

POLICY AND RESOURCES COMMITTEE – 23 JANUARY 2023

PART I - NOT DELEGATED

8. FINANCIAL PLANNING – REVENUE SERVICES (DoF)

1 Summary

- 1.1 The purpose of this report is to enable the Policy and Resources Committee to recommend to the Council the updated revenue budget for 2022/23, proposed revenue budget for 2023/24 and indicative revenue budget for 2024/25 and 2025/26. These budgets form the Council's Medium Term Financial Plan (MTFP).
- 1.2 The report includes the budget monitoring information for the period to November 2022. The key changes from the original budget that was set in February 2022 are linked to inflation, including the pay ward and cost of fuel and utilities, and the legacy impact of COVID-19 on income levels from the leisure management contract.
- 1.3 The Government has once again postponed local government finance reforms, including the business rate reset and 'Fair Funding' and has now confirmed that these will not occur within the current parliament so will be implemented from 2025/26 at the earliest. The Council is likely to lose resources as a result of these changes so the overall position has improved as a result of this in the first two years of the MTFP. The future of New Homes Bonus and other government grants remains uncertain beyond 2023/24. From 2024/25, district councils are expected to receive an additional source of income as a result of the introduction of 'producer pays' charges in relation to waste, the Government has indicated that, as a result, district council funding will be reviewed in early 2023/24.
- 1.4 The 2023 revaluation of non-domestic properties undertaken by the Valuation Office Agency (VOA) has resulted in significant increases to the rateable value of business premises within the district. Due to the likelihood of appeal, this increases the likelihood of volatility within the retained business rates for 2023/24 and 2024/25 which will be managed through the Collection Fund Reserve.
- 1.5 The continued uncertainty about the level of resources available to the Council in future years is only part of the picture. In common with all Councils, businesses and households there is also significant uncertainty about the costs that will be incurred over the MTFP due to pervasive and persistent inflation. The Council holds a sufficient level of reserves to manage the uncertainty around both funding and expenditure across the MTFP.
- 1.6 The table below summarises the key changes in the MTFP compared to that previously agreed. The detailed changes are set out in Appendix 4 by Service Committee.

	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
Budget Gap as per MTFP Approved February 2022	340	596	645	645
Changes in net Expenditure:				
Previously Agreed Changes through in year budget monitoring	1,767	637	620	620
Growth Bids		65	81	81
Contingency for pay award		0	0	275
Employer Pension Contribution 1% reduction		(100)	(100)	(100)
Service Efficiencies		(146)	(321)	(329)
Fees and Charges Budget Uplift		(364)	(364)	(364)
Capital Financing Charges		174	174	174
Specific Grants Rolled into RSG		75	75	75
Other Service Variances reported in this report	(267)	77	45	(287)
Total Changes in Net Expenditure	1,500	418	208	144
Changes in Taxation and Grant Funding:				
Council Tax		(43)	(116)	(397)
Business Rates		(350)	(350)	0
Council Tax Collection Fund Deficit		95	0	0
Grant Funding		(368)	(62)	(62)
Planned Use of Economic Impact Reserve	(463)	(183)	(148)	(148)
Total changes in Taxation and Grant Funding	(463)	(850)	(675)	(607)
Revised Gap	1,377	164	178	182
Net Change	1,037	(432)	(467)	(463)

2 Details

- 2.1 Officers have prepared a three-year Medium Term Financial Plan (MTFP) base budget for 2023/24 to 2025/26 which includes a revised estimate for the current year. This is attached at **Appendix 1**.

2022/23 Forecast Position

- 2.2 The original net revenue budget for 2022/23 was **£13.188m**. The latest approved budget is **£14.954m** (approved by Council on 13 December 2022). The increase in budget approved to date has largely been due to the impact of COVID-19, including loss income from the Leisure Contract Management fee. The table below shows the approved changes to date and the variances reported for this period (end of November) to give a forecast outturn position of **£14.687m**.

Net Revenue Budget 2022/23	£000
Original Net Revenue Budget	13,188
Variances Previously Reported	1,766
Latest Approved Budget	14,954
Service Variances Reported This Period	(267)
Forecast Outturn position	14,687

- 2.3 At the end of November, Services show an estimated favourable variance of **(£0.267m)**. The budget will be changed to reflect this outturn forecast if approved at Council.

2022/23 Revenue Account – General Fund Summary					
Service Area	Original Budget	Latest Budget	Net Spend to Period 8	Forecast Outturn	Variance
	£000	£000	£000	£000	£000
Leisure, Environment and Community	4,555	5,223	756	5,524	301
Infrastructure, Housing and Economic Development	1,436	1,582	(664)	1,409	(173)
Policy & Resources	4,995	5,948	4,257	5,546	(402)
Total Services	10,987	12,753	4,348	12,479	(274)
Corporate Costs (Interest, Parish precepts)	2,201	2,201	3,106	2,208	7
Net General Fund	13,188	14,954	7,454	14,687	(267)

2.4 **Appendix 2** details each service committee's net direct revenue budgets over the medium term. The table below shows the net direct expenditure budgets, actuals to date, forecast outturn and variance for each service committee.

2.5 The main items that contribute to the net favourable services variance of £0.267m are set out in the following table:

		£000
1.	2022/23 Pay Award	810
2.	Salary Contingency	(810)
3.	Increased income from Planning Application Fees, Pre-Application advice and CIL admin	(220)
4.	Homelessness – Use of Grant funding	(50)
5.	Increased income from Refuse Trade, Garden Waste and Kerbside Recycling	(63)
6.	District Elections – no ability to share costs	50
7.	Parliamentary Elections – loss on December 2019 Election	19
8.	Other	(3)
Total		(267)

The details of all the service variances over the medium term are shown at **Appendix 4**

2023/24 to 2025/26 - The Medium Term Financial Plan (MTFP)

2.6 Looking ahead over the next three years, the MTFP has been prepared against the continued backdrop of uncertainty about government funding, rising demand for services and increasing expectations from stakeholders for levels of service provision.

2.7 The Provisional Local Government Settlement, which provides details of central government funding to local authorities, was published on 19 December. This was a one year settlement providing detailed funding information for 2023/24 only. This means that grant funding beyond 2023/24 remains uncertain. Further detail is provided in section 4 below.

2.8 The MTFP includes a budget to provide for a 2% pay award in each financial year. This assumption mirrors the Bank of England's (BoE) target for inflation. The formal pay award for 2022/23 has been agreed and implemented and future year pay awards will be subject

to negotiation. There is a risk that the pay award could be higher as the increase to cost of living is well above the BoE target. However, any increase will need to balance against affordability for the sector, and Government public sector austerity targets, as any pay award will need to be funded from existing budgets.

- 2.9 Services have worked hard during the budget setting process to keep budget growth to a minimum and remain within their budget limits without affecting service delivery. Unavoidable growth relating to policy commitments and statutory or contractual requirements has been included in the base budgets.
- 2.10 The budget includes planned service efficiencies totalling £0.796m over the MTFP. The detailed proposals are set out in **Appendix 3**
- 2.11 Appendix 4 includes the variances reported for the current period (end of November) that affect all years. The effect of all variances on the Council's (surplus)/deficit for the year and the resulting forecast general fund balance over the medium term is shown below:

Movement on General Fund	2022/23 Forecast Outturn £000	2023/24 Indicative Budget £000	2024/25 Indicative Budget £000	2025/26 Indicative Budget £000
Balance at 1 April	(5,364)	(3,987)	(3,823)	(3,644)
(Surplus)/deficit for year	1,377	164	178	182
Balance at 31 March	(3,987)	(3,823)	(3,644)	(3,462)

- 2.12 It is recommended that a balance of at least £2.000m should be retained in the General Fund to enable the Council to manage unexpected cost pressures or shortfalls in income. The Council has an additional earmarked reserve, the Economic Impact Reserve (EIR), to manage risk. This is forecast to be £1.451m at the end of March 2023 and is available to manage future economic downturn or loss of business rates. It is assumed that £0.421m will be utilised from the EIR over the MTFP to manage the reduction in income from the leisure management contract following the reprofiling of the management fee to reflect the legacy impact of COVID-19 on activity levels.
- 2.13 The long term use of reserves to offset deficits is not sustainable or prudent. However, the forecast indicates that general balances will remain well above the risk assessed level of £2.000m over the MTFP period after taking account of meeting the budgeted deficit from general balances in 2023/24, 2024/25 and 2025/26. The budget gap in the final year of the MTFP is largely due to assumptions about reform of local government funding, including business rate reset. If this is further delayed this will bring the budget into surplus in 2025/26. The forecast balance on each revenue and capital reserve at the 31 March 2023 is shown at **Appendix 6**.

3 Fees, Charges and Rents

- 3.1 The Council set its fees and charges for 2023/24, effective from 1 January 2023, on 13 December 2022. The Council is also required to review and set the rent for Council garages for 2023/24. The proposed increase in rents for garages are 11% for garages that have been refurbished and 5% for those that have not been refurbished. Rents are set at different rates depending on the location, size and condition of the garages. Proposed rents range from £22.05 to £27.72 per week. The complete rent schedule is provided in **Appendix 7**.

4 Funding the Revenue Budget

- 4.1 The overall Council Medium Term Financial Plan (MTFP) at **Appendix 1** indicates a budget requirement (net expenditure) for 2023/24 of **£13.641m**. This will be funded from a number of sources, which are detailed in the following paragraphs.
- 4.2 On 12 December 2022 the Department for Levelling Up, Housing and Communities (DLUHC) issued the [‘Local government finance policy statement 2023/24 to 2024/25’](#). The statement was intended to provide councils with ‘greater certainty on key aspects of their funding’ recognising that ‘it is incredibly important for their budget setting process and their ability to plan for the future.’
- 4.3 The policy statement confirmed the increased flexibility for Council Tax outlined in the Chancellor’s Autumn Statement on 17 November 2022 which increased the referenda limit by 1% to 3% or more than £5 (whichever is the greater).
- 4.4 The statement set out that there would also be changes to settlement grants. The Services Grant will be reduced from 2022/23 allocations to remove the compensation for the increase in National Insurance Contributions which was reversed from 6 November 2022 following the mini budget on 23 September 2022. The Lower Tier Services Grant has also been repurposed to create a new one-off funding guarantee to ensure that all authorities achieve a 3% increase in their Core Spending Power before Council tax increases. This is intended to help authorities manage inflationary pressures.
- 4.5 It was also confirmed that there would be a new round of New Homes Bonus payments in 2023/24 but that this is a one off allocation and will not attract legacy payments for future years.
- 4.6 For 2024/25, the policy statement confirmed that the core settlement will ‘continue in a similar manner’ with the continuation of major grants, business rates pooling and council tax referendum principles. However, there is no confirmation about the future of the Services Grant, Funding Guarantee Grant or New Homes Bonus.
- 4.7 In addition, the government has committed to reviewing the position of funding for lower tier authorities ahead of the 2024/25 settlement taking into account the impact of the Extended Producer Responsibility for packaging (pEPR) scheme. The scheme is expected to be introduced in 2024/25 and will bring a significant new funding stream for lower tier authorities. His Majesty’s Treasury (HMT) and Department for Environment, Food and Rural Affairs (DEFRA) will be assessing the impact of the income of the relative needs and resources of local authorities in the coming year to factor into the 2024/25 settlement. At this stage, with limited information available, it is not possible to assess the impact of the scheme on the Council’s funding position and no assumptions have been factored into the proposed MTFP.
- 4.8 The statement confirms that the ‘Fair Funding Review’, which was originally planned for implementation in 2019/20, will not take place within the period of the current parliament but the implementation of proposed reforms remain a real prospect for 2025/26. The proposals include plans for Councils to increase the percentage of business rates they keep from 50% to 75% and would establish new baseline funding levels for each local authority that takes account of both the needs of local authorities and the resources available to local authorities. As the Council has a strong tax base it is likely that funding reform will result in an overall reduction to government funding and prudent estimates have been included for 2025/26.
- 4.9 [The Provisional Local Government Finance Settlement 2023/24](#) was published on 19 December 2022. This confirmed the approach outlined in the policy statement and provided detailed grant allocations for 2023/24 which are set out below.
- 4.10 The Provisional Settlement is subject to consultation which closes on 16 January 2023 with the final settlement expected in February 2023.

