

POLICY AND RESOURCES COMMITTEE – 29 JANUARY 2024

NOT DELEGATED

FINANCIAL PLANNING – REVENUE SERVICES

(Director of Finance)

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 2023/24, proposed revenue budget for 2024/25 and indicative revenue budget for 2025/26 and 2026/27. 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 2023. The key changes from the original budget that was set in February 2023 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 Local government finance reforms, including the business rate reset and 'Fair Funding' will not occur within the current parliament so will be implemented from 2025/26 at the earliest. The future of New Homes Bonus and other government grants remains uncertain but has once again been maintained for 2024/25. The introduction of the funding guarantee from 2023/24 and retained for 2024/25 means that new homes bonus has less impact as the funding guarantee is net of this amount. From 2024/25, district councils were expected to receive an additional source of income as a result of the introduction of 'producer pays' charges in relation to waste, however, these reforms have been postponed. Funding for future years is subject to considerable uncertainty and the forecast represents a best estimate at this time,
- 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 impact of increases in Fees and Charges agreed by full Council in December 2023 has been applied to the base budget. The increase in fees and charges is forecast to generate additional income of £278k in 2024/25, including the additional garage income agreed at the same meeting,. Officers have been asked to identify efficiency savings as part of period 8 budget monitoring. Many of these have a full year effect and the impact of these efficiency savings and the increase in fees and charges results in an £581k saving in 2024/25. The detail of both the fees and charges and efficiency savings is set out in Appendix 1.
- 1.6 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.
- 1.7 Officers have prepared a three-year Medium Term Financial Plan (MTFP) base budget for 2024/25 to 2026/27 which includes a revised estimate for the current year.

MEDIUM TERM FINANCIAL PLAN 2023/24 to 2026/27

Funding	2023/2024					2024/25	2025/26	2026/27
	Original	Original Budget plus Carry Forwards from 2022/23	Latest Budget	Previous Forecast	Latest Forecast	Forecast	Forecast	Forecast
Council Tax Base (No.)	39,545.20	39,545.20	39,545.20	39,545.20	39,545.20	39,850.80	40,249.30	40,651.80
Council Tax Base Increase (%)	0.00	0.00	0.00	0.00	0.00	0.77	0.99	0.99
Band D Council Tax (£)	194.55	194.55	194.55	194.55	194.55	200.37	206.36	212.53
Council Tax Increase - TRDC (%)	0.00	0.00	0.00	0.00	0.00	2.99	2.99	2.99
Council Tax (£)	(7,693,519)	(7,693,519)	(7,693,519)	(7,693,519)	(7,693,519)	(7,984,905)	(8,305,846)	(8,639,727)
Parish Precepts (£)	(2,386,783)	(2,386,783)	(2,386,783)	(2,386,783)	(2,386,783)	(2,434,520)	(2,483,220)	(2,483,220)
Total Taxation (£)	(10,080,302)	(10,080,302)	(10,080,302)	(10,080,302)	(10,080,302)	(10,419,425)	(10,789,066)	(11,122,947)
Business Rates (£)	(2,679,928)	(2,679,928)	(2,679,928)	(2,679,928)	(2,679,928)	(2,818,907)	(2,795,000)	(2,795,000)
Collection Fund Surplus (£)	(44,341)	(44,341)	(44,341)	(44,341)	(44,341)	84,870	0	0
New Homes Bonus Grant (£)	(18,480)	(18,480)	(18,480)	(18,480)	(18,480)	(100,025)	(95,000)	(95,000)
Government Funding (£)	(534,444)	(534,444)	(534,444)	(534,444)	(534,444)	(479,000)	(370,000)	(370,000)
Dividend (£)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Total Grant Funding (£)	(3,327,193)	(3,327,193)	(3,327,193)	(3,327,193)	(3,327,193)	(3,363,062)	(3,310,000)	(3,310,000)
Total Taxation & Grant Funding (£)	(13,407,495)	(13,407,495)	(13,407,495)	(13,407,495)	(13,407,495)	(13,782,486)	(14,099,066)	(14,432,947)
Financial Statement - Summary	2023/2024					2024/25	2025/26	2026/27
	Original	Original Budget plus Carry Forwards from 2022/23	Latest Budget	Previous Forecast	Latest Forecast	Forecast	Forecast	Forecast
	£		£		£	£	£	£
Committee - Net Cost Of Services								
General Public Services and Economic Development	3,886,824	3,977,542	4,151,941	4,430,734	4,430,734	4,032,313	4,024,782	4,024,782
Climate Change, Leisure and Community	2,441,726	2,499,295	2,536,877	2,579,417	2,579,417	2,372,875	2,372,875	2,372,875
Policy and Resources	5,026,223	5,368,708	5,477,536	5,863,330	5,863,330	5,799,818	5,743,092	5,743,092
Period & Variances	0	0	0	0	(113,577)	(572,906)	(560,632)	(299,241)
Growth Bids	0	0	0	0	0	178,804	319,951	319,951
Sub-Total	11,354,773	11,845,545	12,166,354	12,873,481	12,759,904	11,810,904	11,900,068	12,161,459
Other								
Parish Precepts	2,386,783	2,386,783	2,386,783	2,386,783	2,386,783	2,434,520	2,483,220	2,483,220
Interest Payable & Borrowing costs	682,989	682,989	682,989	573,639	573,639	698,989	698,989	698,989
Interest Received	(670,000)	(670,000)	(670,000)	(780,000)	(780,000)	(660,000)	(660,000)	(660,000)
Period & Variances	0	0	0	0	(361,574)	(83,383)	56,277	42,777
Sub-Total	2,399,772	2,399,772	2,399,772	2,180,422	1,818,848	2,390,126	2,578,486	2,564,986
Net Expenditure	13,754,545	14,245,317	14,566,126	15,053,903	14,578,752	14,201,030	14,478,554	14,726,445
Income from Council Tax, Government Grants & Business Rates	(13,407,495)	(13,407,495)	(13,407,495)	(13,407,495)	(13,407,495)	(13,782,486)	(14,099,066)	(14,432,947)
(Surplus)/Deficit Before Use of Earmarked Reserves	347,050	837,822	1,158,631	1,646,408	1,171,257	418,544	379,488	293,498
Planned Use of Reserves:								
Economic Impact Reserve	0	0	0	0	(182,840)	(147,587)	(147,587)	0
(Surplus) / Deficit to be funded from General Balances	347,050	837,822	1,158,631	1,646,408	988,417	270,957	231,901	293,498

Movement on General Fund Balance	2023/24					2024/25	2025/26	2026/27
	Original	Original Budget plus Carry Forwards from 2022/23	Latest Budget	Previous Forecast	Latest Forecast	Latest	Latest	Latest
	£		£		£	£	£	£
Balance Brought Forward at 1 April	(4,966,958)	(4,966,958)	(4,966,958)	(4,966,958)	(4,966,958)	(3,978,541)	(3,707,584)	(3,475,683)
Revenue Budget (Surplus)/Deficit for Year	347,050	837,822	1,158,631	1,646,408	988,417	270,957	231,901	293,498
Closing Balance at 31 March	(4,619,908)	(4,129,136)	(3,808,327)	(3,320,550)	(3,978,541)	(3,707,584)	(3,475,683)	(3,182,185)

