Change	(62)
Watersmeet	(30)
Leisure Venues	(105)
Leisure Development	(18)
Housing Needs	(11)
Sustainability Travel Schemes	(21)
Car Parking - Maintenance	(11)
Decriminalised Parking	(44)
Development Management	(15)
Development Plans	(48)
Corporate Management	(19)
ICT Client	(140)
Communications	(11)
District Elections	(46)
Major Incident Planning	(12)
Customer Contact Programme	(104)
Asset Management - Property	(25)
Internal Audit Client	(22)
salary Contingency Funds budget Unallocated in 2021/22	(94)
Reduction in interest payable on borrowing	(11)
Other Variances below £10k	(108)
Service underspends requested as carried forwards to 2022/23 (see Appendix 2)	602
Total Variance	(786)

Capital

- 2.7 The revised 2021/22 budget for the capital programme as approved by Council on 22 February 2022 was **£15.400 million**. The period 10 (end of January) budget management report was presented to this Committee at its meeting on 14 March 2022 which showed an underspend of **(£0.557) million**. The latest approved budget for 2021/22 is therefore **£14.843 million** and was approved by Council at its meeting on the 17 May 2022.
- 2.8 The actual spend at 31 March 2022 was **£3.710 million** which represents an underspend of **(£11.133) million** when compared to the latest approved budget. Officers are requesting to rephase **£11.337 million** to complete projects in 2022/23.
- 2.9 Appendix 3 shows the analysis of the capital programme year end position by Committee and over the medium term. The table below shows an analysis of the variance.

Reason	£'000
Net Under/ Overspend	204
Rephasing	(11,337)
Net Variance	(11,133)

2.10 A full list of those projects requesting rephasing with rationales is at **Appendix 4**. Some of the more significant projects are shown below.

Scheme	£'000	Reason for rephasing
Property Investment Board	10,471	Budget required for use in 2022/23, mainly due to delays in completing on Pre-emption sites.
Disabled Facilities Grants	242	Budget required as works agreed in 2021/22 will now be delivered in 2022/23
Waste Services Depot	159	Budget required to complete scheme in 2022/23
Garage Improvements	132	Budget required for phase 7 works due to complete in July
Outdoor Fitness Zones	54	Budget required for new outdoor fitness zones at Aquadrome and Leavesden County Park
Property Information System	50	Budget required as project delayed. Implementation due to start April.

2.11 **Appendix 5** shows the funding of the programme over the medium term. Capital expenditure totalling £24.896 million is planned for the period 2022/23 to 2024/25 and built into the 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 The recommendations in this report are within the Council's agreed policy but not within agreed budgets. An overall increase requiring the use of the Council's balances must be approved by Council.

5 Legal, Equal Opportunities, Staffing, Environmental, Community Safety, Customer Services Centre, Communications & Website and Health & Safety Implications

5.1 None specific.

6 Financial Implications

Council Position – Revenue

6.1 The table below summarises the effect on the Council's revenue account for the year:

Council Position 2021/22	Original Budget £000	Latest Budget £000	Outturn £000	Variance £000
Net Cost Of Services	10,713	11,264	9,887	(1,377)
Corporate costs	2,046	2,096	2,085	(11)
Total Net Cost	12,759	13,360	11,972	(1,388)
Funding (Council Tax & Business Rates)	(12,126)	(12,126)	(12,126)	0
Deficit/ (Surplus) for year	633	1,234	(154)	(1,388)
Carry Forwards Requested				602
Deficit/ (Surplus) for year after carry forward				(786)

6.2 The impact on the general fund balance is as follows:

General Fund	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Opening Balance	(5,210)	(5,364)	(4,422)	(3,826)
Planned use of Balances (as per latest approved budget)	1,234	340	596	645
Underspend returned to balances	(1,388)			
Carry forward		602		
Closing Balance	(5,364)	(4,422)	(3,826)	(3,181)

Council Position – Capital

6.3 The table below summarises the effect on the Council's capital programme for the year:

Council Position 2021/22	Original Budget £000	Latest Budget £000	Outturn £000	Variance £000
Capital Expenditure	5,247	14,843	3,710	(11,133)

7 Risk Management Implications

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

7.2 Key financial risks are shown at **Appendix 6**.

8 Reserves

8.1 The effect of both the revenue and capital variances on each reserve is shown at **Appendix 7**.

9 Recommendation

That the Policy and Resources Committee recommend to Council:

9.1 That the favourable revenue outturn variance after carry forwards of (£785,638) to be noted.

9.2 That the capital outturn as summarised in paragraph 2.6 and Appendix 3 be noted.

- 9.3 To approve to carry forward the unspent service budgets from 2021/22 to 2022/23 which total £601,970 to enable completion of projects as detailed at Appendix 2.
- 9.4 To approve the rephasing of capital projects from 2021/22 to 2022/23 which total £11,336,915 as detailed at Appendix 4.

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Background Papers

Liberal Democrat budget proposal and recommendations 22 February 2022
Budget Management report Period 10 (January 2022)

APPENDICES

- Appendix 1 Significant Service Variances - Outturn to Latest Budget 2021/22
- Appendix 2 Carry forward requests into 2022/23
- Appendix 3 Capital Programme 2021/22-2024/25
- Appendix 4 List of capital schemes to be rephased to 2022/23
- Appendix 5 Capital Funding 2021/22 – 2024/25
- Appendix 6 Budgetary risks
- Appendix 7 Reserves