Business rates

- 4.11 Business rates are collected by the Council, and the proceeds are shared between the District and County Council, and also with central Government to fund services. There is an element of risk and reward involved in the Business Rates scheme, which is designed to incentivise Councils to promote business growth within their areas. The Council expects its share of business rates to be **£2.595m** in 2023/24 (including £0.600m in retained growth) with a further **£0.224m** received in Section 31 grant. The section 31 grant compensates local government for the freezing of the Business Rates Multiplier in line with the standard Consumer Price Index (CPI). The business rates retention scheme is volatile and estimating the outturn is complex due to factors such as appeals, demolitions, new builds, occupation and reliefs.
- 4.12 Alongside the delay to the implementation of the Fair Funding Review, the Government has also postponed the planned business rate reset, originally planned for implementation in 2019/20 to after the current parliament. When implemented, this will reduce the amount of growth that can be retained in the local share and prudent estimates have been included for this for 2025/26.
- 4.13 2023 has seen a revaluation of non-residential properties by the Valuation Office Agency (VOA) for business rate purposes. The impact on Three Rivers has been the biggest in the country with a 59.5% increase in the business rate base. The next largest increase is South Bucks at 38.3%. In fact, Hertfordshire has four of the five largest national increases driven mainly by the film and tv studios within the county. Warner Brothers accounts for almost half of Three Rivers increase.
- 4.14 There are two key impacts of the revaluation. The first is an increase in the levy rate that would be payable on the Hertfordshire pool. The levy determines the amount any business rate growth that has to be paid over to central government and this figure has increased from 4.4% to 22.6%. This reduces the benefits of the pool whilst increasing the downside risk. As a result, unless DLUCH change the Levy rate, pooling is not recommended for Hertfordshire for 2023/24. The net impact is a reduction in resources of £0.200m after building in additional growth.
- 4.15 The second impact of such large increases in the business rate base, in particular in relation to a single business, is the risk of appeals. The Government has made changes to the baseline and other elements of the business rate system to ensure that authorities are in the same place financially they would have been had the revaluation not taken place. Individual local authorities do, however, bear the risk of appeals against the new values. This process is managed by the VOA and the Council has no control over the outcome. A provision is set aside each year for the potential cost of appeals. The council will adjust its appeals provision in line with views of the national position in regard to the likelihood of successful appeals. However, were Warner Brothers to appeal successfully against its valuation, the potential figure is substantial. The Council is currently in dialogue with Government over this potential impact and has resources in the business rate reserve to manage the risk between forecast business rates and our baseline.

Unringfenced Government Grant

- 4.16 New Homes Bonus (NHB) is a non-ring-fenced grant relating to the number of new homes delivered in a local authority area that may be used at the discretion of the Council for either capital expenditure or to support the revenue account (or combination). For 2023/24, based on the provisional settlement, the Council expects to receive £0.018m. The government has confirmed that this is a one-off allocation and does not attract legacy payments. The future distribution of NHB remains uncertain following a consultation on the future of NHB during 2021/22 and a restated commitment from DLUCH to review ahead of the 2024/25 settlement. A prudent estimate has been included in the MTFP for 2024/25 and 2025/26.
- 4.17 The Government introduced the Lower Tier Support Grant for District Councils in 2021/22 to ensure that no authority experienced a reduction in core spending power in the 2021/22

settlement. This grant was rolled forward in 2022/23 but has been withdrawn for 2023/24 and replaced with the 3% increase in core funding guarantee.

- 4.18 For 2022/23 the government announced a new one-off Services Grant for local authorities. This has been rolled into 2023/24 with **£0.077m** will be received by Three Rivers. This is lower than the allocation for 2022/23 (£0.138m) as it has been adjusted to remove the element relating to the increase in employers' national insurance which was introduced from 1 April 2022 and then reversed from 6 November 2022. This grant is not ring fenced and can be applied as general funding. It is assumed that this grant will be received across the MTFP.
- 4.19 For 2023/24 Revenue Support Grant (RSG) of **£0.074m** will be received by Three Rivers. This replaces the ringfenced Local Council Tax Support grant which has been rolled into RSG so although this is an increase in unringfenced funding it is neutral to the budget overall.
- 4.20 For 2023/24 the government announced a new Funding Guarantee grant so that no local authority would see an increase in core spending power that is lower than 3% before taking into account council tax level decisions. A grant of **£0.383m** will be received by Three Rivers in 2023/24. The grant is one-off and is therefore included for 2023/24 only.

Council Tax for 2023/24

- 4.21 The Council needs to set a budget that gives an acceptable level of council tax, and is balanced in the medium to long term using the resources at its disposal.
- 4.22 A council tax increase of 2.99% has been assumed for 2023/24. The Council expects to collect **£7.693m** of council tax income in 2023/24. A one percentage increase in the council tax rate generates approximately a £76,934 increase in Council Tax revenue.
- 4.23 The Localism Act 2011 introduced a power for local electorates to approve or veto excessive council tax rises. The Local Government Financial Settlement sets the limit above which any authority will be required to hold a council tax referendum. This has increased for 2023/24 and 2024/25 to 3% or more or more than £5 (whichever is the greater) from the previous limit of 2% or more or more than £5.
- 4.24 A council tax increase of 2.99% is therefore included in the draft budget for 2023/24 and the indicative budget for 2024/25. As the referenda limit for 2025/26 has not been confirmed, the indicative 2025/26 budget includes an increase of £5.00 (2.50%) on the prudent assumption that the referenda limit returns to the previous level.
- 4.25 The government assessment of core spending power assumes local authorities will increase Council Tax by the maximum amount available without triggering a referendum.

Council Tax Base

- 4.26 The Council Tax base for 2022/23 was set at the Council meeting on the 13 December 2022 and totalled 39,545.0 assuming a collection rate of 99%. This is a 0.73% to the 2022/23 tax base and is predominantly due to additional dwellings.
- 4.27 A further increase of 1.0% is assumed for tax base growth in 2024/25 and 2025/26 in the MTFP. Despite this being higher than growth in 2022/23 and 2023/24, this remains a prudent estimate and is lower than the assumptions for growth included in the MTFP prior to COVID-19 when annual growth of 1.5% was expected.
- 4.28 Where amounts of Council Tax collected exceed the estimates made, the surplus is shared between the relevant major precepting authorities (Hertfordshire County Council, Three Rivers District Council and Hertfordshire Police & Crime Commissioner). In the same way, where amounts collected are lower than the estimates made, the deficit is shared between the relevant precepting authorities and recovered in the following year. To reduce risk for the Parish Councils, surpluses or deficits are not paid or charged to them.

Local Council Tax Reduction Scheme

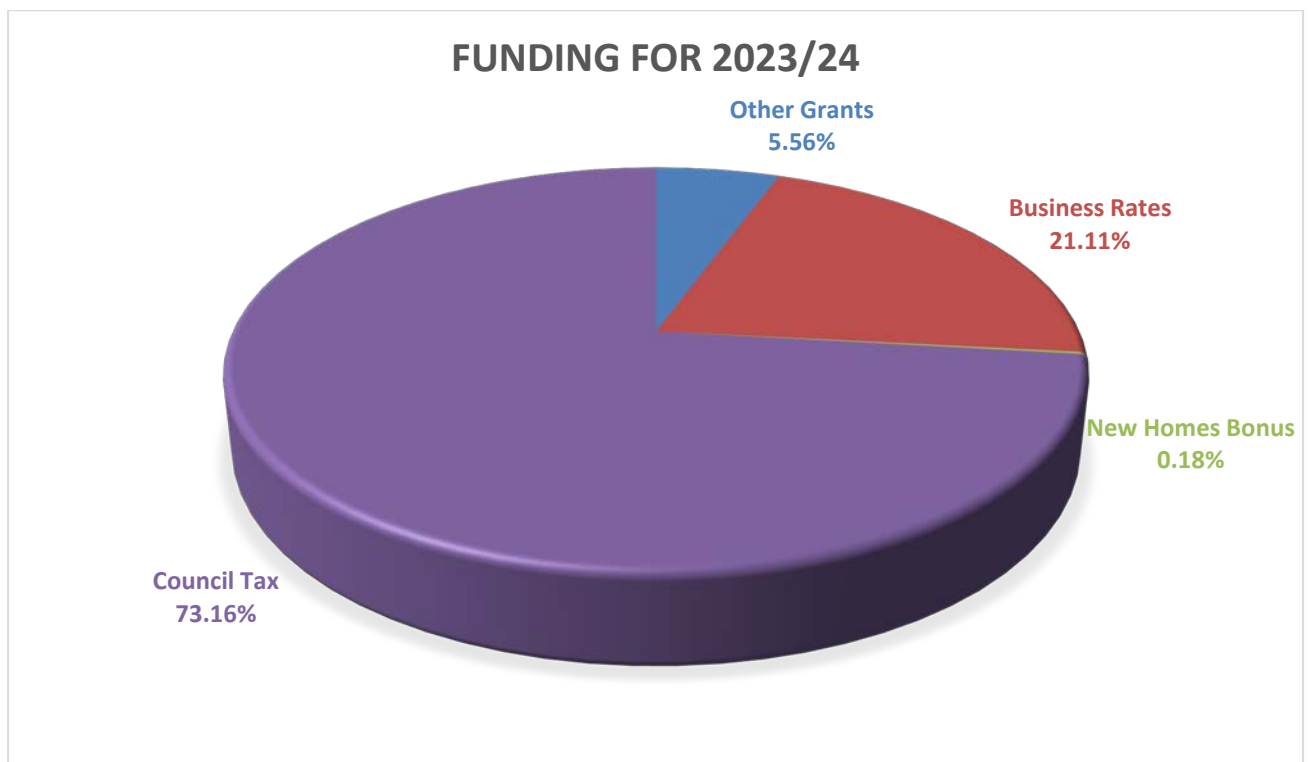
4.29 It is proposed that the existing Council Tax Reduction Scheme is continued for 2023/24.

Collection Fund

4.30 There is a statutory requirement to account separately for Council Tax and Business Rates. The Collection Fund has been established to achieve this. The Fund records all transactions such as the yield, exemptions, discounts, provisions for bad debts, payments to major preceptors to Central Government and takes into account collection rates.