Movement on Economic Impact	2023/24					2024/25	2025/26	2026/27
	Original	Original Budget plus Carry Forwards from 2022/23	Latest Budget	Previous Forecast	Latest Forecast	Latest	Latest	Latest
	£		£		£	£	£	£
Balance Brought Forward at 1 April	(1,617,617)	(1,617,617)	(1,617,617)	(1,617,617)	(1,617,617)	(1,434,777)	(1,287,190)	(1,139,603)
COVID-19 Impact for Year	0	0	0	0	182,840	147,587	147,587	0
Closing Balance at 31 March	(1,617,617)	(1,617,617)	(1,617,617)	(1,617,617)	(1,434,777)	(1,287,190)	(1,139,603)	(1,139,603)

Total Reserves Impact	2023/24					2024/25	2025/26	2026/27
	Original	Original Budget plus Carry Forwards from 2022/23	Latest Budget	Previous Forecast	Latest Forecast	Latest	Latest	Latest
	£		£		£	£	£	£
Balance Brought Forward at 1 April	(6,584,575)	(6,584,575)	(6,584,575)	(6,584,575)	(6,584,575)	(5,413,318)	(4,994,774)	(4,615,286)
Impact for Year	347,050	837,822	1,158,631	1,646,408	1,171,257	418,544	379,488	293,498
Closing Balance at 31 March	(6,237,525)	(5,746,753)	(5,425,944)	(4,938,167)	(5,413,318)	(4,994,774)	(4,615,286)	(4,321,788)
Total Reserves	(6,237,525)	(5,746,753)	(5,425,944)	(4,938,167)	(5,413,318)	(4,994,774)	(4,615,286)	(4,321,788)

2 Details

2023/24 Forecast Position

- 2.1 The original net revenue budget for 2023/24 plus carry forwards from 2022/23 was £13.754m. The latest forecast budget is £15.054m (approved by Council on 12 December 2023). 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 £14.579m. The key reasons for the improved position for this period are increased investment income earned on cash reserves as a result of continuing high interest rates and the saving in employers' contributions as a result of the actuarial valuation.

Revenue Budget 2023/24	£000
Original Net Revenue Budget	13,754
Carry Forward from 2022/23 (Year end report July 2023)	491
Original Budget Plus Carry Forwards from 2022/23	14,245
Variances previously reported	809
Previous Forecast	15,054
Supplementary Estimates reported this Period	(153)
Variances to budget reported this Period	(322)
Forecast Outturn Position	14,579

- 2.2 At the end of November, Services show an estimated favourable variance of (£0.475m). The budget will be changed to reflect this outturn forecast if approved at Council. Details of the Supplementary Estimates and Variances to budgets, along with budget virements in the period are contained in Appendices 1-3.
- 2.3 The table below shows the net direct expenditure budgets, actuals to date, forecast outturn and variance for each service committee.

Committee	2023/24 Revenue Account - General Fund Summary							
			(C)	(A)		(B)	(B-A)	(B-C)
	Original Budget	Original Budget Plus 2022/23 Carry Forwards	Latest Budget	Previous Forecast	Net Spend to Date	Latest Forecast	Supplimentary Estimates and Variances	Variation to Latest Budget
	£000	£000	£000	£000	£000	£000	£000	£000
General Public Services & Economic Development	3,886	3,977	4,152	4,431	1,350	4,738	307	586
Climate Change, Leisure & Community	2,442	2,499	2,537	2,579	851	2,691	112	154
Policy & Resources	5,026	5,369	5,477	5,863	6,238	5,330	(533)	(147)
Total Service Budgets	11,354	11,845	12,166	12,873	8,439	12,759	(114)	593
Corporate Costs (Interest Earned/Paid) and Parish Precepts	2,400	2,400	2,400	2,180	1,867	1,819	(361)	(581)
Net General Fund	13,754	14,245	14,566	15,053	10,306	14,578	(475)	12

2.4 The main items that contribute to the net favourable services variance of £0.114m are set out in the following table:

		£000
1.	2023/24 Pay Award and Restructure of Services	489
2.	Salary Contingency (applied to services in 1. Above)	(519)
3.	Reduction in Pension deficit following tri-annual valuation	(200)
4.	Hertfordshire Building Control – Reduction in income due to transfer of service to Hertfordshire Building Control	106
5.	Reduction in income from Private Hire Drivers and Vehicles due to declining number of applications	27
6.	Car Parking Maintenance – Essential repairs following annual inspection	17
7.	Increase CIL 5% income budget to match Senior CIL officer salary	(29)
8.	Migration to Cloud no longer required	(20)
9.	Single Homelessness Grant budget removed as Grant now replaced with Homelessness Prevention Fund Grant	19
10.	Other	(4)
	Total	(114)

The £0.361M favourable variance on Corporate Costs is due to additional interest income being earned as a result of continued higher interest rates.

2.5 The forecast for Revenue Reserves at the end of 2023/24 is shown at Appendix 4.

2024/25 to 2026/27 - 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 18 December. This was a one year settlement providing detailed funding information for 2024/25 only. This means that grant funding beyond 2024/25 remains uncertain. Further detail is provided in section 4 below.

2.8 The MTFP includes a budget to provide for a 4% pay award in 2024/25 and 2% in future years, in addition to the costs of applying increases in the real living wage. The formal pay award for 2023/24 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 be balanced 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 Appendix 5 shows the cumulative impact of all the variances reported for the current period (end of November) that affect all years. Where variances flow through into future years these have been incorporated into the Medium Term Financial Plan for the financial years 2024/25 to 2026/27. 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	2023/24 Forecast Outturn £000	2024/25 Indicative Budget £000	2025/26 Indicative Budget £000	2026/27 Indicative Budget £000
Balance at 1 April	(4,967)	(3,978)	(3,707)	(3,475)
(Surplus)/deficit for year	988	271	232	293
Balance at 31 March	(3,978)	(3,707)	(3,475)	(3,182)

2.11 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 £1.435m at the end of March 2024 and is available to manage future economic downturn or loss of business rates. It is assumed that £0.478m 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. In future years the re-phased management fee will be above that assumed in the original bid such that this shortfall is recovered over the life of the contract.

2.12 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 2024/25, 2025/26 and 2026/27.

Fees, Charges and Rents

- 2.13 The Council set its fees and charges for 2024/25, effective from 1 January 2024, on 12 December 2023.

Funding the Revenue Budget

- 2.14 The overall Council Medium Term Financial Plan (MTFP) indicates a budget requirement (net expenditure) for 2024/25 of £13.970m. This will be funded from a number of sources, which are detailed in the following paragraphs.
- 2.15 On 18th December 2023 the Department for Levelling Up, Housing and Communities (DLUHC) issued the provisional local finance settlement for 2024/25. The provisional settlement was for a single year only and confirmed the continuation of new homes bonus and the 3% funding guarantee for district councils.
- 2.16 The provisional settlement confirmed the referenda limit for the district council element of council tax as 3% or £5 (whichever is the greater). The District Councils' Network had been calling for a £10 referenda limit for districts.
- 2.17 The Government has confirmed that no changes will be made in respect of the business rate reset or 'fair funding' until the next Parliament meaning that 2025/26 is the earliest implementation date. In reality, given consultation requirements and that local government finance reform is unlikely to be a priority for any new government, 2026/27 would be a more realistic date.
- 2.18 The Provisional Settlement is subject to consultation which closes on 16 January 2024 with the final settlement expected in February 2024.