Variances by Committee – Outturn to Latest Budget 2021/22

Leisure Environment & Community Services		
	£'000	£'000
<u>Citizens Advice</u>		
Underspend on Grants and Contributions	(18)	
<u>Kerbside Recycling</u>		
Increase in income for recycling credits.	(147)	
<u>Cemeteries</u>		
Increased income received from burial fees and burial rights fees.	(61)	
<u>Garden Waste</u>		
Increased income received	(11)	
<u>Waste Management</u>		
Increased income received for transport subsidy from HCC.	(45)	
<u>Street Cleansing</u>		
Budget underspend on Vehicles repairs and maintenance	(11)	
<u>Grounds Maintenance</u>		
Budget underspend on Vehicles repairs and maintenance	(6)	
Staffing Variances <i>(Carry forward request of £9,525 into 2022/23 see Appendix 2.)</i>	(10)	
<u>Community Partnerships</u>		
Staffing variances	(17)	
<u>Corporate Climate Change</u>		
Delayed implementation of the climate change strategy. <i>(Carry forward request of £62,504 into 2022/23 see Appendix 2.)</i>	(62)	
<u>Watersmeet</u>		
Budget underspend on Catering and Advertising and increase in income from catering/bar sales, lettings & hall Hire and box office commission	(30)	
<u>Leisure Venues</u>		
Underspend on Leisure Management Contract and Free swim <i>(Carry forward request of £96,000 into 2022/23 see Appendix 2)</i>	(105)	
<u>Leisure Development</u>		
Staffing variances	(18)	
<u>Sports Development - Sports Projects</u>		
Increased income received on sports activities	(14)	
<u>Trees & Landscapes</u>		
Increased spend due to the storms in February/March	24	
Other variances below £10k	(70)	
Total Leisure Environment and Community Services		(601)

Infrastructure Housing and Economic Development		
	£'000	£'000
<u>Homelessness</u>		
Underspend due to receiving grant money that needed to be spent in 2021/22. This was used to cover expenditure on temporary accommodation	(127)	
<u>Housing Service Needs</u>		
Staffing variances	(11)	
<u>Sustainability Travel Schemes</u>		
Underspend on Fees and Contractual Services <i>(Carry forward request of £21,000 into 2022/23 see Appendix 2).</i>	(21)	
<u>Car Parking - Maintenance</u>		
Underspend on rates	(11)	
<u>Decriminalised Parking</u>		
Budget underspend on machine maintenance costs and Consultancy <i>(Carry forward request of £39,632 into 2022/23 see Appendix 2).</i>	(44)	
<u>Development Management</u>		
Increased income from planning due to a late surge in applications in March. Underspend on Legal Fees and Scanning <i>(A carry forward request of £9,574 into 2022/23 see Appendix 2)</i>	(24)	
<u>Development Plans</u>		
Reduced spend on local plan <i>(Carry forward request of £47,763 into 2022/23 see Appendix 2).</i>	(48)	
Other variances below £10k	(39)	
<u>Total Infrastructure, Housing and Economic Development</u>		(325)
Policy and Resources		
	£'000	£'000
<u>Corporate Management</u>		
Underspend on External Audit Fees <i>(Carry forward request of £18,736 into 2022/23 see Appendix 2).</i>	(19)	
<u>ICT Client</u>		
Budget to fund migration to Cloud not utilised in 2021/22. <i>(Carry forward request of £84,000 into 2022/23 see Appendix 2).</i>	(140)	
<u>Communications</u>		
Budget to fund the improvement of the Council's website not fully utilised. <i>(Carry Forward request of £13,550 into 2022/23 see Appendix 2).</i>	(11)	
<u>District Elections</u>		
Underspend on election costs due to joint election with HCC and PCC	(46)	
<u>Major incident Planning</u>		
Reduction in cost of service	(12)	
<u>Customer Contact Programme</u>		
Delayed implementation of the customer contact programme. <i>(Carry forward request of £104,288 into 2022/23 see Appendix 2).</i>	(104)	
<u>Office Services</u>		
Additional income from internal reprographic recharges	(22)	

<u>Asset Management Property</u>		
Increased spend on consultancy and staffing.	41	
Underspend on Security Equipment and Software (<i>Carry forward request of £25,180 into 2022/23 see Appendix 2</i>)	(25)	
<u>Finance</u>		
Increased spend on temporary staffing.	10	
<u>Garages & Shops Maintenance</u>		
Reduction in income on garages and shops	40	
<u>Investment Properties</u>		
Additional rent income from Jigsaw based on turnover and Homegroup Ltd	(80)	
<u>Internal Audit Client</u>		
Underspend on Internal Audit Fees (<i>Carry forward request of £21,914 into 2022/23 see Appendix 2</i>).	(22)	
<u>Council Tax Client</u>		
Increased spend in Printing & Stationery	32	
<u>Salary Contingency Funds</u>		
salary Contingency Funds budget unallocated in 2021/22	(94)	
Other variances below £10k	1	
<u>Total Policy & Resources</u>		(451)
<u>Total All Committees</u>		(1,377)
<u>Corporate Costs</u>		
Reduction in interest payable on borrowing	(11)	
<u>Total Corporate Costs</u>		(11)
<u>Carry Forwards Requested</u>		602
Total Variances		(786)