4.31 The Council Tax setting process requires an estimate of the surplus or deficit at 31 March 2022 on Council Tax and Business Rates. The balances are distributed to the Council as the Billing Authority, the major preceptors and Central Government. For 2023/24, a deficit of £0.095m in relation to Council Tax will be recovered from Three Rivers as a result of increases to the provision and slower than forecast tax base growth in 2022/23.

4.32 The chart below show the value and proportion of each funding stream that supports the Council's revenue account for 2023/24.



5 Draft Revenue Estimates and General Fund Balance

5.1 Under Section 25 of the Local Government Act 2003, the Council's Chief Finance Officer (designated officer under section 151 of the Local Government Act 1972) must report to Council on the following matters:

- a. the robustness of the estimates made for the purposes of the calculations, and
- b. the adequacy of the proposed financial reserves

5.2 The Director of Finance, as the designated officer, confirms the estimates have been correctly calculated under the assumptions used and are robust. The council would have sufficient balances to fund the 2023/24 budget, including the future years of the MTFP.

5.3 There remains considerable uncertainty around the macro-economic climate and its impact on the Council's MTFP, especially in future years. Key uncertainty includes:

- The ongoing level of inflation and the impact of inflation on underlying budgets, including next year's local government pay award and the impact of inflation on our key contracts. Continued high inflation is also likely to increase demand for some key services and impact on council tax revenues;
- The Council benefits significantly from business rate growth and business rate pooling. Whilst this will remain for 2024/25, the position from 2025/26 remains unclear.
- The impact of national changes to waste collection and waste disposal, including the introduction of the 'producer pays' charges and associated additional funding source.

5.4 The Council will continue to manage the risks within its budget through active budget monitoring, taking steps in year to address any pressures, and through the use of the Economic Impact Reserve and ultimately General Balances.

5.5 Resources beyond 2023/24 remain uncertain. Whilst the Government's policy statement on local government finance gave some detail on 2024/25, it also committed to a review of lower tier funding in light of the additional resources coming to district councils through 'producer pays' funding in waste. Fair funding and the reset of the business rates base will not take place in 2024/25 with changes due to be introduced in the next Parliament.

6 Options/Reasons for Recommendation

6.1 The recommendation below enables the Committee to make recommendations to the Council on 21 February 2023 concerning the Council's budget.

7 Policy/Budget Reference and Implications

7.1 The recommendations in this report contribute to the process whereby the Council will approve and adopt its budget under Article 4 of the Council's Constitution.

8 Equal opportunities, Environmental, Community Safety, Customer Services Centre, Communications, Health & Safety & Website Implications

8.1 See agenda item 10. Financial Planning Recommendations.

9 Financial Implications

9.1 Financial implications are set out in the main body of the report.

10 Legal Implications

10.1 The provisions of the Local Government Finance Act 1992 (LGFA 1992) set out what the Council has to base its budget calculations upon regarding council tax and requires the Council to set a balanced budget having regard to the advice of its Chief Finance Officer (section 151 Officer). The setting of the budget is a function reserved to Full Council in accordance with Part 2, Article 4.02 of the Council's Constitution and the Policy and Resources Committee must therefore forward its recommendations on the budget to Full Council.

10.2 Section 30(6) LGFA 1992 provides that the Council has got to set its budget calculations before 11 March in the financial year preceding the one in respect of which the budget is set although, it is not invalid merely because it is not set on or after 11 March. However, it is important that the Council sets its 2023/24 budget by 11 March 2023 as any delay in setting council tax may leave the Council vulnerable to legal proceedings requiring it to set the tax.

11 Staffing Implications

- 11.1 These depend on the budget set. Staff and their representatives have been kept informed of the strategic, service and financial planning process.

12 Risk Management Implications

- 12.1 The Council has agreed its risk management strategy. Financial and budgetary risks are shown at **Appendix 5**.
- 12.2 In the officers' opinion none of the risks detailed in Appendix 5, in isolation, were they to come about, would seriously prejudice the achievement of the Strategic Plan and are therefore operational risks that will be included and managed via the Corporate Services Service Plan. The effectiveness of treatment plans are reviewed by the Audit Committee.

13 Recommendation

- 13.1 That this report be noted.

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Checked by: Alison Scott – Director of Finance

Background Papers

Reports and Minutes of the Policy and Resources Committee and Council

The recommendations contained in this report DO NOT constitute a KEY DECISION but contribute to the process whereby the Council will approve and adopt its Strategic, Service and Financial Plans under Article 4 of the Council's Constitution

Appendices

- Appendix 1 Summary Medium Term Financial Plan 2023/24 to 2025/26
- Appendix 2 Service Committees Medium term Financial Plan 2023/24 to 2025/26
- Appendix 3 Service Efficiencies
- Appendix 4 Service Committees Variances at end of November 2023/24 to 2025/26
- Appendix 5 Financial and Budgetary Key Risks
- Appendix 6 Reserves
- Appendix 7 Proposed Garage Charges 2023/24

MEDIUM TERM FINANCIAL PLAN 2022/23 to 2025/26

Funding	2022/23			2023/2024	2024/25	2025/26
	Original	Latest Budget	Forecast	Proposed	Proposed	Proposed
Council Tax Base (No.)	39,259.80	39,259.80	39,259.80	39,545.00	39,940.50	40,339.90
Council Tax Base Increase (%)	0.00	0.00	0.00	0.72	0.99	0.99
Band D Council Tax (£)	188.90	188.90	188.90	194.55	200.37	205.37
Council Tax Increase - TRDC (%)	0.00	0.00	0.00	2.99	2.99	2.50
Council Tax (£)	(7,416,176)	(7,416,176)	(7,416,176)	(7,693,405)	(8,002,682)	(8,284,408)
Parish Precepts (£)	(2,228,733)	(2,228,733)	(2,228,733)	(2,273,307)	(2,318,780)	(2,365,160)
Total Taxation (£)	(9,644,909)	(9,644,909)	(9,644,909)	(9,966,712)	(10,321,462)	(10,649,568)
Business Rates (£)	(2,801,641)	(2,801,641)	(2,801,641)	(2,818,907)	(2,818,907)	(2,468,907)
Council Tax Collection Fund deficit (£)	(12,648)	(12,648)	(12,648)	94,638	0	0
New Homes Bonus Grant (£)	(110,247)	(110,247)	(110,247)	(18,480)	(95,000)	(95,000)
Government Funding (£)	(228,772)	(228,772)	(228,772)	(534,444)	(151,305)	(151,305)
Dividend (£)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Total Grant Funding (£)	(3,203,308)	(3,203,308)	(3,203,308)	(3,327,193)	(3,115,212)	(2,765,212)
Total Taxation & Grant Funding (£)	(12,848,217)	(12,848,217)	(12,848,217)	(13,293,906)	(13,436,674)	(13,414,780)
Financial Statement - Summary	2022/23			2023/24	2024/25	2025/26
	Original	Latest Budget	Forecast	Proposed	Proposed	Proposed
	£	£	£	£	£	£
Committee - Net Cost Of Services						
Infrastructure, Housing & Economic Development	1,436,494	1,582,359	1,582,359	1,497,720	1,497,720	1,497,720
Leisure, Environment & Community	4,554,672	5,223,117	5,223,117	4,683,508	4,683,508	4,683,508
Policy & Resources	4,995,654	5,947,644	5,947,644	5,633,799	5,891,599	5,891,599
Period 8 Variances	0	0	(273,674)	(465,344)	(673,030)	(737,287)
Growth Bids	0	0	0	65,000	81,000	81,000
Sub-Total	10,986,820	12,753,120	12,479,446	11,414,683	11,480,797	11,416,540
Other						
Parish Precepts	2,228,733	2,228,733	2,228,733	2,273,307	2,318,780	2,365,160
Net Transfer from Reserves	(59,910)	(59,910)	(59,910)	(59,910)	(59,910)	(59,910)
Interest Payable & Borrowing costs	302,150	302,150	302,150	302,150	302,150	302,150
Interest Received	(270,000)	(270,000)	(270,000)	(470,000)	(460,000)	(460,000)
Period 8 Variances	0	0	7,000	180,839	180,839	180,839
Sub-Total	2,200,973	2,200,973	2,207,973	2,226,386	2,281,859	2,328,239
Net Expenditure	13,187,793	14,954,093	14,687,419	13,641,069	13,762,656	13,744,779
Income from Council Tax, Government Grants & Business Rates	(12,848,217)	(12,848,217)	(12,848,217)	(13,293,906)	(13,436,674)	(13,414,780)
(Surplus)/Deficit Before Use of Earmarked Reserves	339,575	2,105,875	1,839,201	347,164	325,982	330,000
Planned Use of Reserves:						
Economic Impact Reserve	0	0	(462,519)	(182,840)	(147,587)	(147,587)
(Surplus) / Deficit to be funded from General Balance:	339,575	2,105,875	1,376,682	164,324	178,395	182,413

Movement on General Fund Balance	2022/23			2023/24	2024/25	2025/26
	Original £	Latest Budget £	Forecast £	Proposed £	Proposed £	Proposed £
Balance Brought Forward at 1 April	(5,363,546)	(5,363,546)	(5,363,546)	(3,986,864)	(3,822,540)	(3,644,145)
Revenue Budget (Surplus)/Deficit for Year	339,575	2,105,875	1,376,682	164,324	178,395	182,413
Closing Balance at 31 March	(5,023,971)	(3,257,671)	(3,986,864)	(3,822,540)	(3,644,145)	(3,461,732)

Movement on Economic Impact	2022/23			2023/24	2024/25	2025/26
	Original £	Latest Budget £	Outturn £	Proposed £	Proposed £	Proposed £
Balance Brought Forward at 1 April	(2,333,846)	(2,333,846)	(2,333,846)	(1,871,327)	(1,688,487)	(1,540,900)
COVID-19 Impact for Year	0	0	462,519	182,840	147,587	147,587
Closing Balance at 31 March	(2,333,846)	(2,333,846)	(1,871,327)	(1,688,487)	(1,540,900)	(1,393,313)

Total Reserves Impact	2022/23			2023/24	2024/25	2025/26
	Original £	Latest Budget £	Outturn £	Proposed £	Proposed £	Proposed £
Balance Brought Forward at 1 April	(7,697,392)	(7,697,392)	(7,697,392)	(5,858,191)	(5,511,027)	(5,185,045)
Impact for Year	339,575	2,105,875	1,839,201	347,164	325,982	330,000
Closing Balance at 31 March	(7,357,817)	(5,591,517)	(5,858,191)	(5,511,027)	(5,185,045)	(4,855,045)