Business rates

- 2.19 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 2024/25 (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.
- 2.20 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 is likely to reduce the amount of growth that can be retained in the local share.
- 2.21 2023 saw the revaluation of non-residential properties by the Valuation Office Agency (VOA) for business rate purposes. The impact on Three Rivers was the highest in the country with a 59.5% increase in the business rate base. The Council is working with Local Government Futures to manage the appeal risk to business rate resources and maximise income. The impact of appeals is mitigated by the business rate funding floor and any impact will be managed through the collection fund reserve. A prudent view if business rate growth has been taken this year and any additional resources from business rates, Once the final 2024/25 reconciliation is undertaken will be taken to the Collection Fund reserve to mitigate both appeals and future funding risks.

Unringfenced Government Grant

- 2.22 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 2024/25, based on the

provisional settlement, the Council expects to receive £0.200m, split 50:50 between the revenue budget and capital programme. 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.

- 2.23 For 2024/25 Revenue Support Grant (RSG) of £0.079m will be received by Three Rivers.
- 2.24 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 £0.400m will be received by Three Rivers in 2024/25.

Council Tax for 2024/25

- 2.25 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.
- 2.26 A council tax increase of 2.99% has been assumed for 2024/25. The Council expects to collect £7.984m of council tax income in 2024/25. A one percentage increase in the council tax rate generates approximately a £79,849 increase in Council Tax revenue.
- 2.27 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 was 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.
- 2.28 A council tax increase of 2.99% is therefore included in the draft budget for 2024/25. Given the pressure on local government finances, the 3% or £5 limit has been maintained for future years. .
- 2.29 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

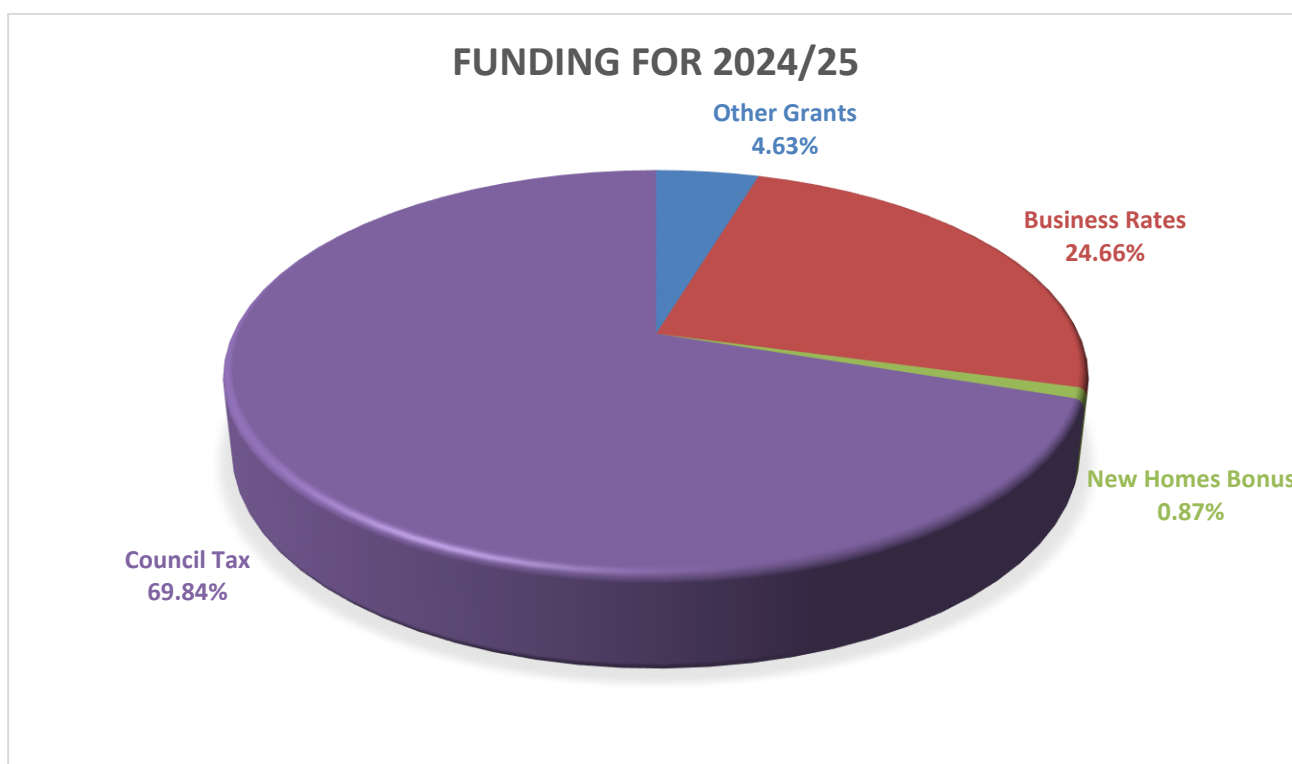
- 2.30 The Council Tax base for 2024/25 was set at the Council meeting on the 12 December 2023 and totalled 39,850.8 assuming a collection rate of 99%. This is a 0.77% increase to the 2023/24 tax base and is predominantly due to additional dwellings.
- 2.31 A further increase of 1.0% is assumed for tax base growth in 2025/26 and 2026/27 in the MTFP. Despite this being higher than growth in 2023/24 and 2024/25, 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.
- 2.32 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

- 2.33 Proposals for a revised Local Council Reduction Scheme are being brought forward alongside the budget reports. The replacement scheme has been designed to be simpler for residents in receipt of universal credit and cost neutral in terms of council resources.

Collection Fund

- 2.34 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.
- 2.35 The Council Tax setting process requires an estimate of the surplus or deficit at 31 March 2023 on Council Tax and Business Rates. The balances are distributed to the Council as the Billing Authority, the major preceptors and Central Government. For 2024/25, a deficit of £0.085m 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 2023/24.
- 2.36 The chart below shows the value and proportion of each funding stream that supports the Council's revenue account for 2024/25.



Draft Revenue Estimates and General Fund Balance

- 2.37 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:
- the robustness of the estimates made for the purposes of the calculations, and
 - the adequacy of the proposed financial reserves.

The Director of Finance will make this report available alongside the final budget proposals to be considered by Council at its meeting on 20th February 2023

3 Options/Reasons for Recommendation

- 3.1 The recommendation below enables the Committee to make recommendations to the Council on 20 February 2024 concerning the Council's budget.

4 Policy/Budget Reference and Implications

4.1 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.

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

5.1 See agenda item 8. Financial Planning Recommendations.

6 Financial Implications

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

7 Legal Implications

7.1 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.

7.2 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 2024/25 budget by 11 March 2024 as any delay in setting council tax may leave the Council vulnerable to legal proceedings requiring it to set the tax.

8 Staffing Implications

8.1 The proposed budget focuses on management of existing vacancies and does not result in any change in number of permanent employees.

9 Risk Management Implications

9.1 The Council has agreed its risk management strategy. Financial and budgetary risks are shown at Appendix 6.

9.2 In the officers' opinion none of the risks detailed in Appendix 6, 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.