Carry Forward Requests

<i>Service underspends required in 2022/23.</i>			
Committee	Description	Amount	Reason
Leisure, Environment & Community Services	Corporate Climate Change	62,504	Climate Change - £20,380 not all climate change budget spent as the Action Plan was only agreed in October '21. Significant campaigns and initiatives planned and will take place in the New financial year including wildlife project with HMWT to support wetland biodiversity, printing of sustainable living booklet, posters and banners for engagement event, campaign to incentivise and encourage carbon reduction in able to pay households. Unspent Carbon neutral Scheme budget - £16,633 required in 2022/23 to pay for the EST Heat App and Energy Advice Helpline. Unspent Professional Fees budget - £25,491 required in 2022/23 to pay for consultancy on grant applications and access options for decarbonising the fleet
	Community Safety	20,000	Budget not used in 2021/22 due to the delay in recruitment of Community Liaison Officer
	Energy Efficiency	7,962	Unspent budget required in 2022/23 to cover 3 projects delayed in 2021/22 due to supply issues
	Leisure Venues	96,000	Leisure Management contract support in 2022/23
	Trade Refuse	7,745	Underspend on Salaries to be moved to Waste Management to pay for agency staff to cover holidays in 2022-23
	Waste Management	4,085	Underspend on Salaries to be moved to 2022/23 to pay for agency staff to cover holidays in 2022-23
	Grounds Maintenance	9,525	Underspend on Salaries to be moved to Waste Management to pay for agency staff to cover holidays in 2022-23
Infrastructure, Housing & Economic Development	Development Management	9,574	Scanning Underspend - Renegotiation of IDOX contract for April 2023, outstanding monies to be utilised to support this process and for required software
	Sustainable Travel Schemes	21,000	Underspend of Fees and Contractual Services will be utilised in 2022/23
	Development Plans	47,763	To pay towards two evidence based studies for Local Plan - Transport Assessment (Approx total cost £70K) and Viability Assessments (Total Cost approx £35k)
	Decriminalised Parking	39,632	Pay & Display Machine Maintenance underspend - £26,858 to be utilised for change over to ticketless machines and wider parking schemes in 2022/23. Consultancy underspend - £12,774 to be used for the continued review of parking service deficit/income and renegotiation of parking enforcement contract beyond 1 April 2023.

Committee	Description	Amount	Reason
Policy & Resources	Asset Management - Property	25,180	Underspend on Software - £18,000 to be utilised for the new property management system. Underspend on Security Equipment - £7,180 to be used for lone worker devices 3 year contract
	Three Rivers House	6,512	Equipment for Hybrid meetings has been procured but delays in the supply chain mean deployment has been delayed due for installation May 2022
	Democratic Representation	2,000	To use the underspent amount to pay for the mandatory planning training required to be completed by all Councillors on the Planning Committee and named substitute Members
	Internal Audit Client	21,914	Underspend to be used for Extra Audit Fees for 2021/22
	Corporate Management	18,736	Underspend to be used for Extra Audit Fees for 2021/22
	Communications	13,550	Website Development underspend to be used for hosting in 2022/23
	Ict Client	84,000	Resources to deliver the remaining activities for the O365 project agreed
	Customer Contact Programme	104,288	To pay for 3 year contract on Granicus starting April 2022, this was delayed due to changes to the customer experience strategy and Covid 19
	Total	601,970	

Capital Programme 2021/22- 2024/25

2021/22 - 2024/25 Capital Programme	2021/22						2022/23			2023/24	2024/25	
Leisure, Environment & Community												
Community Safety & Partnership	Original Budget 2021/22 £	Latest Budget 2021/22 £	Outturn £	Outturn to Latest Budget Variance £	Of which is to be Rephased £	Over(Under) spend	Latest Budget 2022/23 £	Rephasing from 2021/22 £	Forecast 2022/23 £	Latest Budget 2023/24 £	Latest Budget 2024/25 £	Comments
ASB Casework Management System	18,750	0	0	0	0	0	0	0	0	0	0	
Capital Grants & Loans	20,000	3,631	0	(3,631)	3,631	0	0	3,631	3,631	0	20,000	Rephasing required for 2022/23 community grants
Community CCTV	6,000	2,000	1,195	(805)	805	0	6,000	805	6,805	6,000	6,000	Rephasing required for 2022/23 project
Total	44,750	5,631	1,195	(4,436)	4,436	0	6,000	4,436	10,436	6,000	26,000	
Leisure	Original Budget 2020/21 £	Latest Budget 2020/21 £	Outturn £	Outturn to Latest Budget Variance £	Of which is to be Rephased £	Over(Under) spend	Latest Budget 2021/22 £	Rephasing from 2020/21 £	Forecast 2021/22 £	Latest Budget 2022/23 £	Latest Budget 2023/24 £	Comments
Countryside Management	10,000	0	0	0		0	0	0	0	0	0	
Heritage & Tourism		0	58,820	58,820		58,820	0	0	0			Funded from S106 monies and capital receipts
Aquadrome	21,000	23,831	22,915	(916)	916	0	22,500	916	23,416	22,500	22,500	Rephasing required for works in 2022/23
Scotsbridge-Chess Habitat	11,390	3,200	3,200	0		0	8,190	0	8,190	0	0	
Watersmeet External Roof Access	0	27,253	26,216	(1,037)		(1,037)	0	0	0	0	0	Project Complete
Leisure Facilities Improvement	10,000	6,046	1,007	(5,039)	5,039	0	16,000	5,039	21,039	0	0	Rephasing required for works in 2022/23
Open Space Access Improvements	50,000	87,506	52,103	(35,403)	35,400	(3)	60,000	35,400	95,400	60,000	60,000	Rephasing required for works in 2022/23
Outdoor Fitness Zones	54,400	54,400	0	(54,400)	54,400	0	54,400	54,400	108,800	27,200	0	Rephasing required for new outdoor fitness zones at Aquadrome and Leavesden County Park
Improve Play Area-Future Schemes	158,250	180,280	286,392	106,112	23,507	129,619	15,000	23,507	38,507	115,000	120,000	Rephasing required for works in 2022/23 including eastbury Outdoor Gym. Projects Part funded by S106 and capital receipts
Aquadrome-Whole Life Costing	10,000	10,000	9,202	(798)	798	0	11,000	798	11,798	11,000	11,000	Rephasing required for works in 2022/23
Watersmeet-Whole Life Costing	15,000	30,799	31,125	326		326	20,000	0	20,000	20,000	20,000	
Pavilions-Whole Life Costing	10,000	20,968	20,950	(18)		(18)	11,000	0	11,000	11,000	11,000	
Total	350,040	444,283	511,930	67,647	120,060	187,707	218,090	120,060	338,150	266,700	244,500	