SERVICE COMMITTEES - MEDIUM TERM FINANCIAL PLAN 2022/23 to 2025/26

Leisure, Environment & Community									
Community Safety & Partnership	Original Budget 2022/23	Latest Budget 2022/23	Spend to Date	Forecast Year End 2022/23	Variance @ P8	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Officer Comments
	£	£	£	£	£	£	£	£	
Citizens Advice Bureaux	303,340	303,340	193,005	303,340	0	303,340	303,340	303,340	Accommodation costs actioned at year end
Community Development	4,500	4,500	(67,426)	4,500	0	4,500	4,500	4,500	Actuals includes grants which are yet to be paid out
Community Safety	273,695	297,732	276,121	306,460	8,728	217,274	218,103	218,103	2022/23 Pay Award and Future years salary realignment. Full budget on Grants & Contributions no longer required from 2023/24 due to no longer contributing to the costs of a PCSO
Corporate Climate Change	93,600	157,279	(1,573,092)	160,141	2,862	98,085	98,902	98,902	2022/23 Pay Award and Future years salary realignment
Community Partnerships	198,215	202,744	135,622	210,441	7,697	209,387	211,303	211,303	2022/23 Pay Award and Future years salary realignment
Env Health - Commercial Team	209,790	209,790	94,247	209,790	0	209,790	209,790	209,790	Invoiced 1/2 yearly by Watford Borough Council
Licensing	(74,100)	(71,716)	(97,846)	(65,786)	5,930	(66,261)	(66,050)	(66,050)	2022/23 Pay Award and Future years salary realignment
Community & Leisure Grant	80,000	80,000	51,181	80,000	0	80,000	80,000	80,000	Grants to be paid out
Total	1,089,040	1,183,669	(988,188)	1,208,886	25,217	1,056,115	1,059,888	1,059,888	

Leisure	Original Budget 2022/23	Latest Budget 2022/23	Spend to Date	Forecast Year End 2022/23	Variance @ P8	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Officer Comments
	£	£	£	£	£	£	£	£	
Abbots Langley Project	0	0	130,298	0	0	0	0	0	Budget is fully funded by S106 monies
Community Sports Network Csn	0	0	(4,970)	0	0	0	0	0	Actuals includes grant funding
Community Arts	10,600	10,600	778	8,420	(2,180)	11,400	11,400	11,400	Increased income received for activities delivered.
Watersmeet	64,990	40,934	(168,461)	51,745	10,811	5,406	2,181	2,181	2022/23 Pay Award and Future years salary realignment. 10% increase in fees & charges for Lettings & Hall Hire

Leisure cont.	Original Budget 2022/23 £	Latest Budget 2022/23 £	Spend to Date £	Forecast Year End 2022/23 £	Variance @ P8 £	Forecast 2023/24 £	Forecast 2024/25 £	Forecast 2025/26 £	Officer Comments
Leavesden Ymca	(35,000)	(35,000)	(22,879)	(35,000)	0	(35,000)	(35,000)	(35,000)	Income is received quarterly.
Oxhey Hall	(3,000)	(3,000)	(2,250)	(3,000)	0	(3,000)	(3,000)	(3,000)	Income is received quarterly.
Trees And Landscapes	189,360	213,560	83,413	228,560	15,000	189,360	189,360	189,360	£5,000 budget transferred from Leisure Venues to fund high priority health and safety tree works across the district. Requesting an additional £10,000 towards emergency high priority tree works across the district. Overspend also part funded by S106 monies for Leavesden Country Park.
Museum	(700)	(700)	(700)	(700)	0	(700)	(700)	(700)	Budget met
Playing Fields & Open Spaces	80,225	133,225	148,087	133,225	0	97,731	97,731	97,731	7% increase in fees and charges for hiring of Football pitches
Play Rangers	50,915	52,111	41,569	56,004	3,893	56,495	56,416	56,416	2022/23 Pay Award and Future years salary realignment
Comm Parks & Sust Project	22,000	22,000	5,157	22,000	0	24,200	24,200	24,200	2022/23 Pay Award and Future years salary realignment
Aquadrome	16,390	16,390	28,578	16,390	0	16,550	16,550	16,550	Income will be received by year end
Leisure Venues	(737,480)	(163,961)	(1,288)	(168,961)	(5,000)	(479,640)	(514,893)	(514,893)	£5,000 from the Free Gym/Swimming budget to be transferred to Trees and Landscapes to fund high priority health and safety works across the district. Revised profile of management fee due from leisure provider - SLM
Leisure Development	482,960	490,610	333,158	518,117	27,507	519,504	519,600	519,600	2022/23 Pay Award and Future years salary realignment
Play Development - Play schemes	37,940	37,940	23,117	37,940	0	42,940	42,940	42,940	2022/23 Pay Award and Future years salary realignment
Sports Devel-Sports Projects	43,200	38,940	29,246	38,940	0	45,550	45,550	45,550	2022/23 Pay Award and Future years salary realignment
Leisure & Community Services	130,120	133,283	83,100	137,151	3,868	121,355	121,277	121,277	2022/23 Pay Award and Future years salary realignment
Grounds Maintenance	767,495	782,446	443,521	833,144	50,698	735,553	737,518	737,518	2022/23 Pay Award and Future years salary realignment
Total	1,120,015	1,769,378	1,149,474	1,873,975	104,597	1,347,704	1,311,130	1,311,130	

Environmental Services	Original Budget 2022/23 £	Latest Budget 2022/23 £	Spend to Date £	Forecast Year End 2022/23 £	Variance @ P8 £	Forecast 2023/24 £	Forecast 2024/25 £	Forecast 2025/26 £	Officer Comments
Refuse Domestic	(19,695)	(19,695)	(9,846)	(19,695)	0	(23,370)	(23,370)	(23,370)	10% increase in fees & Charges for Special Commercial fees
Refuse Trade	(218,075)	(113,406)	(429,589)	(103,496)	9,910	(37,465)	(37,465)	(37,465)	2022/23 Pay Award and Future years salary realignment. 2022/23 increased income from Trade Refuse £7,000 and Bulky Domestic Waste £8,500. Future years 10% increase in fees and charges for Trade Refuse, Bulky Waste and Glass/Paper/Card.
Recycling General	750	750	(3,407)	750	0	750	750	750	Budget will be spent
Garden Waste	(416,960)	(425,615)	(818,789)	(433,115)	(7,500)	(595,543)	(595,543)	(595,543)	2022/23 Pay Award and Future years salary realignment. 2022/23 Increased income received of £7,500 for new Garden Waste sign-ups. Future Years Increase in fees and charges of £10 per bin for first bins and £20 per bin for subsequent bins
Clinical Waste	(44,585)	(19,992)	(70,831)	(17,451)	2,541	(31,678)	(31,678)	(31,678)	2022/23 Pay Award and Future years salary realignment. 10% increase in fees & Charges for Clinical Waste Collection
Recycling Kerbside	(90,790)	(507,378)	(328,678)	(547,378)	(40,000)	(318,613)	(318,613)	(318,613)	2022/23 £40,000 Increased income from Pearce Recycling from the sale of recycling. Future Years AFM income from Herts County Council will no longer be received.
Abandoned Vehicles	250	250	0	250	0	250	250	250	Demand led service
Pest Control	76,922	78,800	39,207	78,800	0	80,755	12,755	12,755	Full budget no longer required from 2024/25 due to the Pest Control Service no longer being provided by Watford Borough Council
Environmental Maintenance	25,980	25,980	12,362	25,980	0	25,970	25,970	25,970	Budget no longer required
Animal Control	58,850	60,004	43,932	62,582	2,578	62,305	62,253	62,253	2022/23 Pay Award and Future years salary realignment
Cemeteries	(188,330)	(188,330)	(118,586)	(188,330)	0	(208,623)	(208,623)	(208,623)	10% increase in fees & Charges for Burial Fees, Burial Rights Fees and Memorial Fees
Hertfordshire Fly Tipping	0	0	(10,861)	0	0	0	0	0	Ring-fenced grant monies

Environmental Services cont.	Original Budget 2022/23 £	Latest Budget 2022/23 £	Spend to Date £	Forecast Year End 2022/23 £	Variance @ P8 £	Forecast 2023/24 £	Forecast 2024/25 £	Forecast 2025/26 £	Officer Comments
Environmental Protection	358,985	368,107	226,080	392,794	24,687	389,553	389,685	389,685	2022/23 Pay Award and Future years salary realignment
Depot-Batchworth	34,940	37,940	45,300	37,940	0	35,380	35,380	35,380	income will be received by year end
Waste Management	2,222,160	2,412,063	1,632,468	2,551,856	139,793	2,360,909	2,261,172	2,261,172	2023/24 Pay Award and future years salary realignment. A target saving of £100,000 from 2024/25 onwards is proposed in relation to potential economies in the purchase of fuel.
Street Cleansing	545,215	560,592	385,856	599,924	39,332	632,375	633,545	633,545	2022/23 Pay Award and Future years salary realignment
Environmental Protection	358,985	368,107	226,080	392,794	24,687	389,553	389,685	389,685	2022/23 Pay Award and Future years salary realignment
Depot-Batchworth	34,940	37,940	45,300	37,940	0	35,380	35,380	35,380	income will be received by year end
Total	2,345,617	2,270,070	594,618	2,441,411	171,341	2,372,955	2,206,468	2,206,468	
Total Leisure Environment & Community	4,554,672	5,223,117	755,904	5,524,272	301,155	4,776,774	4,577,486	4,577,486	

Infrastructure Housing & Economic Development									
Housing	Original Budget 2022/23	Latest Budget 2022/23	Spend to Date	Forecast Year End 2022/23	Variance @ P8	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Officer Comments
	£	£	£	£	£	£	£	£	
Housing Services Needs	494,350	433,490	356,685	456,692	23,202	501,198	512,455	512,455	2022/23 Pay Award and Future years salary realignment
Rent Deposit Guarantee Scheme	5,110	5,110	1,500	5,110	0	5,110	5,110	5,110	Demand led service
Homelessness General Fund	(131,770)	(172,770)	(882,178)	(222,770)	(50,000)	(176,770)	(176,770)	(176,770)	Full Hire of Accommodation budget not required this year due to use of grant funding of £50,000. Full budget no longer required from 2023/24 onwards due to reduced usage of nightly lets and efficient use of our own temporary accommodation. Full budget no longer required from 2023/24 onwards due to reduced usage of nightly lets and efficient use of our own temporary accommodation
Housing Associations	(5,000)	(5,000)	(2,500)	(5,000)	0	(5,000)	(5,000)	(5,000)	Income will be received by year end
Refugees	0	0	(95,878)	0	0	0	0	0	Ring-fenced grant monies
Env Health - Residential Team	116,255	108,196	24,288	113,352	5,156	70,097	71,314	71,314	Budget transferred to executive Head of Service following restructure
Total	478,945	369,026	(598,083)	347,384	(21,642)	394,635	407,109	407,109	

Infrastructure & Planning Policy	Original Budget 2022/23 £	Latest Budget 2022/23 £	Spend to Date £	Forecast Year End 2022/23 £	Variance @ P8 £	Forecast 2023/24 £	Forecast 2024/25 £	Forecast 2025/26 £	Officer Comments
Land & Property Info Section	(1,950)	859	9,521	7,247	6,388	6,987	(129)	(7,660)	2022/23 Pay Award and Future years salary realignment. Full staffing budget no longer required from 2024/25. Budgets for Travelling Expenses and Essential & Casual User Mileage not required this year
Street Naming & Numbering	7,130	7,130	2,362	7,130	0	7,130	7,130	7,130	Budget will be spent
Development Management	133,707	160,598	(435,672)	(23,612)	(184,210)	263,664	273,005	273,005	2022/23 Pay Award and Future years salary realignment. Full budget for Essential & Casual Users mileage and Scanning not required this year. Increased income received, Pre-application advice £20,000, Planning application fees £153,580 and CIL 5% admin £46,700
Director Community & Env Servs	130,550	133,943	87,226	136,485	2,542	130,211	130,118	130,118	2022/23 Pay Award and Future years salary realignment
Development Plans	302,255	376,377	120,036	388,173	11,796	298,293	299,821	299,821	2022/23 Pay Award and Future years salary realignment
Hertfordshire Building Control	(9,487)	(8,096)	(28,993)	(3,945)	4,151	(4,323)	(4,323)	(4,323)	2022/23 Pay Award and Future years salary realignment
HS2 Planning	0	0	(591)	0	0	0	0	0	
Total	562,205	670,811	(246,111)	511,478	(159,333)	701,962	705,622	698,091	