10 Recommendation

10.1 That the report be noted.

Report prepared by: Sally Riley – Finance Business Partner

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 Service Committees Supplementary Estimates at end of November 2023/24 to 2026/27
- Appendix 2 Service Committees Variances at end of November 2023/24 to 2026/27
- Appendix 3 Service Committees Virements at end of November 2023/24 to 2026/27
- Appendix 4 Reserves
- Appendix 5 Service Committees Medium term Financial Plan 2024/25 to 2026/27
- Appendix 6 Financial and Budgetary Key Risks

SERVICE COMMITTEES' SUPPLEMENTARY ESTIMATES AT END OF NOVEMBER 2023/24 TO 2026/27

General Public Services and Economic Development						
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Land & Property Info Section	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	(4,836)	(10,268)	1,044	21,746
Development Management	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	33,150	36,158	43,967	16,880
	Income	Increase CIL 5% income budget by £29,670 to match Senior CIL officer salary, an increase in statutory Planning Fees of £150,000 for future years and to start charging for Monitoring S106 agreements of £6,000	(29,670)	(185,670)	(185,670)	(185,670)
Director Community & Env Servs	Employees	Post removed from establishment following restructure of senior management.	(130,211)	(130,118)	(130,118)	(130,118)
Associate Director Economy, Infrastructure & Planning	Employees	Post established following restructure of senior management.(currently vacant)	0	107,769	107,769	107,769
Development Plans	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	13,514	13,633	15,054	16,929
Hertfordshire Building Control	Employees	Post removed from establishment following transfer of service to Hertfordshire Building Control.	(64,744)	(64,744)	(64,744)	(64,744)
	Income	Reduction in income received due to transfer of service to Hertfordshire Building Control	106,567	106,567	106,567	106,567
GIS Officer	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	2,448	2,946	2,946	2,946
Total Economic Development & Planning Policy			(73,782)	(123,727)	(103,185)	(107,695)
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Housing Service Needs	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	27,828	10,889	24,831	48,216
Homelessness General Fund	Supplies and Services	Reduction in Grants and Contributions budget due to the use of Homelessness Prevention Grant funding	0	(20,000)	0	0
Env Health - Residential Team	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	6,000	6,113	6,113	6,113
Total Housing Public Health and Wellbeing			33,828	(2,998)	30,944	54,329

Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Decriminalised Parking Enf Spa	Employees	2023/24 Pay Award applied.	5,965	5,965	5,965	5,965
	Income	Increase in fees & Charges for Permit fees following full council decision.	0	(22,750)	(22,750)	(22,750)
Associate Director Customer & Community	Employees	Budget applied following restructure of senior management structure.	89,450	92,826	96,205	96,205
Refuse Domestic	Income	Increase in fees & Charges for Special Commercial fees following full council decision.	0	(3,830)	(3,830)	(3,830)
Trade Refuse	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Some posts moved to Waste Management.	(120,576)	(120,576)	(120,576)	(120,576)
	Income	Increase in fees & charges of 9% following full council decision.	0	(81,215)	(81,215)	(81,215)
Garden Waste	Employees	2023/24 Pay Award applied	41,022	40,902	41,452	41,452
Clinical Waste	Employees	2023/24 Pay Award applied.	2,847	2,847	2,847	2,847
	Income	Increase in fees & Charges for Clinical Waste Collection fees following full council decision.	0	(9,975)	(9,975)	(9,975)
Environmental Protection	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	(14,707)	(14,135)	(13,418)	(13,418)
Waste Management	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Some posts moved from Trade Refuse.	268,541	266,658	266,658	266,658
Street Cleansing	Employees	2023/24 Pay Award applied.	43,165	43,176	43,176	43,176
Total Public Services			315,707	199,893	204,539	204,539
Total General Public Services and Economic Development			275,753	73,168	132,298	151,173

Climate Change, Leisure and Community						
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Corporate Climate Change	Employees	2023/24 Pay Award applied.	3,353	3,360	3,360	3,360
Animal Control	Employees	2023/24 Pay Award applied.	2,990	3,042	3,042	3,042
	Income	Increase in fees & charges for Other Licences following full council decision.	0	(805)	(805)	(805)
Cemeteries	Income	Increase in fees & Charges for Burial fees, Burial Rights fees and Memorial Fees following full council decision.	0	(19,570)	(19,570)	(19,570)
Trees and Landscapes	Income	Increase in fees & Charges for Hire of Grounds following full council decision.	0	(600)	(600)	(600)
Total Sustainability and Climate			6,343	(14,573)	(14,573)	(14,573)

Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Watersmeet	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	21,193	35,681	36,727	37,790
	Income	Increase in fees & Charges for Lettings and Hall Hire fees following full council decision.	0	(14,850)	(14,850)	(14,850)
Playing Fields & Open Spaces	Income	Increase in fees & Charges for Football fees following full council decision.	0	(3,750)	(3,750)	(3,750)
Play Rangers	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	4,365	5,236	5,236	5,236
	Income	To introduce a registration fee of £5 per child per year for play ranger session following full council decision	0	(5,168)	(5,168)	(5,168)
Leisure Development	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	35,829	38,207	40,635	41,819
Play Development - Playschemes	Employees	Variance includes revised employee estimates which takes into account changes in pay elements.	0	5,044	5,044	5,044
	Income	Increase Playscheme rates following full council decision	0	(13,141)	(13,141)	(13,141)
Sports Devel - Sports Projects	Employees	Variance includes revised employee estimates which takes into account changes in pay elements.	0	2,585	2,585	2,585
Leisure & Community Services	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements following restructure of service.	(85,171)	(85,190)	(85,190)	(85,190)
Grounds Maintenance	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	88,284	96,374	96,374	96,374
Total Leisure			64,500	61,028	64,502	66,749
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Citizens Advice Bureau	Supplies and Services	Budget reduced to align CAB ringfenced Service Accommodation budget with rent charged	0	(15,000)	(15,000)	(15,000)
Community Safety	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	13,072	17,128	22,109	26,039
Community Partnerships	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	(1,003)	(261)	1,115	1,115
Licensing	Employees	2023/24 Pay Award applied .	6,918	6,920	6,920	6,920
	Income	Increase in fees & charges for Vehicle Licences - Private Hire following full council decision.	0	(6,875)	(6,875)	(6,875)
Community & Leisure Grant	Supplies and Services	Budget reduced due to lack of demand for Arts on Prescription Project (£6,500) and securing alternative funding for Roundabout Transport (£6,000)	0	(12,500)	(12,500)	(12,500)
Total Community Partnerships			18,987	(10,588)	(4,231)	(301)
Total Climate Change, Leisure and Community			89,830	35,867	45,698	51,875