<i>Environmental Services</i>	Original Budget 2021/22 £	Latest Budget 2021/22 £	Outturn £	Outturn to Latest Budget Variance £	Of which is to be Rephased £	Over(Under) spend	Latest Budget 2022/23 £	Rephasing from 2021/22 £	Forecast 2022/23 £	Latest Budget 2023/24 £	Latest Budget 2024/25 £	Comments
Waste Plant & Equipment	40,030	40,030	15,539	(24,491)	24,491	0	25,000	38,958	63,958	25,000	25,000	Rephasing required due to supplier delay
Waste Services Depot	1,300,000	1,000,000	878,532	(121,468)	159,348	37,880	300,000	159,348	459,348	0	0	Rephasing required to complete scheme in 2022/23 - Professional Fees charged to project of £37,880 being offset against Professional Fees - Internal
Replacement Bins	30,500	55,994	55,731	(263)		(263)	115,000	0	115,000	115,000	115,000	
Waste & Recycling Vehicles	0	0	10,482	10,482		10,482	1,887,000	0	1,887,000	645,000	800,000	Professional Fees charged to project of £10,482 being offset against Professional Fees - Internal
Street Furnishings	15,000	15,000	14,838	(162)		(162)	0	0	0	0	0	
Paladin Bins	40,000	53,201	38,734	(14,467)	14,467	0	0	0	0	0	0	Rephasing required due to delay in supply of goods
Energy Performance Certificate	2,000	4,525	4,525	0		0	2,000	0	2,000	2,000	2,000	
Cemetery-Whole Life Costing	5,000	5,000	4,146	(854)	854	0	5,000	854	5,854	5,000	5,000	Rephasing required for planned works
Replacement Ground Maintenance Vehicles	120,000	40,535	40,535	0		0	397,923	0	397,923	180,000	540,000	
Total	1,552,530	1,214,285	1,063,062	(151,223)	199,160	47,937	2,731,923	199,160	2,931,083	972,000	1,487,000	
Total Leisure, Environment & Community	1,947,320	1,664,199	1,576,187	(88,012)	323,656	235,644	2,956,013	323,656	3,279,669	1,244,700	1,757,500	

Infrastructure Housing & Economic Development												
<i>Economic Development</i>	Original Budget 2021/22 £	Latest Budget 2021/22 £	Outturn £	Outturn to Latest Budget Variance £	Of which is to be Rephased £	Over(Under) spend	Latest Budget 2022/23 £	Rephasing from 2021/22 £	Forecast 2022/23 £	Latest Budget 2023/24 £	Latest Budget 2024/25 £	Comments
Cycle Schemes	64,583	15,000	11,200	(3,800)	3,800	0	74,583	3,800	78,383	25,000	25,000	Rephasing required for cycle scheme implementation in 2022/23 on adoption of LCWIP
Disabled Parking Bays	2,500	2,500	1,490	(1,010)		(1,010)	2,500	0	2,500	2,500	2,500	
Controlled Parking	164,425	32,450	33,660	1,210		1,210	181,975	0	181,975	50,000	50,000	Part funded by S106 monies
Princes Trust-Business Start-up	10,000	10,000	0	(10,000)		(10,000)	10,000	0	10,000	10,000	10,000	Budget not required in 2021/22 due to ARG Funding
Listed Building Grants	2,500	0	0	0		0	2,500	0	2,500	2,500	2,500	
South Oxhey Initiative	0	27,690	3,049	(24,641)	13,277	(11,364)	0	13,277	13,277	0	0	Rephasing required to complete scheme in 2022/23 - underspend to be offset against South Oxhey Initiative Major Projects
Parking Bay & Verge Protection	301,473	191,473	178,234	(13,239)	13,239	0	150,000	13,239	163,239	40,000	40,000	Rephasing required for schemes to be delivered in 2022/23
Highways Enhancement	194,384	0	19,240	19,240	(19,240)	0	244,384	(19,240)	225,144	50,000	50,000	Rephasing from 2022/23 to 2021/22 required as works due in 2022/23 were started ahead of schedule
Bus Shelters	9,000	0	0	0		0	18,000	0	18,000	9,000	9,000	
Retail Parades	188,000	0	50,670	50,670	(50,670)	0	224,849	(50,670)	174,179	30,000	30,000	Rephasing from 2022/23 to 2021/22 required as works due in 2022/23 were started ahead of schedule
Carbon Neutral Council	0	4,000	0	(4,000)	4,000	0	0	4,000	4,000	0	0	Rephasing required for 22/23 for future projects
Rickmansworth Work Hub	39,000	10,394	10,394	0		0	28,606	0	28,606	0	0	
Car Park Restoration	10,000	10,000	9,407	(593)	593	0	35,000	593	35,593	35,000	35,000	Rephasing required for delayed works being carried out in April/May
Estates, Paths & Roads	20,000	23,843	21,149	(2,694)	2,694	0	25,000	2,694	27,694	20,000	20,000	Rephasing required as works to LCP were delayed due to the weather
TRDC Footpaths & Alleyways	40,000	41,350	37,878	(3,472)	3,472	0	40,000	3,472	43,472	25,000	25,000	Rephased required due to the delay in results of survey
Integration of Firmstep to uniform Licensing applications	0	19,000	13,850	(5,150)	5,150	0	0	5,150	5,150	0	0	Rephasing required for project to complete in 2022/23
Total	1,045,865	387,700	390,221	2,521	(23,685)	(21,164)	1,037,397	(23,685)	1,013,712	299,000	299,000	
<i>Housing</i>	Original Budget 2021/22 £	Latest Budget 2021/22 £	Outturn £	Outturn to Latest Budget Variance £	Of which is to be Rephased £	Over(Under) spend	Latest Budget 2022/23 £	Rephasing from 2021/22 £	Forecast 2022/23 £	Latest Budget 2023/24 £	Latest Budget 2024/25 £	Comments
Disabled Facilities Grant	500,000	652,000	410,201	(241,799)	241,799	0	586,000	241,799	827,799	586,000	586,000	Rephasing required as works agreed in 2021/22 will now be delivered in 2022/23
Home Repairs Assistance	10,000	0	0	0	0	0	10,000	0	10,000	10,000	10,000	
Total	510,000	652,000	410,201	(241,799)	241,799	0	596,000	241,799	837,799	596,000	596,000	
Total Infrastructure Housing & Economic Development	1,555,865	1,039,700	800,422	(239,278)	218,114	(21,164)	1,633,397	218,114	1,851,511	895,000	895,000	