Economic Development	Original Budget 2022/23	Latest Budget 2022/23	Spend to Date	Forecast Year End 2022/23	Variance @ P8	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Officer Comments
	£	£	£	£	£	£	£	£	
Energy Efficiency	19,500	27,462	0	27,462	0	19,500	19,500	19,500	Budget will be spent
Sustainability Projects	3,000	3,000	152	3,000	0	3,000	3,000	3,000	Budget will be spent
Decriminalised Parking Enf	73,640	191,388	21,742	196,544	5,156	92,369	92,369	92,369	2022/23 Pay Award and Future years salary realignment
Car Parking-Maintenance	115,070	115,070	107,029	115,070	0	96,690	96,690	96,690	Budget will be spent
Dial A Ride	40,000	40,000	6,220	40,000	0	40,000	40,000	40,000	Budget will be spent
Sustainable Travel Schemes	1,500	22,500	11,485	22,500	0	1,500	1,500	1,500	Budget will be spent
Better Buses Fund	93,359	93,359	0	93,359	0	93,359	93,359	93,359	In consultation with HCC re future routes
Public Conveniences	4,200	3,600	3,000	3,600	0	3,600	3,600	3,600	Budget will be spent
GIS Officer	45,075	46,143	30,509	48,720	2,577	50,161	51,053	51,053	2022/23 Pay Award and Future years salary realignment
Total	395,344	542,522	180,137	550,255	7,733	400,179	401,071	401,071	

Total Infrastructure Housing & Economic Development	1,436,494	1,582,359	(664,057)	1,409,117	(173,242)	1,496,776	1,513,802	1,506,271	
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Policy & Resources									
Resources & Shared Services	Original Budget 2022/23	Latest Budget 2022/23	Spend to Date	Forecast Year End 2022/23	Variance @ P8	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Officer Comments
	£	£	£	£	£	£	£	£	
Director Of Finance	70,610	73,937	50,254	76,478	2,541	66,703	70,896	70,896	2022/23 Pay Award and Future years salary realignment
Communication	115,670	131,780	159,933	147,458	15,678	312,645	315,294	315,294	2022/23 Pay Award and Future years salary realignment. Data Protection Budget moved to major Incident Planning due to restructure of service
Legal Practice	395,725	406,209	325,675	421,046	14,837	407,881	408,277	408,277	2022/23 Pay Award and Future years salary realignment. Increase in Legal Income budget due to increasing the cost of officer time from £200 to £250 per hour including for S106 agreements.
Committee Administration	202,475	207,111	35,528	215,704	8,593	194,741	195,423	195,423	2022/23 Pay Award and Future years salary realignment
Office Services	232,810	213,560	87,921	213,560	0	214,810	214,810	214,810	Full printing budget no longer required as all printing will be recharged to the services
Elections & Electoral Regn	129,420	132,487	266,494	140,184	7,697	146,326	146,458	146,458	2022/23 Pay Award and Future years salary realignment
Finance Services	457,875	498,152	342,856	541,112	42,960	487,002	472,919	472,919	2022/23 Pay Award and Future years salary realignment. Full Shared Service Income budget no longer required due to reduction in staffing budgets
Parliamentary Elections	0	0	18,476	18,746	18,746	0	0	0	Loss on 2019 Parliamentary Election. Final claim now received
Police Commissioner Election	0	0	13,347	0	0	0	0	0	May 2021 Election claim currently with Cabinet Office
Revs & Bens Management	36,250	38,769	37,268	41,347	2,578	39,453	39,453	39,453	2022/23 Pay Award and Future years salary realignment, offset by increased Shared Service income due to pay award and salary realignment
Fraud	80,150	78,067	65,041	85,801	7,734	81,149	81,149	81,149	2022/23 Pay Award and Future years salary realignment. Full budget on Legal Fees no longer required. Reduction in shared service income due to Legal Fees, pay award and salary realignment
Chief Executive	176,060	180,568	143,115	184,140	3,572	204,612	204,612	204,612	2022/23 Pay Award and Future years salary realignment

Resources & Shared Services cont.	Original Budget 2022/23 £	Latest Budget 2022/23 £	Spend to Date £	Forecast Year End 2022/23 £	Variance @ P8 £	Forecast 2023/24 £	Forecast 2024/25 £	Forecast 2025/26 £	Officer Comments
Performance Mgt & Scrutiny	47,520	48,654	32,293	51,232	2,578	50,903	50,903	50,903	2022/23 Pay Award and Future years salary realignment
Debt Recovery	227,075	238,715	185,291	266,300	27,585	233,506	234,421	234,421	2022/23 Pay Award and Future years salary realignment, offset by a reduction in Shared Service income due to pay award and salary realignment
Executive Head of Service	0	95,646	59,479	98,187	2,541	100,609	104,358	104,358	2022/23 Pay Award and Future years salary realignment
Three Rivers House	366,000	412,512	230,336	412,512	0	359,260	359,260	359,260	Budget will be spent
Basing House	(10,340)	(2,340)	16,926	(2,340)	0	(10,140)	(10,140)	(10,140)	Income will be received by year end
Officers' Standby	6,140	6,140	6,140	6,140	0	6,140	6,140	6,140	Budget fully spent
Finance Client	115,780	131,058	(1,867)	134,926	3,868	21,108	22,465	22,465	2022/23 Pay Award and Future years salary realignment
Business App Maintenance	226,400	226,400	211,318	226,400	0	257,875	257,875	257,875	Increased budget required of £19,545 for new 5 year IDOX contract from 2023/24 onwards, which will increase by RPI in subsequent years and for inflationary rise of GIS Contract of £11,930 from 2023/24 onwards
ICT Client	755,542	791,066	450,349	793,644	2,578	721,551	721,551	721,551	2022/23 Pay Award and Future years salary realignment. £39,210 efficiency saving from 2023/24 onwards arising from ICT structure revision
Internal Audit Client	71,460	55,968	36,093	55,968	0	55,968	55,968	55,968	Budget will be spent
Fraud Client	2,690	2,690	1,345	2,690	0	2,690	2,690	2,690	Budget will be spent
Insurances	353,220	373,220	372,555	373,220	0	373,220	373,220	373,220	Increase in sum insured and inflationary increases
Debt Recovery Client Acc	(6,140)	(6,140)	(1,125)	(6,140)	0	(6,140)	(6,140)	(6,140)	Budget will be spent
HR Client	333,736	333,736	169,334	333,736	0	334,113	334,113	334,113	Budget will be spent
Corporate Management	150,680	213,416	40,537	213,416	0	150,680	150,680	150,680	Budget will be spent
Democratic Representation	303,758	310,288	208,481	309,838	(450)	307,838	307,838	307,838	Full budgets for Subsistence £200 and Miscellaneous IT £250 for Members no longer required
Benefits & Allowances	666,800	694,848	687,470	769,712	74,864	748,587	751,260	751,260	2022/23 Pay Award and Future years salary realignment offset by increase in Shared Service income.

Resources & Shared Services cont.	Original Budget 2022/23 £	Latest Budget 2022/23 £	Spend to Date £	Forecast Year End 2022/23 £	Variance @ P8 £	Forecast 2023/24 £	Forecast 2024/25 £	Forecast 2025/26 £	Officer Comments
Benefits Client	(545,210)	(545,210)	4,427,518	(545,210)	0	(470,660)	(470,660)	(470,660)	This holds the housing benefits payments and recovery from DWP and further grants from DWP relating to the provision of benefits. There is timing difference between payments made to claimants and income received from Government. The variance relates to the removal of specific grant funding which is now being rolled into Revenue Support Grant
Benefits New Burden	0	0	(38,849)	0	0	0	0	0	Grant monies received
Benefits DHP	0	0	7,557	0	0	0	0	0	Actioned at year end
Benefits Non Hra	1,020	1,020	(391,277)	1,020	0	1,020	1,020	1,020	Actioned at year end
Council Tax Collection	381,209	396,785	333,316	432,387	35,602	387,937	388,667	388,667	2022/23 Pay Award and Future years salary realignment, offset by a reduction in Shared Service income due to pay award and salary realignment
NNDR	55,090	57,110	117,680	62,272	5,162	58,898	58,898	58,898	2022/23 Pay Award and Future years salary realignment offset by an increase in shared service income due to pay award and salary realignment
Council Tax Client	(126,879)	(126,879)	0	(126,879)	0	(126,879)	(126,879)	(126,879)	Budget will be spent
Nndr Cost Of Collection	(107,090)	(107,090)	0	(107,090)	0	(107,090)	(107,090)	(107,090)	This is received at year end
Register Of Electors	36,800	36,800	7,777	36,800	0	36,800	36,800	36,800	Budget will be spent
District Elections	76,320	76,320	121,796	126,320	50,000	76,320	76,320	76,320	Increased costs due to no ability to share costs with County, Police & Crime Commissioner or parish elections
Customer Service Centre	917,340	900,103	460,754	957,902	57,799	876,087	886,076	886,076	2022/23 Pay Award and Future years salary realignment
Major Incident Planning	100,230	101,944	46,920	104,485	2,541	106,833	106,964	106,964	2022/23 Pay Award and Future years salary realignment. Data Protection Budget moved from Communication due to restructure of service
Miscellaneous Income & Expend	25,003	25,003	(4,195,311)	18,003	(7,000)	(55,000)	(55,000)	(55,000)	£7,000 budget for Minimum Revenue Position moved to Interest Paid. Future years budgets no longer required for Miscellaneous Expenses £23,003 and Future Trading Activities £50,000.