Policy and Resources						
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Performance Mgt & Scrutiny	Employees	2023/24 Pay Award applied.	2,932	2,946	2,946	2,946
Debt Recovery	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	27,314	24,968	28,562	32,170
	Income	Increase in Shared Service income due to 2023/24 pay award and future years realignment	(16,662)	(32,983)	(39,580)	(41,781)
Associate Director of Strategy, Partnerships & Housing	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	4,643	4,820	8,749	8,749
Finance Client	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements following restructure of service.	52,197	118,517	119,945	121,389
	Income	Increase to Shared Service income due to new S151 Officer arrangements with Watford Borough Council and future years realignment	(42,592)	(99,084)	(100,504)	(101,935)
ICT Client	Employees	Budget removed as salary costs now forms part of Shared Service Agreement	(65,350)	(65,350)	(65,350)	(65,350)
	Third Party Payments	Increase in Shared Service payment to Watford Borough Council as salary costs now part of Shared Service Agreement	27,176	27,176	27,176	27,176
Salary Contingency	Employees	Allocation of 2023/24 Pay award to individual service lines for all years plus impact of vacancies in 2023/24.	(518,624)	(387,715)	(469,622)	(250,388)
Total Resources			(559,621)	(741,491)	(816,517)	(587,431)
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Customer Service Centre	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	58,531	63,227	73,048	75,708
Customer Experience	Employees	2023/24 Pay Award applied.	4,208	4,255	8,188	8,188
Communication	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	(2,371)	(1,437)	(1,437)	(1,437)
Legal	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.	(5,734)	(5,728)	(5,079)	(4,414)
Committee Administration	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements following restructure of service.	9,810	11,826	13,794	15,758
Elections & Electoral Regn	Employees	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements following restructure of service.	(23,033)	(20,643)	(18,675)	(16,711)
Total Leader			41,411	51,500	69,839	77,092
Total Policy and Resources			(518,210)	(689,991)	(746,678)	(510,339)
TOTAL All Committees			(152,627)	(580,956)	(568,682)	(307,291)
TOTAL Revenue Supplementary Estimates for Period 8 (November) For approval			(152,627)	(580,956)	(568,682)	(307,291)

SERVICE COMMITTEES' VARIANCES AT END OF NOVEMBER 2023/24 TO 2026/27

General Public Services and Economic Development						
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Land & Property Info Section	Supplies and Services	Subsistence budget no longer required	(100)	(100)	(100)	(100)
Total Economic Development & Planning Policy			(100)	(100)	(100)	(100)
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Rent Deposit Guarantee Scheme	Premises	Full budget not required this financial year	(3,000)	0	0	0
Homelessness General Fund	Grants	Budget removed for Single Homelessness grant as it has now been replaced by the Homeless Prevention Fund	19,150	19,150	19,150	19,150
Total Housing Public Health and Wellbeing			16,150	19,150	19,150	19,150
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Roads-Repairs & Maintenance	Premises	Essential repairs totalling £17,000 required following annual inspection	17,000	0	0	0
Depot-Batchworth	Income	Increase in Rent-Building budget to reflect the income being received	(1,000)	(1,000)	(1,000)	(1,000)
Total Public Services			16,000	(1,000)	(1,000)	(1,000)
Total General Public Services and Economic Development			32,050	18,050	18,050	18,050

Climate Change, Leisure and Community						
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Energy Efficiency	Supplies and Services	Full grants and contributions budget no longer required	(5,000)	(10,000)	(10,000)	(10,000)
Total Sustainability and Climate			(5,000)	(10,000)	(10,000)	(10,000)
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Licensing	Income	Reduction in income reported of £20,000 for Drivers-Private Hire and £7,000 for Vehicles-Private Hire due to declining number of applications	27,000	0	0	0
Total Community Partnerships			27,000	0	0	0
Total Climate Change, Leisure and Community			22,000	(10,000)	(10,000)	(10,000)

Policy and Resources						
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
ICT Client	Supplies and Services	Migration to Cloud budget no longer required	(20,000)	0	0	0
Internal Audit Client	Third Party Payment	Additional budget required due to under accrual from 2022/23	5,000	0	0	0
Total Resources			(15,000)	0	0	0
Total Policy and Resources			(15,000)	0	0	0

TOTAL All Committees			39,050	8,050	8,050	8,050
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Corporate Costs						
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Interest Earned	Income	An extra £350,000 is expected on Investment interest and £44,191 on pre-emption sites	(394,191)	-	-	-
Interest Paid	Expenditure	Revenue Provision for Capital budget updated to values in MRP Schedule	32,617	16,617	16,617	16,617
Total Corporate Costs			(361,574)	16,617	16,617	16,617
TOTAL Revenue Variances to be Managed in year for Period 8 (November) For noting only			(322,524)	24,667	24,667	24,667

SERVICE COMMITTEES VIREMENTS AT END OF NOVEMBER 2023/24 TO 2026/27

General Public Services and Economic Development						
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Public Health	Supplies and Services	To spend ringfenced COMF funding of £100,000 and Public Health Money of £55,000	155,000	0	0	0
	Income	Receipt of ringfenced COMF funding of £100,000 and Public Health Money of £55,000	(155,000)	0	0	0
Homelessness General Fund	Supplies and Services	To spend ringfenced Rough Sleepers Grant	36,000	0	0	0
	Income	Receipt of ringfenced Rough Sleepers Grant	(36,000)	0	0	0
Housing Needs Service	Supplies and Services	Budget transferred to Environmental Health Residential Team to contribute towards the costs of clearance of an empty property	(3,000)	0	0	0
Enc Health - Residential Team	Supplies and Services	Transferred from Housing Service Needs to Environmental Health Residential Team to contribute towards the costs of clearance of an empty property	3,000	0	0	0
Total Housing Public Health and Wellbeing			0	0	0	0
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Development Management	Supplies and Services	To spend income received from appellant for aborted appeal	11,582	0	0	0
	Income	income received from appellant for aborted appeal	(11,582)	0	0	0
Total Economic Development and Planning Policy			0	0	0	0
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Hertfordshire Fly Tipping	Supplies and Services	To spend money transferred from Fly Tipping earmarked reserves	6,660	0	0	0
	Income	Transfer from Fly Tipping earmarked reserves	(6,660)	0	0	0
Total Public services			0	0	0	0
Total General Public Services and Economic Development			0	0	0	0
Climate Change, Leisure and Community						
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Community Development	Supplies and Services	To Spend Household Support Fund Grant	55,000	0	0	0
	Income	Receipt of Household Support Fund Grant	(55,000)	0	0	0
Total Community Partnerships			0	0	0	0

Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Corporate Climate Change	Supplies and Services	To Spend Social Housing Decarbonisation Fund Grant	30,000	0	0	0
	Income	Receipt of Social Housing Decarbonisation Fund Grant	(30,000)	0	0	0
Trees and Landscapes	Supplies and Services	Use of S106 monies is no longer required	(19,832)	0	0	0
	Income	Use of S106 monies is no longer required	19,832	0	0	0
Total Sustainability and Climate			0	0	0	0
Total Climate Change, Leisure and community			0	0	0	0

Policy & Resources						
Description	Main Group Heading	Details of Outturn Variances to Latest Approved Budget	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Miscellaneous Income & Expenditure	Income	Support Service Income Capital budget virement from Asset Management Property	(226,590)	(226,590)	(226,590)	(226,590)
Miscellaneous Properties	Premises	Budget virement to Garages, Shops and Maintenance	(7,000)	0		0
Asset Management Property	Income	Support Service Income Capital budget virement to Miscellaneous Income & Expenditure	226,590	226,590	226,590	226,590
Garages & Shops Maintenance	Premises	Budget Virement from Miscellaneous Properties	7,000	0		0
Total Resources			0	0	0	0
Total Policy and Resources			0	0	0	0
TOTAL Virements for Period 8 (November) For approval			0	0	0	0