Policy & Resources												
<i>Resources & Shared Services</i>	Original Budget 2021/22 £	Latest Budget 2021/22 £	Outturn £	Outturn to Latest Budget Variance £	Of which is to be Rephased £	Over(Under) spend	Latest Budget 2022/23 £	Rephasing from 2021/22 £	Forecast 2022/23 £	Latest Budget 2023/24 £	Latest Budget 2024/25 £	Comments
Professional Fees-Internal	157,590	157,590	0	(157,590)	0	(157,590)	157,590	0	157,590	157,590	157,590	Professional Fees charged to individual projects, off setting budget against overspends
Denham Way MJGA	0	0	0	0		0	375,000	0	375,000	0	0	
Election Equipment	6,000	9,000	3,784	(5,216)	5,216	0	6,000	5,216	11,216	6,000	6,000	Rephasing required for purchase of equipment in 2022/23 due to delays in the supply chain
Street Lighting	0	0	0	0		0	130,000		130,000	0	0	
South Oxhey Playing Fields	0	0	0	0		0	347,000		347,000	0	0	
Members' IT Equipment	46,690	46,690	0	(46,690)	46,690	0	16,260	46,690	62,950	16,260	16,260	Rephasing required due to supply chain issues
ICT-Managed Project Costs	120,000	0	0	0		0	120,000	0	120,000	60,000	60,000	
Shared Services ICT Hardware Replacement	40,000	205,416	203,092	(2,324)	2,324	0	55,000	2,324	57,324	40,000	40,000	Rephasing required to fund resources to deliver key projects for O365, cloud migration
Garage Improvements	325,000	435,000	360,239	(74,761)	131,996	57,235	220,000	131,996	351,996	150,000	150,000	Rephasing required for phase 7 works due to complete in July
ICT Licence Costs	100,000	76,155	0	(76,155)		(76,155)	130,000	0	130,000	100,000	100,000	£72,843 Spend on licences moved to revenue
Customer Contact Programme	0	21,573	17,875	(3,698)	3,698	0	0	3,698	3,698	0	0	Rephasing required for Customer Experience Strategy In 2022/23
ICT Website Development	0	14,870	0	(14,870)	14,870	0	0	14,870	14,870	0	0	Rephasing required as implementation was delayed due to Covid19
ICT Elections	17,000	23,701	245	(23,456)	8,329	(15,127)	17,000	8,329	25,329	17,000	17,000	Rephasing required for spend in 2022/23 £15,127 spend on licenses moved to revenue
ICT Hardware Replacement Programme	45,000	14,241	13,066	(1,175)		(1,175)	45,000	0	45,000	50,000	45,000	Rephasing required to fund resources to deliver key projects for O365, cloud migration
TRH Whole Life Costing	250,000	140,000	106,050	(33,950)	33,950	0	280,000	33,950	313,950	170,000	170,000	Rephasing required due to delay in supplies for server room works
Basing House-Whole Life Costing	30,000	30,000	30,006	6		6	60,000	0	60,000	60,000	60,000	
Business Application Upgrade	109,500	4,500	0	(4,500)	4,500	0	180,000	4,500	184,500	90,000	90,000	Rephasing required to fund resources to deliver key projects for O365, cloud migration
Three Rivers House Transformation	270,000	60,785	40,421	(20,364)	22,583	2,219	210,000	22,583	232,583	0	0	Rephasing required to support the Customer Experience Strategy. Professional Fees of £2,219 charged to project, being offset against Professional Fees - Internal
Property Information System	0	50,000	25,851	(24,149)	50,000	25,851	0	50,000	50,000	0	0	Rephasing required as project delayed. Implementation due to start April. Professional Fees of £25,851 charged to project, being offset against Professional Fees - Internal
Total	1,516,780	1,289,521	800,629	(488,892)	324,156	(164,736)	2,348,850	324,156	2,673,006	916,850	911,850	
<i>Major Projects</i>	Original Budget 2021/22 £	Latest Budget 2021/22 £	Outturn £	Outturn to Latest Budget Variance £	Of which is to be Rephased £	Over(Under) spend	Latest Budget 2022/23 £	Rephasing from 2021/22 £	Forecast 2022/23 £	Latest Budget 2023/24 £	Latest Budget 2024/25 £	Comments
Leisure Facility - South Oxhey	226,823	268,473	268,474	1		1	0	0	0	0	0	
South Oxhey Initiative	0	12,103	73,467	61,364		61,364	0	0	0	0	0	Professional Fees of £50,510 charged to this project to be offset against Professional Fees - Internal. £11,364 overspend to be offset by South Oxhey Initiative above.
Property Investment Board	0	10,512,360	134,339	(10,378,021)	10,470,989	92,968	0	10,470,989	10,470,989	0	0	Rephasing required for use in 2022/23 due to delays in completing on Pre-emption sites. Professional fees of £92,968 charged to the project to be offset against Professional Fees - Internal
Temporary Accommodation	0	56,240	56,240	0		0	0	0	0	0	0	
Total	226,823	10,849,176	532,520	(10,316,656)	10,470,989	154,333	0	10,470,989	10,470,989	0	0	
Total Policy & Resources	1,743,603	12,138,697	1,333,149	(10,805,548)	10,795,145	(10,403)	2,348,850	10,795,145	13,143,995	916,850	911,850	
Total Capital Programme	5,246,788	14,842,596	3,709,758	(11,132,838)	11,336,915	204,077	6,938,260	11,336,915	18,275,175	3,056,550	3,564,350	