Resources & Shared Services cont.	Original Budget 2022/23 £	Latest Budget 2022/23 £	Spend to Date £	Forecast Year End 2022/23 £	Variance @ P8 £	Forecast 2023/24 £	Forecast 2024/25 £	Forecast 2025/26 £	Officer Comments
Non Distributed Costs	255,000	255,000	3,176	255,000	0	255,000	255,000	255,000	Actioned at year end
Customer Contact Programme	6,000	110,288	35,653	110,288	0	6,000	6,000	6,000	Budget will be spent
Customer Experience	0	81,690	52,239	84,231	2,541	87,324	91,213	91,213	2022/23 Pay Award and Future years salary realignment
Miscellaneous Properties	(102,180)	(54,341)	(45,174)	(54,138)	203	(77,433)	(77,433)	(77,433)	2022/23 Pay Award and Future years salary realignment
Asset Management - Property Services	378,545	437,227	478,811	460,318	23,091	411,755	412,139	412,139	2022/23 Pay Award and Future years salary realignment
Parish Elections	0	0	(7,046)	0	0	0	0	0	Ringfenced for future elections
County Elections	0	0	(13,896)	0	0	0	0	0	Ringfenced for future elections
Referendums	0	0	(28,249)	0	0	0	0	0	Ringfenced for future elections
Garages & Shops Maintenance	(1,142,960)	(1,170,158)	(738,630)	(1,170,158)	0	(1,169,030)	(1,169,030)	(1,169,030)	Income for Garages will be looked at in January 2023
Investment Properties	(1,100,000)	(1,100,000)	(628,701)	(1,100,000)	0	(890,089)	(950,499)	(982,225)	Decrease in income due to be received from Investment Properties
Kickstart	0	0	(333)	0	0	0	0	0	
Oxhey Drive	10,050	10,050	0	10,050	0	10,250	10,250	10,250	Budget will be spent
Wimbledon	0	0	0	0	0	(200,000)	(200,000)	(500,000)	Income due to be received
Vacancy Provision	(180,000)	(180,000)	0	(180,000)	0	(180,000)	(180,000)	(180,000)	
Salary Contingency	550,000	855,465	0	45,439	(810,026)	175,000	450,000	725,000	2022/23 Pay Award and Future years salary realignment. 1% reduction in Pension Costs and 2% salary increase contingency for 2025/26
Total Policy & Resources	4,995,654	5,947,644	4,256,594	5,546,057	(401,587)	5,076,133	5,308,509	5,251,783	
Total All Committees	10,986,820	12,753,120	4,348,441	12,479,446	(273,674)	11,349,683	11,399,797	11,335,540	

Corporate Costs	Original Budget 2022/23 £	Latest Budget 2022/23 £	Spend to Date £	Forecast Year End 2022/23 £	Variance @ P8 £	Forecast 2023/24 £	Forecast 2024/25 £	Forecast 2025/26 £	Officer Comments
Interest Earned	(270,000)	(270,000)	(218,390)	(270,000)	0	(670,000)	(660,000)	(660,000)	Increased Income generated from Treasury Management activities
Interest Paid	302,150	302,150	96,400	309,150	7,000	682,989	682,989	682,989	Minimum Revenue Provision (MRP) requirement for Capital Program, £7,000 moved from Miscellaneous Income and Expenditure and £373,839 budget required for future years
Transfer to Reserves	(59,910)	(59,910)	999,000	(59,910)	0	(59,910)	(59,910)	(59,910)	
Parish Precepts	2,228,733	2,228,733	2,228,733	2,228,733	0	2,273,307	2,318,780	2,365,160	Paid half yearly in April & September
Total Corporate Costs	2,200,973	2,200,973	3,105,743	2,207,973	7,000	2,226,386	2,281,859	2,328,239	
Grand Total	13,187,793	14,954,093	7,454,184	14,687,419	(266,674)	13,576,069	13,681,656	13,663,779	

Growth Bids	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26
Trees & Landscapes - Alternative Grassland Management	30,000	30,000	30,000
Trees & Landscapes - Ash Die Back	25,000	25,000	25,000
Communications	10,000	10,000	10,000
Revenue impact of Capital Growth Bids	0	16,000	16,000
Total	65,000	81,000	81,000

Net Budget	13,641,069	13,762,656	13,744,779
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Funding Changes	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Officers Comments
New Homes Bonus	(18,480)	(95,000)	(95,000)	Decrease in allocation
Council Tax	(9,966,712)	(10,321,462)	(10,649,568)	Increase in Charge by 2.99% in 2023/24
Council Tax Collection Fund Deficit	94,638	0	0	Deficit on Council Tax Collection Fund
Business Rates Growth	(600,000)	(600,000)	(250,000)	Increase in allocation
Business Rates	(2,218,907)	(2,218,907)	(2,218,907)	
Revenue Support Grant	(73,817)	(73,817)	(73,817)	Additional Government Grant
New - Funding Guarantee	(383,139)	0	0	Additional Government Grant
Services Grant	(77,488)	(77,488)	(77,488)	Additional Government Grant
Dividend	(50,000)	(50,000)	(50,000)	
Lower Tier Grant	0	0	0	Decrease in Allocation
Total Funding	(13,293,905)	(13,436,674)	(13,414,780)	

Surplus / Deficit	347,164	325,982	330,000
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Service Efficiencies

Service area	Description	2023/24 £	2024/25 £	2025/26 £	Total £
Environmental Protection	Full budget no longer required from 2024/25 due to changes to the delivery of the Pest Control Service currently provided by Watford Borough Council.	0	(68,000)	(68,000)	(136,000)
Environmental Protection	The Council is working with other authorities to explore a Hertfordshire wide consortium which will benefit from reduced rates per litre of diesel. This is a target saving and will be reviewed during 2023/24.	0	(100,000)	(100,000)	(200,000)
Legal	Uplift of section 106 agreements fees for legal work from £200 to £250 per hour in line with Local Government guidelines due to increasing cost of officer time.	(11,250)	(11,250)	(11,250)	(33,750)
Committee Services	Subsistence budget saving of £200 a year due to with Members not needing to attend so many face to face meetings and more meetings being held virtually.	(200)	(200)	(200)	(800)
Committee Services	Reduction in budget for miscellaneous IT equipment for Members	(250)	(250)	(250)	(1,000)
Planning, Infrastructure and Economic Development	Reduction in use of temporary resource within the Land and Property team	0	(7,532)	(15,063)	(22,595)
Community Partnerships	The SLA with the Police for additional PCSOs will not be renewed.	(71,000)	(71,000)	(71,000)	(213,000)
Housing	Reduced usage of nightly lets and efficient use of our own temporary accommodation reduces expenditure.	(45,000)	(45,000)	(45,000)	(135,000)
Property Services	All printing will be recharged to relevant services helping to reduce printing and drive digital first.	(18,000)	(18,000)	(18,000)	(54,000)
		(145,700)	(321,232)	(328,763)	(796,145)

SERVICE COMMITTEES – VARIANCES

Leisure, Environment & Community			2022/23	2023/24	2024/25	2025/26
Description	Main Group Heading	Details of Year end Variances to Latest Approved Budget	£	£	£	£
Community Safety & Partnerships						
Community Safety	Employees	2022/23 Pay Award and Future years salary realignment	8,728	6,027	6,856	6,856
	Supplies and Services	Full budget on Grants & Contributions no longer required from 2023/24 due to no longer contributing to the costs of a PCSO	0	(71,000)	(71,000)	(71,000)
Corporate Climate Change	Employees	2022/23 Pay Award and Future years salary realignment	2,862	2,535	3,352	3,352
Community Partnerships	Employees	2022/23 Pay Award and Future years salary realignment	7,697	23	1,939	1,939
Licensing	Employees	2022/23 Pay Award and Future years salary realignment	5,930	5,255	5,466	5,466
Total Community Safety & Partnerships			25,217	(57,160)	(53,387)	(53,387)
Leisure						
Watersmeet	Employees	2022/23 Pay Award and Future years salary realignment	10,811	(34,491)	(37,716)	(37,716)
	Income	10% increase in fees & charges for Lettings & Hall Hire	0	(12,101)	(12,101)	(12,101)
Community Arts	Employees	2022/23 Pay Award and Future years salary realignment	0	800	800	800
	Income	Increased income received for activities delivered.	(2,180)	0	0	0
Trees & Landscapes	Premises	£5,000 budget transferred from Leisure Venues to fund high priority health and safety tree works across the district. Requesting an additional £10,000 towards emergency high priority tree works across the district. Overspend also part funded by S106 monies for Leavesden Country Park.	15,000	0	0	0
Playing Fields & Open Spaces	Income	7% increase in fees and charges for hiring of Football pitches	0	(2,604)	(2,604)	(2,604)
Play Rangers	Employees	2022/23 Pay Award and Future years salary realignment	3,893	4,384	4,305	4,305
Comm Parks & Sust Projects	Employees	2022/23 Pay Award and Future years salary realignment	0	2,200	2,200	2,200
Leisure Venues	Supplies and Services	£5,000 from the Free Gym/Swimming budget to be transferred to Trees and Landscapes to fund high priority health and safety works across the district	(5,000)	0	0	0
	Income	Revised profile of management fee due from leisure provider - SLM	0	182,840	147,587	147,587
Leisure Development	Employees	2022/23 Pay Award and Future years salary realignment	27,507	28,804	28,900	28,900
Play Development - Playschemes	Employees	2022/23 Pay Award and Future years salary realignment	0	5,000	5,000	5,000

Description	Main Group Heading	Details of Year end Variances to Latest Approved Budget	2022/23 £	2023/24 £	2024/25 £	2025/26 £
Sports Devel-Sports Projects	Employees	2022/23 Pay Award and Future years salary realignment	0	2,350	2,350	2,350
Leisure & Community Services	Employees	2022/23 Pay Award and Future years salary realignment	3,868	(11,628)	(11,706)	(11,706)
Grounds Maintenance	Employees	2022/23 Pay Award and Future years salary realignment	50,698	(48,633)	(46,668)	(46,668)
Total Leisure			104,597	116,921	80,347	80,347
Environmental Services						
Refuse Domestic	Income	10% increase in fees & Charges for Special Commercial fees	0	(3,675)	(3,675)	(3,675)
Refuse Trade	Employees	2022/23 Pay Award and Future years salary realignment	25,410	151,091	151,091	151,091
	Income	2022/23 increased income from Trade Refuse £7,000 and Bulky Domestic Waste £8,500. Future years 10% increase in fees and charges for Trade Refuse, Bulky Waste and Glass/Paper/Card	(15,500)	(75,150)	(75,150)	(75,150)
Garden Waste	Employees	2022/23 Pay Award and Future years salary realignment	0	58,112	58,112	58,112
	Income	2022/23 Increased income received of £7,500 for new Garden Waste sign-ups. Future Years Increase in fees and charges of £10 per bin for first bins and £20 per bin for subsequent bins	(7,500)	(240,000)	(240,000)	(240,000)
Clinical Waste	Employees	2022/23 Pay Award and Future years salary realignment	2,541	(1,336)	(1,336)	(1,336)
	Income	10% increase in fees & Charges for Clinical Waste Collection	0	(10,350)	(10,350)	(10,350)
Environmental Maintenance	Employees	Budget no longer required	0	(10)	(10)	(10)
Kerbside Recycling	Income	2022/23 £40,000 Increased income from Pearce Recycling from the sale of recycling. Future Years AFM income from Herts County Council will no longer be received.	(40,000)	107,720	107,720	107,720
Pest Control	Third Party Payments	Full budget no longer required from 2024/25 due to the Pest Control Service no longer being provided by Watford Borough Council	0	0	(68,000)	(68,000)
Animal Control	Employees	2022/23 Pay Award and Future years salary realignment	2,578	2,301	2,249	2,249
Cemeteries	Income	10% increase in fees & Charges for Burial Fees, Burial Rights Fees and Memorial Fees	0	(20,193)	(20,193)	(20,193)
Environmental Protection	Employees	2022/23 Pay Award and Future years salary realignment	24,687	21,326	21,458	21,458