RESERVES

Category	Opening Balance 01/04/2023 £	Net Movement in Year £	Closing Balance 31/03/2024 £	Purpose
General Reserves				
General Fund	(4,966,958)	988,417	(3,978,541)	Working balance to support the Council's revenue services. £2M is a suggested prudent minimum
Economic Impact (EIR)	(1,617,617)	182,840	(1,434,777)	To support the funding of unexpected/unplanned Council expenditure as a result of fluctuations in the economy.
Total Revenue	(6,584,575)	1,171,257	(5,413,318)	
Capital Reserves				
Community Infrastructure Levy (CIL)	(7,472,714)	(1,578,911)	(9,051,625)	Developers contributions towards Infrastructure
Capital Receipts	0	(51,390)	(51,390)	Generated from sale of Council assets
Grants & Contributions	(1,095,321)	(1,011,545)	(2,106,866)	Disabled Facility Grants and other contributions
Reserve for Capital expenditure	0	0	0	Reserve set aside for supporting capital expenditure
Total Capital	(8,568,035)	(2,641,846)	(11,209,881)	
Other Earmarked Reserves				
New Homes Bonus	(222,787)	0	(222,787)	Government grant set aside for supporting capital expenditure
Section 106	(1,489,612)	(265,741)	(1,755,353)	Developers contributions towards facilities
Leavesden Hospital Open Space	(769,124)	0	(769,124)	To maintain open space on the ex hospital site
Abbots Langley - Horsefield	(809,667)	0	(809,667)	Developers contributions towards maintenance of site
Environmental Maintenance Plant	(123,595)	0	(123,595)	Reserve to fund expenditure on plant & machinery
Building Control	(243,290)	0	(243,290)	To provide against future losses and/or borrowing against Hertfordshire Building Control Ltd
Commercial Risk Reserve	(6,948,354)	0	(6,948,354)	To manage timing of cashflows and risks in relation to commercial ventures
Collection Fund Reserve	(3,059,242)	0	(3,059,242)	To manage timing differences on the Collection Fund
HB Equalisation	(79,356)	0	(79,356)	To provide against future deficits on the Housing Benefit account
Grants & Contributions	(1,244,951)	0	(1,244,951)	Revenue Grants earmarked for use in future years
Total Other	(14,989,978)	(265,741)	(15,255,719)	
Total All	(30,142,588)	(1,736,330)	(31,878,918)	

SERVICE COMMITTEES - MEDIUM TERM FINANCIAL PLAN 2023/24 to 2026/27

General Public Services and Economic Development											
Housing, Public Health and Wellbeing	Original Budget 2023/24	Original Budget Plus 2022/23 Carry Forwards	Latest Budget 2023/24	Previous Forecast 2023/24	Spend to Date	Latest Forecast 2023/24	Variance @ P8	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Officer Comments
	£		£	£	£	£	£	£	£	£	
Housing Services Needs	501,198	501,198	501,198	501,198	338,332	526,026	24,828	523,344	537,286	560,671	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. £3,000 Budget Virement to Environmental Health Residential Team to contribute towards the costs of clearance of an empty property
Rent Deposit Guarantee Scheme	5,110	5,110	5,110	5,110	0	2,110	(3,000)	5,110	5,110	5,110	Full budget not required this financial year
Homelessness General Fund	(176,770)	(176,770)	(176,770)	(257,020)	(638,325)	(237,870)	19,150	(177,620)	(157,620)	(157,620)	Variance to be managed of £19,150 for Single Homelessness grant as it has now been replaced by the Homeless Prevention Fund. Income and Expenditure budgets of £36,000 required for Ringfenced Rough Sleepers grant. Reduction in Grants and Contributions budget of £20,000 for 2024/25 due to the use of Homelessness Prevention Grant
Housing Associations	(5,000)	(5,000)	(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	0	0	10,286	0	0	0	0	0	Transfer from reserves at year end
Env Health - Residential Team	70,097	70,097	70,097	70,097	36,706	79,097	9,000	77,427	77,427	77,427	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. £3,000 budget virement from Housing Service Needs to Environmental Health Residential Team to contribute towards the costs of clearance of an empty property
Public Health	0	0	0	0	(149,535)	0	0	0	0	0	Income and Expenditure budgets of £100,000 required for Ringfenced COMF funding and £55,000 Public Health Money
Total	394,635	394,635	394,635	314,385	(405,036)	364,363	49,978	423,261	457,203	480,588	

Economic Development and Planning Policy	Original Budget 2023/24	Original Budget Plus 2022/23 Carry Forwards	Latest Budget 2023/24	Previous Forecast 2023/24	Spend to Date	Latest Forecast 2023/24	Variance @ P8	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Officer Comments
	£	£	£	£	£	£	£	£	£	£	
Land & Property Info Section	6,987	6,987	6,987	38,987	42,336	34,051	(4,936)	(10,497)	(6,716)	13,986	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Variance to be managed of £100 as Subsistence budget no longer required
Street Naming & Numbering	7,130	7,130	7,130	7,130	5,841	7,130	0	7,130	7,130	7,130	Budget will be spent
Development Management	263,664	274,664	263,614	262,114	158,838	265,594	3,480	110,943	118,752	91,665	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Increase CIL 5% income budget by £29,670 to match Senior CIL officer salary, an increase in statutory Planning Fees of £150,000 for future years and to start charging for Monitoring S106 agreements of £6,000. Income and Expenditure budgets of £11,582 required for income received from appellant for aborted appeal
Director Community & Env Servs	130,211	130,211	130,211	130,211	0	0	(130,211)	0	0	0	Post removed from establishment following restructure of senior management structure
AD Economy Infrastructure & Planning	0	0	0	0	0	0	0	107,769	107,769	107,769	New post added to structure following restructure of senior management structure
Development Plans	298,293	326,793	337,843	337,843	278,972	351,357	13,514	324,504	325,925	327,800	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.
Hertfordshire Building Control	(4,323)	(4,323)	(4,323)	(4,323)	27,612	37,500	41,823	37,500	37,500	37,500	Post removed from establishment following transfer of service to Hertfordshire Building Control. Reduction in income received due to transfer of service to Hertfordshire Building Control
HS2 Planning	0	0	0	0	109	0	0	0	0	0	Awaiting income from HS2
GIS Officer	50,161	50,161	50,161	50,161	33,070	52,609	2,448	53,999	53,999	53,999	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.
Total	752,123	791,623	791,623	822,123	546,778	748,241	(73,882)	631,348	644,359	639,849	