Rephasing of capital schemes to 2022/23

Scheme	£	Comment
<i>Services</i>		
Capital Grants & Loans	3,631	Rephasing required for 2022/23 community grants
Community CCTV	805	Rephasing required for 2022/23 project
Aquadrome	916	Rephasing required for works in 2022/23
Leisure Facilities Improvement	5,039	Rephasing required for works in 2022/23
Open Space Access Improvements	35,400	Rephasing required for works in 2022/23
Outdoor Fitness Zones	54,400	Rephasing required for new outdoor fitness zones at Aquadrome and Leavesden County Park
Improve Play Area-Future Schemes	23,507	Rephasing required for works in 2022/23 including eastbury Outdoor Gym
Aquadrome-Whole Life Costing	798	Rephasing required for works in 2022/23
Waste Plant & Equipment	24,491	Rephasing required due to supplier delay
Waste Services Depot	159,348	Rephasing required to complete scheme in 2022/23
Paladin Bins	14,467	Rephasing required due to delay in supply of goods
Cemetery-Whole Life Costing	854	Rephasing required for planned works
Cycle Schemes	3,800	Rephasing required for cycle scheme implementation in 2022/23 on adoption of LCWIP
South Oxhey Initiative	13,277	Rephasing required to complete scheme in 2022/23
Parking Bay & Verge Protection	13,239	Rephasing required for schemes to be delivered in 2022/23
Highways Enhancement	(19,240)	Rephasing from 2022/23 to 2021/22 required as works due in 2022/23 were started ahead of schedule
Retail Parades	(50,670)	Rephasing from 2022/23 to 2021/22 required as works due in 2022/23 were started ahead of schedule
Carbon Neutral Council	4,000	Rephasing required for 22/23 for future projects
Car Park Restoration	593	Rephasing required for delayed works being carried out in April/May
Estates, Paths & Roads	2,694	Rephasing required as works to LCP were delayed due to the weather

Scheme	£	Comment
<i>Services</i>		
TRDC Footpaths & Alleyways	3,472	Rephasing required due to the delay in results of survey
Integration of Firmstep to uniform Licensing applications	5,150	Rephasing required for project to complete in 2022/23
Disabled Facilities Grant	241,799	Rephasing required as works agreed in 2021/22 will now be delivered in 2022/23
Election Equipment	5,216	Rephasing required for purchase of equipment in 2022/23 due to delays in the supply chain
Members' IT Equipment	46,690	Rephasing required due to supply chain issues
Shared Services ICT Hardware Replacement	2,324	Rephasing required to fund resources to deliver key projects for O365, cloud migration
Garage Improvements	131,996	Rephasing required for phase 7 works due to complete in July
Customer Contact Programme	3,698	Rephasing required for Customer Experience Strategy In 2022/23
ICT Website Development	14,870	Rephasing required as implementation was delayed due to Covid19
ICT Elections	8,329	Rephasing required for spend in 2022/23 £15,127 spend on licenses moved to revenue
TRH Whole Life Costing	33,950	Rephasing required due to delay in supplies for server room works
Business Application Upgrade	4,500	Rephasing required to fund resources to deliver key projects for O365, cloud migration
Three Rivers House Transformation	22,583	Rephasing required to support the Customer Experience Strategy.
Property Information System	50,000	Rephasing required as project delayed. Implementation due to start April.
Sub Total	865,926	
<i>Major Projects</i>	£	Comment
Property Investment Board	10,470,989	Rephasing required for use in 2022/23 due to delays in completing on Pre-emption sites.
Total	11,336,915	