Description	Main Group Heading	Details of Year end Variances to Latest Approved Budget	2022/23 £	2023/24 £	2024/25 £	2025/26 £
Waste Management	Employees	2022/23 Pay Award and Future years salary realignment	139,793	(26,164)	(25,901)	(25,901)
	Transport	The Council is working with other authorities to explore a Hertfordshire wide consortium which will benefit from reduced rates per litre of diesel. This is a target saving and will be reviewed during 2023/24.	0	0	(100,000)	(100,000)
Street Cleansing	Employees	2022/23 Pay Award and Future years salary realignment	39,332	69,833	71,003	71,003
Total Environmental Services			171,341	33,505	(132,982)	(132,982)
Total Leisure, Environment and Community			301,155	93,266	(106,022)	(106,022)

Infrastructure Housing & Economic Development						
Description	Main Group Heading	Details of Year end Variances to Latest Approved Budget	2022/23 £	2023/24 £	2024/25 £	2025/26 £
Housing						
Housing Services Needs	Employees	2022/23 Pay Award and Future years salary realignment	23,202	(11,905)	(648)	(648)
Homelessness General Fund	Premises	Full Hire of Accommodation budget not required this year due to use of grant funding of £50,000. Full budget no longer required from 2023/24 onwards due to reduced usage of nightly lets and efficient use of our own temporary accommodation	(50,000)	(70,000)	(70,000)	(70,000)
	Income	Full budget no longer required from 2023/24 onwards due to reduced usage of nightly lets and efficient use of our own temporary accommodation	0	25,000	25,000	25,000
Env Health - Residential	Employees	2022/23 Pay Award and Future years salary realignment	5,156	(49,437)	(48,220)	(48,220)
Total Housing			(21,642)	(106,342)	(93,868)	(93,868)
Infrastructure and planning policy						
Land & Property Info Section	Employees	2022/23 Pay Award and Future years salary realignment. Full staffing budget no longer required from 2024/25	6,898	5,728	(1,388)	(8,919)
	Transport	Budgets for Travelling Expenses and Essential & Casual User Mileage not required this year	(510)	0	0	0
Development Management	Employees	2022/23 Pay Award and Future years salary realignment	45,070	125,209	134,550	134,550
	Transport	Full budget for Essential & Casual Users mileage not required this year	(3,000)	0	0	0
	Supplies and Services	Full scanning budget not required this year	(6,000)	0	0	0
	Income	Increased income received, Pre-application advice £20,000, Planning application fees £153,580 and CIL 5% admin £46,700	(220,280)	0	0	0
Director Com & Env Serv	Employees	2022/23 Pay Award and Future years salary realignment	2,542	(3,772)	(3,865)	(3,865)
Development Plans	Employees	2022/23 Pay Award and Future years salary realignment	11,796	(32,936)	(31,408)	(31,408)
Hertfordshire Building Control	Employees	2022/23 Pay Award and Future years salary realignment	4,151	3,773	3,773	3,773
Total Infrastructure and planning policy			(159,333)	98,002	101,662	94,131
Economic Development						
Decriminalised Parking Enf Spa	Employees	2022/23 Pay Award and Future years salary realignment	5,156	4,633	4,633	4,633
GIS Officer	Employees	2022/23 Pay Award and Future years salary realignment	2,577	2,763	3,655	3,655
Total Economic Development			7,733	7,396	8,288	8,288
Total Infrastructure, Housing & Economic Development			(173,242)	(944)	16,082	8,551

Policy & Resources			2022/23	2023/24	2024/25	2025/26
Description	Main Group Heading	Details of Year end Variances to Latest Approved Budget	£	£	£	£
Director Of Finance	Employees	2022/23 Pay Award and Future years salary realignment	2,541	(7,234)	(3,041)	(3,041)
Communication	Employees	2022/23 Pay Award and Future years salary realignment	15,678	197,195	199,844	199,844
	Supplies and Services	Data Protection Budget moved to major Incident Planning due to restructure of service	0	(2,900)	(2,900)	(2,900)
Legal Practice	Employees	2022/23 Pay Award and Future years salary realignment	14,837	10,987	11,383	11,383
	Income	Increase in Legal Income budget due to increasing the cost of officer time from £200 to £250 per hour, this work includes S106 agreements.	0	(11,250)	(11,250)	(11,250)
Committee Administration	Employees	2022/23 Pay Award and Future years salary realignment	8,593	(12,545)	(11,863)	(11,863)
Office Services	Supplies and Services	Full printing budget no longer required as all printing will be recharged to the services	0	(18,000)	(18,000)	(18,000)
Elections & Electoral Regn	Employees	2022/23 Pay Award and Future years salary realignment	7,697	13,664	13,796	13,796
Finance Services	Employees	2022/23 Pay Award and Future years salary realignment	42,960	(27,662)	(19,869)	(19,869)
	Income	Full Shared Service Income budget no longer required due to reduction in staffing budgets	0	16,597	11,921	11,921
Fraud	Employees	2022/23 Pay Award and Future years salary realignment	7,734	6,506	6,506	6,506
	Supplies and Services	Full budget on Legal Fees no longer required	0	(10,000)	(10,000)	(10,000)
	Income	Full Shared Service Income budget no longer required due to reduction in Legal Fees budget and pay award and salary realignment	0	2,096	2,096	2,096
Chief Executive	Employees	2022/23 Pay Award and Future years salary realignment	3,572	24,044	24,044	24,044
Performance Mgt & Scrutiny	Employees	2022/23 Pay Award and Future years salary realignment	2,578	2,249	2,249	2,249
Debt Recovery	Employees	2022/23 Pay Award and Future years salary realignment	27,585	(14,881)	(12,535)	(12,535)
	Income	Reduction in Shared Service income due to pay award and salary realignment	0	9,077	7,646	7,646
Executive Head of Service	Employees	2022/23 Pay Award and Future years salary realignment	2,541	100,609	104,358	104,358
Finance Client	Employees	2022/23 Pay Award and Future years salary realignment	3,868	(60,070)	(58,713)	(58,713)

Description	Main Group Heading	Details of Year end Variances to Latest Approved Budget	2022/23 £	2023/24 £	2024/25 £	2025/26 £
Business App Maintenance	Supplies and Services	Increased budget required of £19,545 for new 5 year IDOX contract from 2023/24 onwards, which will increase by RPI in subsequent years and for inflationary rise of GIS Contract of £11,930 from 2023/24 onwards	0	31,475	31,475	31,475
ICT Client	Employees	2022/23 Pay Award and Future years salary realignment	2,578	2,106	2,106	2,106
	Supplies and Services	Efficiency saving arising from ICT structure revision	0	(39,210)	(39,210)	(39,210)
Democratic Representation	Supplies and Services	Full budgets for Subsistence £200 and Miscellaneous IT £250 for Members no longer required	(450)	(450)	(450)	(450)
Benefits & Allowances	Employees	2022/23 Pay Award and Future years salary realignment	74,864	124,335	130,552	130,552
	Income	Increase in Shared Service income due to pay award and salary realignment	0	(70,871)	(74,415)	(74,415)
Council Tax Collection	Employees	2022/23 Pay Award and Future years salary realignment	35,602	(25,007)	(23,136)	(23,136)
	Income	Reduction in Shared Service income due to pay award and salary realignment	0	15,254	14,113	14,113
NNDR	Employees	2022/23 Pay Award and Future years salary realignment	5,162	4,584	4,584	4,584
	Income	Increase in Shared Service income due to pay award and salary realignment	0	(2,796)	(2,796)	(2,796)
Revs & Bens Management	Employees	2022/23 Pay Award and Future years salary realignment	2,578	1,753	1,753	1,753
	Income	Increase in Shared Service income due to pay award and salary realignment	0	(1,069)	(1,069)	(1,069)
Benefits Client	Income	Removal of Specific Grant Funding Rolled into Revenue Support Grant	0	74,550	74,550	74,550
Customer Service Centre	Employees	2022/23 Pay Award and Future years salary realignment	57,799	(70,752)	(60,763)	(60,763)
Customer Experience	Employees	2022/23 Pay Award and Future years salary realignment	2,541	87,324	91,213	91,213
District Elections	Supplies and Services	Increased costs due to no ability to share costs with County, Police & Crime Commissioner or parish elections	50,000	0	0	0
Parliamentary Elections	Supplies and Services	Loss on 2019 Parliamentary Election. Final claim now received	18,746	0	0	0
Major Incident Planning	Employees	2022/23 Pay Award and Future years salary realignment	2,541	1,869	2,000	2,000
	Supplies and Services	Data Protection Budget moved from Communication due to restructure of service	0	2,900	2,900	2,900

Description	Main Group Heading	Details of Year end Variances to Latest Approved Budget	2022/23 £	2023/24 £	2024/25 £	2025/26 £
Miscellaneous Income & Expenditure	Supplies and Services	£7,000 budget for Minimum Revenue Position moved to Interest Paid. Future years budgets no longer required for Miscellaneous Expenses £23,003 and Future Trading Activities £50,000.	(7,000)	(80,003)	(80,003)	(80,003)
Miscellaneous Properties	Employees	2022/23 Pay Award and Future years salary realignment	203	268	268	268
Asset Management - Property Services	Employees	2022/23 Pay Award and Future years salary realignment	23,091	13,146	13,530	13,530
Investment Properties	Income	Decrease in income due to be received from Investment Properties	0	309,911	249,501	217,775
Wimbledon	Income	Income due to be received	0	(200,000)	(200,000)	(500,000)
Salary Contingency	Employees	2022/23 Pay Award and Future years salary realignment. 1% reduction in Pension Costs and 2% salary increase contingency for 2025/26	(810,026)	(955,465)	(955,465)	(680,465)
Total Policy and Resources			(401,587)	(557,666)	(583,090)	(639,816)

TOTAL Variances for Period 8 (November) 2022	(273,674)	(465,344)	(673,030)	(737,287)
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Other						
	Main Group Heading	Variances to Latest Approved Budget	2022/23 £	2023/24 £	2024/25 £	2025/26 £
Interest Earned	Income	Increased Income generated from Treasury Management activities	0	(200,000)	(200,000)	(200,000)
Interest Paid	Capital Financing Charges	Minimum Revenue Provision (MRP) requirement for Capital Program, £7,000 moved from Miscellaneous Income and Expenditure and £373,839 budget required for future years	7,000	380,839	380,839	380,839
Total Other Variations			7,000	180,839	180,839	180,839

Funding			2022/23	2023/24	2024/25	2025/26
	Main Group Heading	Variances to Latest Approved Budget	£	£	£	£
New Homes Bonus	Income	Decrease in allocation	0	76,520	0	0
Council Tax	Income	Increase in charge by 2.99% in 2023/24	0	(42,854)	(115,615)	(443,721)
Council Tax Collection Fund Deficit	Income	Deficit on Council Tax Collection Fund	0	94,638	0	0
Business Rates Growth	Income	Increase in allocation	0	(350,000)	(350,000)	0
Revenue Support Grant	Income	Additional Government Grant	0	(73,817)	(73,817)	(73,817)
Services Grant	Income	Additional Government Grant	0	(77,488)	(77,488)	(77,488)
Funding Guarantee	Income	Additional Government Grant	0	(383,139)	0	0
Lower Tier Grant	Income	Decrease in allocation	0	89,481	89,481	89,481
Total Funding Variations			0	(666,659)	(527,439)	(505,545)