Public Services	Original Budget 2023/24	Original Budget Plus 2022/23 Carry Forwards	Latest Budget 2023/24	Previous Forecast 2023/24	Spend to Date	Latest Forecast 2023/24	Variance @ P8	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Officer Comments
	£	£	£	£	£	£	£	£	£	£	
Decriminalised Parking Enf	92,369	137,087	230,668	230,668	5,562	236,633	5,965	169,165	169,165	169,165	2023/24 Pay Award applied. Increase in Fees & Charges following full council decision.
Car Parking-Maintenance	96,690	96,690	110,466	110,466	109,262	127,466	17,000	110,466	110,466	110,466	Variance to be managed of £17,000 due to essential repairs required following annual inspection
Dial A Ride	40,000	40,000	40,000	40,000	20,000	40,000	0	40,000	40,000	40,000	Budget will be spent
Sustainable Travel Schemes	1,500	8,000	8,000	8,000	1,826	8,000	0	1,500	1,500	1,500	Budget will be spent
Associate Director Customer & Community	0	0	0	0	51,501	89,450	89,450	92,826	96,205	96,205	Budget applied following restructure of senior management structure
Refuse Domestic	(23,370)	(23,370)	(22,390)	(22,390)	(15,381)	(22,390)	0	(26,220)	(26,220)	(26,220)	Increase in fees and charges following full council decision
Refuse Trade	(37,465)	(37,465)	(30,091)	(30,091)	(416,099)	(150,667)	(120,576)	(231,882)	(231,882)	(231,882)	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Some posts moved to Waste Management. Increase in fees & charges following full council decision.
Better Buses Fund	93,359	93,359	101,762	101,762	101,769	101,762	0	101,762	101,762	101,762	Budget will be spent
Recycling General	750	750	750	750	(6,469)	750	0	750	750	750	Budget will be spent
Garden Waste	(595,543)	(595,543)	(577,888)	(577,888)	(976,897)	(536,866)	41,022	(536,986)	(536,436)	(536,436)	2023/24 Pay Award applied. Income is received at the beginning of the financial year and expenditure against the income is made throughout the year. Budget will be spent
Clinical Waste	(31,678)	(31,678)	(31,468)	(31,468)	(80,760)	(28,621)	2,847	(38,596)	(38,596)	(38,596)	2023/24 Pay Award applied, increase in fees & Charges following full council decision.
Recycling Kerbside	(318,613)	(318,613)	(318,613)	9,930	(43,690)	9,930	0	(318,613)	(318,613)	(318,613)	Budget will be spent
Abandoned Vehicles	250	250	250	250	140	250	0	250	250	250	Demand led service
Public Conveniences	3,600	3,600	3,600	3,600	2,400	3,600	0	3,600	3,600	3,600	Budget will be spent
Hertfordshire Fly Tipping	0	0	0	0	6,658	0	0	0	0	0	Income and Expenditure budgets of £6,660 to spend money transferred from Fly Tipping earmarked reserves at year end
Environmental Protection	389,553	389,553	389,553	389,553	254,270	374,846	(14,707)	375,550	376,267	376,267	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.
Depot-Batchworth	35,380	35,380	35,380	35,380	32,238	34,380	(1,000)	34,380	34,380	34,380	Increase in Rent-Building budget to reflect the income being received
Waste Management	2,360,909	2,360,909	2,393,329	2,393,329	1,764,200	2,661,870	268,541	2,560,250	2,560,250	2,560,250	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Some posts moved from Trade Refuse.
Street Cleansing	632,375	632,375	632,375	632,375	397,316	675,540	43,165	676,721	676,721	676,721	2023/24 Pay Award applied.
Total	2,740,066	2,791,284	2,965,683	3,294,226	1,207,846	3,625,933	331,707	3,014,923	3,019,569	3,019,569	
Total General Public Services and Economic Development	3,886,824	3,977,542	4,151,941	4,430,734	1,349,588	4,738,537	307,803	4,069,532	4,121,131	4,140,006	

Climate Change, Leisure and Community											
Community Partnerships	Original Budget 2023/24	Original Budget Plus 2022/23 Carry Forwards	Latest Budget 2023/24	Previous Forecast 2023/24	Spend to Date	Latest Forecast 2023/24	Variance @ P8	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Officer Comments
	£	£	£	£	£	£	£	£	£	£	
Citizens Advice Bureaux	303,340	303,340	303,340	303,340	129,645	303,340	0	288,340	288,340	288,340	Future Years budget reduced to align ringfenced CAB Service Accommodation budget with rent charged
Community Development	4,500	4,500	4,500	4,500	(79,280)	4,500	0	4,500	4,500	4,500	Income and Expenditure budgets of £55,000 to spend ringfenced Household Support Fund Grant
Community Safety	217,274	228,774	228,774	228,774	221,735	241,846	13,072	235,231	240,212	244,142	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.
Community Partnerships	209,387	209,387	209,387	209,387	128,806	208,384	(1,003)	211,042	212,418	212,418	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.
Env Health - Commercial Team	209,790	209,790	209,790	209,790	97,369	209,790	0	209,790	209,790	209,790	Budget will be spent
Licensing	(66,261)	(66,261)	(66,261)	(66,841)	(64,426)	(32,923)	33,918	(66,585)	(66,585)	(66,585)	2023/24 Pay Award applied . Variance to be managed due to reduction in income reported of £20,000 for Drivers-Private Hire and £7,000 for Vehicles-Private Hire due to declining number of applications. Increase in fees & charges following council decision
Community & Leisure Grant	80,000	80,000	67,000	65,000	24,500	65,000	0	67,500	67,500	67,500	Future years budget reduced due to lack of demand for Arts on Prescription Project (£6,500) and seeking alternative funding for Roundabout Transport (£6,000)
Total	958,030	969,530	956,530	953,950	458,349	999,937	45,987	949,818	956,175	960,105	

Leisure	Original Budget 2023/24	Original Budget Plus 2022/23 Carry Forwards	Latest Budget 2023/24	Previous Forecast 2023/24	Spend to Date	Latest Forecast 2023/24	Variance @ P8	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Officer Comments
	£	£	£	£	£	£	£	£	£	£	
Leavesden Country Park	0	0	0	0	592	0	0	0	0	0	S106 funded expenditure will be transferred at year end
Community Sports Network Csn	0	0	0	0	0	0	0	0	0	0	
Community Arts	11,400	11,400	17,900	17,900	4,614	17,900	0	11,400	11,400	11,400	Budget will be spent
Watersmeet	5,406	5,406	8,787	8,787	(146,461)	29,980	21,193	26,393	27,439	28,502	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Increase in fees & Charges following full council decision
Leavesden Ymca	(35,000)	(35,000)	(35,000)	(35,000)	(28,658)	(35,000)	0	(35,000)	(35,000)	(35,000)	Income is received quarterly.
Oxhey Hall	(3,000)	(3,000)	(3,000)	(3,000)	(2,263)	(3,000)	0	(3,000)	(3,000)	(3,000)	Income is received quarterly.
Museum	(700)	(700)	(700)	(700)	(700)	(700)	0	(700)	(700)	(700)	Budget met
Playing Fields & Open Spaces	97,731	97,731	97,731	97,731	47,172	97,731	0	93,981	93,981	93,981	Increase in fees & Charges following full council decision.
Play Rangers	56,495	56,495	56,495	56,495	41,619	60,860	4,365	56,484	56,484	56,484	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. To introduce a registration fee of £5 per child per year for play ranger service in line with full council decision.
Comm Parks & Sust Project	24,200	24,200	24,200	24,200	20,087	24,200	0	24,200	24,200	24,200	Budget will be spent
Aquadrome	16,550	16,550	44,615	71,735	50,376	71,735	0	39,615	39,615	39,615	Budget will be spent
Leisure Venues	(479,640)	(479,640)	(479,640)	(479,640)	(412,023)	(479,640)	0	(514,893)	(514,893)	(514,893)	Budget will be spent
Leisure Development	519,504	519,504	519,504	519,504	314,461	555,333	35,829	557,807	560,235	561,419	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.
Play Development - Play schemes	42,940	42,940	42,940	42,940	28,952	42,940	0	34,843	34,843	34,843	Variance includes revised employee estimates which takes into account changes in pay elements. Increase Playscheme fees and charges in line with full council decision.
Sports Devel-Sports Projects	45,550	45,550	52,050	52,050	26,987	52,050	0	48,135	48,135	48,135	Variance includes revised employee estimates which takes into account changes in pay elements.
Leisure & Community Services	121,355	121,355	121,355	121,355	26,405	36,184	(85,171)	36,087	36,087	36,087	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements following restructure of service.
Grounds Maintenance	735,553	735,553	741,689	741,689	471,822	829,973	88,284	840,028	840,028	840,028	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.
Total	1,158,344	1,158,344	1,208,926	1,236,046	442,982	1,300,546	64,500	1,215,380	1,218,854	1,221,101	