Capital Funding 2021/22– 2024/25

Capital Programme	2021/22	2021/22	2021/22	2022/23	2023/24	2024/25
	Original Budget	Latest Budget	Outturn	Forecast	Forecast	Forecast
	£	£	£	£	£	£
Balance Brought Forward						
Govt Grants: Disabled Facility Grants	(808,468)	(808,468)	(808,468)	(1,063,531)	(1,063,531)	(1,063,531)
Other Contributions: Other external Sources	0	0	0	0	0	0
Section 106 Contributions	(631,636)	(631,636)	(631,636)	(1,235,257)	(1,235,257)	(1,235,257)
Capital Receipts Reserve	0	0	0	0	0	0
Future Capital Expenditure Reserve	0	0	0	0	0	0
New Homes Bonus Reserve	(4,373,973)	(4,373,973)	(4,373,973)	(2,395,311)	0	0
Total Funding Brought Forward	(5,814,077)	(5,814,077)	(5,814,077)	(4,694,099)	(2,298,788)	(2,298,788)
Generated in the Year						
Govt Grants: Disabled Facility Grants	(500,000)	(665,264)	(665,264)	(586,000)	(586,000)	(586,000)
Other Contributions: Other external Sources	0	0	(107,879)	0	0	0
Section 106 Contributions	0	(687,091)	(687,091)	0	0	0
Capital Receipts Reserve	(1,100,000)	(1,100,000)	(708,430)	(1,100,000)	(1,000,000)	(1,000,000)
Future Capital Expenditure Reserve	0	0	(57,235)	0	0	0
New Homes Bonus Reserve	(95,407)	(95,407)	(95,407)	(110,247)	(95,000)	(95,000)
Total Generated	(1,695,407)	(2,547,762)	(2,321,306)	(1,796,247)	(1,681,000)	(1,681,000)
Use of Funding						
Govt Grants: Disabled Facility Grants	500,000	665,264	410,201	586,000	586,000	586,000
Other Contributions: Other external Sources	0	0	107,879	0	0	0
Section 106 Contributions	0	0	83,470	0	0	0
CIL Contributions	0	0	0	722,000	0	0
Capital Receipts Reserve	1,100,000	1,100,000	708,430	1,100,000	1,000,000	1,000,000
Future Capital Expenditure Reserve	0	0	57,235	0	0	0
New Homes Bonus Reserve	3,419,965	2,608,859	2,074,069	2,505,558	95,000	95,000
Borrowing	0	10,200,000	0	13,361,617	1,375,550	1,883,350
Total Use of Funding	5,019,965	14,574,123	3,441,284	18,275,175	3,056,550	3,564,350
Balance Carried Forward						
Govt Grants: Disabled Facility Grants	(808,468)	(808,468)	(1,063,531)	(1,063,531)	(1,063,531)	(1,063,531)
Other Contributions: Other external Sources	0	0	0	0	0	0
Section 106 Contributions	(631,636)	(1,318,727)	(1,235,257)	(1,235,257)	(1,235,257)	(1,235,257)
Capital Receipts Reserve	0	0	0	0	0	0
Future Capital Expenditure Reserve	0	0	0	0	0	0
New Homes Bonus Reserve	(1,049,415)	(1,860,521)	(2,395,311)	0	0	0
Total Funding Carried Forward	(2,489,519)	(3,987,716)	(4,694,099)	(2,298,788)	(2,298,788)	(2,298,788)
South Oxhey Initiative						
Balance Brought Forward	0	0	0	0	0	0
Generated in the Year (Land Receipts)	(6,502,792)	(6,354,279)	(6,354,279)	(6,354,279)	0	0
Repayment of Borrowing	6,502,792	6,354,279	6,354,279	6,354,279	0	0
Total	0	0	0	0	0	0
South Oxhey Leisure Facility						
Balance Brought Forward	0	0	0	0	0	0
Expenditure	226,823	268,473	268,474	0	0	0
Borrowing	(226,823)	(268,473)	(268,474)	0	0	0
Total	0	0	0	0	0	0
Total Expenditure Capital Investment Programme	5,246,788	14,842,596	3,709,758	18,275,175	3,056,550	3,564,350

Budgetary Risks

APPENDIX 6

Date risk added to register	Risk ref	Risk owner	Category	Risk description	Comment	Likelihood score (inherent)	Impact score (inherent)	Inherent risk score	Risk controls	Risk control owners	Likelihood score (residual)	Impact score (residual)	Residual risk score	Risk direction	Action plan	Action plan owners	Action plan completion dates
Sep-15	FIN07	Director of Finance	Strategic	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. <i>The continuing financial impact of COVID-19 places a burden on the Councils Revenue account through loss of income and additional expenditure.</i>	4	4	16	Regular budget monitoring reports to committees; Budgetary and Financial Risk Register reviewed and updated as part of the budget monitoring process; identification of budgetary pressure when reviewing the medium term financial plan during the budget setting process; Audited Statement of Accounts, including Annual Governance Statement. Currently the 2019/20 annual accounts are awaiting sign off from the external auditors and 2020/21 annual accounts are well progressed.	Head of Finance	3	2	6	➔	Regular budget monitoring reports to be taken to P&R. The monitoring reports include the latest forecast for income and expenditure, including the impact of COVID-19 and related government support. The finance team continue to work with external audit to conclude the audit of the 2019/20 accounts and work will commence on the 2020/21 audit in June 2022.	Heads of Service/ Head of Finance	On-going
Apr-06	FIN08	Director of Finance	Budgetary	Revenue balances insufficient to meet estimate pay award increases	The Council's 3 year Medium term Financial Strategy includes forecast pay awards for the next three years. The Government's fair funding review is currently on hold	3	3	9	Maintain reserves to guard against risk. Early identification of new pressures. Budget Monitoring	Head of Finance	2	1	2	➔	The 2021/22 pay settlement has now been agreed between Employers and Unions at 1.75%. This is within the contingency budget set aside for 2021/22 and has been built into the MTFP for future years at 2%.	Head of Finance	Dec-21
Apr-06	FIN09	Director of Finance	Budgetary	Revenue balances insufficient to meet other inflationary increases	Other than contractual agreements, budgets have been cash limited where possible.	1	3	3	Monitor future inflation projections. Actively manage budgets to contain inflation. Maintain reserves.	Service Heads/Head of Finance	1	2	2	➔	Continue to monitor inflation levels. Assumptions for inflation will be updated through the budget setting process. Emerging pressures will be identified and reported through the monitoring report.	Head of Finance	ongoing
Jan-15	FIN10	Director of Finance	Budgetary	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.	2	3	6	PIB strategy has diversified interest rate risk to provide income security.	PIB/Head of Finance	3	2	6	➔	Monitoring ongoing income levels.	PIB	ongoing