Growth Bids			2022/23	2023/24	2024/25	2025/26
	Main Group Heading	Variances to Latest Approved Budget	£	£	£	£
	Premises	Trees & Landscapes - Alternative Grassland Management	0	30,000	30,000	30,000
	Premises	Trees & Landscapes - Ash Die Back	0	25,000	25,000	25,000
	Supplies & Services	Communications	0	10,000	10,000	10,000
	Supplies & Services	Revenue Impact of Capital PIDS	0	0	16,000	16,000
Total Growth Bids			0	65,000	81,000	81,000

FINANCIAL AND BUDGETARY KEY RISKS

APPENDIX 5

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.	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 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 which includes a risk assessment for the prudent level of general balances and an assessment of financial resilience with reference to the CIPFA Financial resilience index.	Heads of Service/ Head of Finance	Continuous
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	4	3	12	Maintain reserves to guard against risk. Early identification of new pressures. Budget Monitoring	Head of Finance	2	2	4	↑	The Council's 3 year Medium term Financial Strategy includes forecast pay awards for the next three years. The Council maintains reserves to guard against risk including setting a prudent minimum level for general balances. Early identification of new pressures through Budget Monitoring	Head of Finance	Continuous
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.	3	3	9	Monitor future inflation projections. Actively manage budgets to contain inflation. Maintain reserves.	Service Heads/Head of Finance	2	2	4	↑	Monitor future inflation projections. Actively manage budgets and contracts to contain inflation. The Council maintains reserves to guard against risk including setting a prudent minimum level for general balances.	Head of Finance	Continuous
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 and other earmarked reserves that are invested in the money market. The volatility of the global economy continues to place uncertainty on the investment strategy.	3	3	9	PIB strategy has diversified interest rate risk to provide income security.	PIB/Head of Finance	2	3	6	→	Monitoring ongoing income levels.	PIB	Continuous

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
3	2	6	Budget levels realistically set and closely scrutinised	Service Heads/Head of Finance	2	2	4	➔	Fees and charges, including and surplus or loss are monitored through budget monitoring with key income streams reported to CMT.	Service Heads	Continuous
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	Continuous
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	Continuous
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

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
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	Continuous
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	Continuous
3	2	6	System migrated to latest version. Payments system updated.	Head of Finance	1	2	2	→	Monitor reliability	Head of Finance	Continuous
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
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
3	4	12	Improve depth of skills and knowledge. Bring in temporary additional resources as necessary.	Head of Finance	1	3	3	→	Following a revision of job descriptions, minor amendments to the structure, and a successful recruitment campaign over the summer, the Finance team is currently fully staffed. All staff have an annual Personal Development Review which contains smart objectives including objectives related to career development and identification of training needs and opportunities.	Chief Executive/ Director of Finance	Continuous

RESERVES

Category	Opening Balance 01/04/2022 £	Net Movement in Year £	Closing Balance 31/03/2023 £	Purpose
Revenue Reserves				
General Fund	(5,363,546)	1,376,682	(3,986,863)	Working balance to support the Council's revenue services. £2M is a suggested prudent minimum
Economic Impact (EIR)	(2,333,846)	462,519	(1,871,327)	To support the funding of unexpected/unplanned Council expenditure as a result of fluctuations in the economy.
Total Revenue	(7,697,392)	1,839,201	(5,858,190)	
Capital Reserves				
Capital Receipts	0	(301,800)	(301,800)	Generated from sale of Council assets
New Homes Bonus	(2,395,311)	0	(2,395,311)	Government grant set aside for supporting capital expenditure
Section 106	(1,235,257)	(561,037)	(1,796,294)	Developers contributions towards facilities
Grants & Contributions	(1,063,531)	(665,264)	(1,728,795)	Disabled Facility Grants and other contributions
Reserve for Capital expenditure	0	0	0	Reserve set aside for supporting capital expenditure
Total Capital	(4,694,099)	(1,528,101)	(6,222,200)	
Other Earmarked Reserves				
Leavesden Hospital Open Space	(769,124)	0	(769,124)	To maintain open space on the ex-hospital site
Abbots Langley - Horsefield	(1,050,333)	0	(1,050,333)	Developer contributions towards maintenance of site
Community Infrastructure Levy (CIL)	(6,194,685)	(999,000)	(7,193,685)	Developer contributions towards Infrastructure
Environmental Maintenance Plant	(123,595)	0	(123,595)	Reserve to fund expenditure on plant & machinery
Building Control	(210,514)	0	(210,514)	To provide against future losses and/or borrowing against Hertfordshire Building Control Ltd
HB Equalisation	(237,755)	0	(237,755)	To provide against future deficits on the Housing Benefit account
Grants & Contributions	(292,891)		(292,891)	Revenue Grants earmarked for use in future years
Total Other	(8,878,897)	(999,000)	(9,877,897)	
Total All	(21,270,388)	(687,900)	(21,958,287)	

APPENDIX 7

Proposed Garage Charges 2023/24

Garage Site	No of Rented Garages	Total Garages	Current Rents 2022/23		Proposed Rents 2023/24		
			Weekly Rent Incl VAT	Refurbished as part of garage refurb	2023/24 Weekly Rent Incl VAT	Weekly Increase (£)	% Increase
AINSDALE ROAD	2	3	£ 21.00		£ 22.05	1.05	5.0%
ALEXANDRA ROAD	22	30	£ 24.00	2018	£ 26.60	2.60	10.8%
ANTHONY CLOSE	15	16	£ 21.00	2018	£ 23.30	2.30	11.0%
ASHLEYS	8	12	£ 21.00	2020	£ 23.30	2.30	11.0%
BALDWINS LANE	18	18	£ 25.00		£ 26.25	1.25	5.0%
BARNHURST PATH	4	4	£ 21.00	2018	£ 23.30	2.30	11.0%
BELL CLOSE	5	6	£ 21.00	2018	£ 23.30	2.30	11.0%
BERESFORD ROAD	12	14	£ 21.00		£ 22.05	1.05	5.0%
BLACKFORD ROAD	31	38	£ 21.00		£ 22.05	1.05	5.0%
BLUEBELL DRIVE	15	18	£ 21.00		£ 22.05	1.05	5.0%
BRADBURY	11	12	£ 19.80	2020	£ 21.95	2.15	10.9%
BREAKSPEARE ROAD	3	3	£ 25.00	2018	£ 27.70	2.70	10.8%
BUCKLANDS	7	11	£ 21.00		£ 22.05	1.05	5.0%
BULLSLAND GARDENS	8	12	£ 25.00	2018	£ 27.70	2.70	10.8%
BUTTLEHIDE	25	41	£ 19.80	2020	£ 21.95	2.15	10.9%
CHILTERN DRIVE	11	12	£ 21.00		£ 22.05	1.05	5.0%
CHURCH HILL	3	3	£ 21.00	2018	£ 23.30	2.30	11.0%
COPMANS WICK	24	26	£ 25.00		£ 26.25	1.25	5.0%
COUNCIL COTTAGES	4	6	£ 25.00		£ 26.25	1.25	5.0%
DOWNER DRIVE	3	17	£ 24.00		£ 25.20	1.20	5.0%
DUGDALES	3	4	£ 25.00	2020	£ 27.70	2.70	10.8%
EDINBURGH AVENUE	11	12	£ 21.00		£ 22.05	1.05	5.0%
FLEETWOOD WAY	7	8	£ 21.00		£ 22.05	1.05	5.0%
FROGMOOR COURT	1	1	£ 26.40		£ 27.72	1.32	5.0%
GROVE CRESCENT	77	86	£ 25.00	2015	£ 27.70	2.70	10.8%
HALLOWES CRESCENT	18	20	£ 21.00		£ 22.05	1.05	5.0%
HAMILTON ROAD	7	8	£ 25.00		£ 26.25	1.25	5.0%
HAMILTON ROAD	14	18	£ 21.00		£ 22.05	1.05	5.0%
HARROGATE ROAD	6	7	£ 21.00	2018	£ 23.30	2.30	11.0%
HAYLING ROAD	29	34	£ 21.00	2015	£ 23.30	2.30	11.0%
HIGH STREET	9	9	£ 25.00	2015	£ 27.70	2.70	10.8%
HORSLEYS	8	10	£ 19.80		£ 20.79	0.99	5.0%
HUBBARDS ROAD	14	16	£ 25.00		£ 26.25	1.25	5.0%
JACKETTS FIELD	29	35	£ 24.00	2018	£ 26.60	2.60	10.8%
LITTLE OXHEY LANE	18	21	£ 21.00	2018	£ 23.30	2.30	11.0%
LONGCROFT ROAD	36	49	£ 19.80	2020	£ 21.95	2.15	10.9%
LOVATTS	4	4	£ 25.00	2020	£ 27.70	2.70	10.8%
MARKESTON GREEN	20	23	£ 21.00		£ 22.05	1.05	5.0%
MONEYHILL COURT	2	3	£ 21.00	2018	£ 23.30	2.30	11.0%
MORRISTON CLOSE	15	18	£ 21.00		£ 22.05	1.05	5.0%
NAIRN GREEN	9	11	£ 21.00		£ 22.05	1.05	5.0%
OAKFIELD	16	21	£ 21.00		£ 22.05	1.05	5.0%
OTLEY WAY	15	17	£ 21.00		£ 22.05	1.05	5.0%
OWENS WAY	40	43	£ 25.00	2018	£ 27.70	2.70	10.8%
PARSONAGE CLOSE	23	26	£ 25.00		£ 26.25	1.25	5.0%
POLLARDS	14	20	£ 19.80		£ 20.79	0.99	5.0%
PRESTWICK ROAD	19	21	£ 21.00		£ 22.05	1.05	5.0%
QUICKWOOD CLOSE	22	28	£ 21.00	2020	£ 23.30	2.30	11.0%
ROSEHILL GARDENS	18	19	£ 24.00		£ 25.20	1.20	5.0%
RYMAN COURT	31	36	£ 24.00	2015	£ 26.60	2.60	10.8%
SHERWOOD HOUSE	6	6	£ 25.00	2018	£ 27.70	2.70	10.8%
SKIDMORE WAY	23	25	£ 25.00	2018	£ 27.70	2.70	10.8%
ST LAWRENCE CLOSE	1	1	£ 25.00		£ 26.25	1.25	5.0%
THE QUEENS DRIVE	12	23	£ 21.00		£ 22.05	1.05	5.0%
TIBBS HILL ROAD	23	30	£ 25.00		£ 26.25	1.25	5.0%
TOMS LANE	9	10	£ 21.00	2018	£ 23.30	2.30	11.0%
TUDOR WAY	10	12	£ 21.00	2020	£ 23.30	2.30	11.0%
WHITFIELD WAY	24	25	£ 21.00	2020	£ 23.30	2.30	11.0%
WINDSOR WAY	14	18	£ 21.00	2020	£ 23.30	2.30	11.0%
WOODHALL LANE	24	27	£ 21.00		£ 22.05	1.05	5.0%
WOODWICKS	7	9	£ 19.80	2020	£ 21.95	2.15	10.9%