Date risk added to register	Risk ref	Risk owner	Category	Risk description	Comment	Likelihood score (inherent)	Impact score (inherent)	Inherent risk score	Risk controls	Risk control owners	Likelihood score (residual)	Impact score (residual)	Residual risk score	Risk direction	Action plan	Action plan owners	Action plan completion dates
Apr-06	FIN11	Director of Finance	Budgetary	Inaccurate estimates of fees and charges income	Key income streams reported monthly to Corporate Management Team and shown in the latest Budget Monitoring reports. Due to COVID-19 losses of income on parking and Leisure Management fee have been incurred.	3	2	6	Budget levels realistically set and closely scrutinised	Service Heads/Head of Finance	2	2	4	➡	Fees and Charges are monitored as part of budget monitoring. Govt will continue to provide the income guarantee scheme for loss of income on fees & charges due to COVID-19 for the first quarter of 2021/22.	Service Heads	ongoing
Apr-06	FIN12	Director of Finance	Budgetary	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 vatable expenditure, then the Council may lose its ability to recover VAT on all of its exempt inputs. This is mitigated by close monitoring of exempt supplies and prudent VAT planning. The Council elects to tax on development schemes.	2	4	8	VAT Planning and opt to tax on schemes. VAT advisers employed.	Head of Finance	1	4	4	➡	Partial Exemption Review commissioned. Continue to opt to tax.	Head of Finance	ongoing
Dec-13	FIN13	Director of Finance	Budgetary	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. See fees and charges above. MTFs agreed for next 3 years.	2	3	6	Service Heads to take responsibility for achieving savings. Budget monitoring to highlight any issues to allow corrective action to be taken.	Service Heads/Head of Finance	2	2	4	➡	Budget process to clearly identify savings to be achieved and ensure clarity over responsibility over delivery. Savings to be challenged.	Head of Finance	ongoing
Apr-06	FIN14	Director of Finance	Budgetary	The Council is faced with potential litigation and other employment related risks	The Council has no outstanding litigation cases.	2	3	6	Council procedures are adhered to	Solicitor to the Council	1	3	3	➡	Adherence to council procedures to be monitored and procedures maintained.	Solicitor to the Council	ongoing

Date risk added to register	Risk ref	Risk owner	Category	Risk description	Comment	Likelihood score (inherent)	Impact score (inherent)	Inherent risk score	Risk controls	Risk control owners	Likelihood score (residual)	Impact score (residual)	Residual risk score	Risk direction	Action plan	Action plan owners	Action plan completion dates
Dec-13	FIN18	Director of Finance	Budgetary	Fluctuations in Business Rates Retention	From April 2020 the system was due to be subject to reset and increase to 75% retention. This has been further postponed to 2023/24.	3	4	12	Maintain reserves against risk.	Head of Finance	3	3	9	➔	Hertfordshire CFOs have commissioned work from LG Futures to assess the impact. SDCT also looking at impact nationally.	Director of Finance	Jul-22
Mar-16	FIN19	Head of Property Services	Budgetary	Failure to deliver the South Oxhey initiative to desired outcomes and objectives resulting in a delay in the capital receipt	This is a key project. This appears as item no.7 in the Council's strategic risk register. Phase 1 delivered. Enhanced next phase agreed. Work is scheduled to conclude in 2021/22 and remains broadly on track.	2	3	6	Project management team appointed to advise Council; Project management processes in place and reviewed regularly; Policy and Resources Committee receive regular reports on progress of project	Head of Property Services	2	2	4	➔	Continue to manage project	Head of Property	ongoing
Jul-16	FIN20	Director of Finance	Budgetary	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	3	2	6	System migrated to latest version. Payments system updated.	Head of Finance	1	2	2	➔	Monitor reliability	Head of Finance	ongoing
Mar-18	FIN21	Director of Finance	Budgetary	Property Investment	The Property Investment Board manage its property portfolio in order to secure additional income to support its general fund.	2	3	6	Portfolio to be actively managed to maintain income levels. Income to be reviewed regularly when MTFP is updated.	Head of Property Services	1	3	3	➔	PIB to assume responsibility for ongoing oversight.	Head of Property Services	Continuous
Sep-18	FIN23	Director of Finance	Budgetary	Commercial Investment	The Council is currently exploring other commercial options to improve self sustainability. Currently there is a commercial income target of £1M pa which is being met.	3	2	6	Oversight mechanisms to be put in place to ensure oversight by PIB or similar mechanism. Council to determine approach to risk and level of income dependency within budget.	Head of Finance	2	2	4	➔	Monitor new developments. Investments overseen by the cross party Shareholder and Commercial Ventures Panel.	Head of Property Services	Continuous

Reserves

Category	Opening Balance 01/04/2021 £	Net Movement in Year £	Closing Balance 31/03/2022 £	Purpose
Revenue Reserves				
General Fund	(5,210,222)	(153,324)	(5,363,546)	Working balance to support the Council's revenue services. £2M is a suggested prudent minimum
Economic Impact (EIR)	(2,102,600)	(231,246)	(2,333,846)	To support the funding of unexpected/unplanned Council expenditure as a result of fluctuations in the economy.
Building Control	(194,514)	(16,000)	(210,514)	To provide against future losses and/or borrowing against Hertfordshire Building Control Ltd
HB Equalisation	(500,868)	263,113	(237,755)	To provide against future deficits on the Housing Benefit account
Total Revenue	(8,008,204)	(137,457)	(8,145,661)	
Capital Reserves				
Capital Receipts	0	0	0	Generated from sale of Council assets
New Homes Bonus	(4,373,973)	1,978,662	(2,395,311)	Government grant set aside for supporting capital expenditure
Section 106	(631,636)	(603,621)	(1,235,257)	Developers contributions towards facilities
Grants & Contributions	(808,468)	(255,063)	(1,063,531)	Disabled Facility Grants and other contributions
Reserve for Capital expenditure	0	0	0	Reserve set aside for supporting capital expenditure
Total Capital	(5,814,077)	1,119,978	(4,694,099)	
Other Earmarked Reserves				
Leavesden Hospital Open Space	(769,124)	0	(769,124)	To maintain open space on the ex hospital site
Abbots Langley - Horsefield	(1,166,516)	116,183	(1,050,333)	Developers contributions towards maintenance of site
Community Infrastructure Levy (CIL)	(5,235,981)	(958,704)	(6,194,685)	Developers contributions towards Infrastructure
Environmental Maintenance Plant	(123,595)	0	(123,595)	Reserve to fund expenditure on plant & machinery
Total Other	(7,295,216)	(842,521)	(8,137,737)	
Total All	(21,117,497)	140,000	(20,977,497)	