Sustainability and Climate	Original Budget 2023/24	Original Budget Plus 2022/23 Carry Forwards	Latest Budget 2023/24	Previous Forecast 2023/24	Spend to Date	Latest Forecast 2023/24	Variance @ P8	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Officer Comments
	£	£	£	£	£	£	£	£	£	£	
Energy Efficiency	19,500	19,500	19,500	19,500	100	14,500	(5,000)	9,500	9,500	9,500	Full grants and contributions budget no longer required
Sustainability Projects	3,000	3,000	3,000	3,000	0	3,000	0	3,000	3,000	3,000	
Corporate Climate Change	98,085	144,154	144,154	144,154	(114,557)	147,507	3,353	102,262	102,262	102,262	2023/24 Pay Award applied. Income and Expenditure budgets of £30,000 required for Ringfenced Social Housing Decarbonisation Fund Wave 2.
Innovate UK	0	0	0	0	3,866	0	0	0	0	0	Innovate UK Grant claimed retrospectively as per grant conditions
Pest Control	80,755	80,755	80,755	80,755	39,991	80,755	0	12,755	12,755	12,755	Budget will be spent
Environmental Maintenance	25,970	25,970	25,970	43,970	32,351	43,970	0	25,970	25,970	25,970	Budget will be spent
Animal Control	62,305	62,305	62,305	62,305	45,129	65,295	2,990	64,490	64,490	64,490	2023/24 Pay Award applied. Increase in fees & charges following full council decision.
Cemeteries	(208,623)	(208,623)	(208,623)	(208,623)	(173,318)	(208,623)	0	(228,193)	(228,193)	(228,193)	Increase in fees and charges following full council decision.
Trees And Landscapes	244,360	244,360	244,360	244,360	115,676	244,360	0	243,760	243,760	243,760	£19,832 income and expenditure budgets for use of S106 monies are no longer required. Increase in fees & Charges following full council decision.
Total	325,352	371,421	371,421	389,421	(50,762)	390,764	1,343	233,544	233,544	233,544	
Total Climate Change, Leisure and Community	2,441,726	2,499,295	2,536,877	2,579,417	850,569	2,691,247	111,830	2,398,742	2,408,573	2,414,750	

Policy & Resources											
Resources	Original Budget 2023/24	Original Budget Plus 2022/23 Carry Forwards	Latest Budget 2023/24	Previous Forecast 2023/24	Spend to Date	Latest Forecast 2023/24	Variance @ P8	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Officer Comments
	£	£	£	£	£	£	£	£	£	£	
Corporate Management	150,680	212,980	212,980	242,980	77,569	242,980	0	150,680	150,680	150,680	Budget will be spent
Major Incident Planning	106,833	106,833	106,833	106,833	54,682	110,329	3,496	113,107	113,904	114,728	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Removal of Emergency Planning budget as service will now be in house
UK Shared Prosperity Fund	0	0	0	0	(151,779)	0	0	0	0	0	Budget will be spent
West Herts Crematorium	0	0	0	0	519,189	0	0	0	0	0	All spend will be recharged to West Herts Crematorium
Miscellaneous Income & Expend	(114,910)	(114,910)	(114,910)	(114,910)	(667,416)	(341,500)	(226,590)	(341,500)	(341,500)	(341,500)	Support Service Income Capital budget virement from Asset Management Property
Non Distributed Costs	255,000	255,000	255,000	255,000	1,176	55,000	(200,000)	57,000	59,000	59,000	Reduction in Pension deficit following tri-annual valuation
Director Of Finance	66,703	66,703	66,703	66,703	49,048	90,322	23,619	128,735	132,966	132,965	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Shared Service income reduced due to new S151 Officer arrangements with Watford Borough Council
Miscellaneous Properties	(77,433)	(77,433)	(62,743)	(122,743)	(140,008)	(129,518)	(6,775)	(77,208)	(77,208)	(77,208)	2023/24 Pay Award applied. £7,000 Budget virement to Garages, Shops and Maintenance
Office Services	214,810	214,810	198,810	184,810	82,464	184,810	0	192,810	190,810	190,810	Reduction in postage budget due to all non-statutory bulk mail outs being sent by email
Asset Management - Property Services	411,755	419,755	438,055	437,255	440,435	700,645	263,390	692,079	693,260	694,542	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. £1,300 Publication budget no longer required. £226,590 Support Service Income Capital budget virement to Miscellaneous Income & Expenditure
Finance Services	487,002	487,002	518,002	518,002	420,803	556,216	38,214	440,080	435,772	439,212	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements following restructure of service. Shared Service income reduced due to new S151 Officer arrangements with Watford Borough Council
Council Tax Collection	387,937	387,937	387,937	367,937	395,081	378,603	10,666	329,467	330,179	330,880	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Increase in Shared Service income due to 2023/24 pay award and future years realignment
Benefits & Allowances	748,587	748,587	748,587	702,587	667,592	735,131	32,544	681,913	685,248	687,432	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. - Removal of Agency budget for future years. Increase in Shared Service income due to 2023/24 pay award and reduced in future years due to removal of agency budget
NNDR	58,898	58,898	58,898	58,898	38,045	61,241	2,343	60,005	60,005	60,005	2023/24 Pay Award applied. Increase in Shared Service income due to 2023/24 pay award and future years realignment
Revs & Bens Management	39,453	39,453	39,453	39,453	37,752	42,152	2,699	41,969	41,969	41,970	2023/24 Pay Award applied. Increase in Shared Service income due to 2023/24 pay award and future years realignment
Fraud	81,149	81,149	77,149	77,149	74,338	86,746	9,597	86,746	86,746	86,746	2023/24 Pay Award applied.
Garages & Shops Maintenance	(1,169,030)	(1,169,030)	(1,169,030)	(1,169,030)	(753,180)	(1,162,030)	7,000	(1,300,150)	(1,300,150)	(1,300,150)	Budget Virement of £7,000 from Miscellaneous Properties. Increase in fees and charges for garage rentals
Chief Executive	204,612	354,612	354,612	354,612	150,977	363,754	9,142	213,754	213,754	213,754	2023/24 Pay Award applied.

Resources	Original Budget 2023/24	Original Budget Plus 2022/23 Carry Forwards	Latest Budget 2023/24	Previous Forecast 2023/24	Spend to Date	Latest Forecast 2023/24	Variance @ P8	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Officer Comments
	£	£	£	£	£	£	£	£	£	£	
Investment Properties	(890,089)	(890,089)	(929,794)	(929,794)	(617,539)	(929,794)	0	(950,499)	(982,225)	(982,225)	Budget will be spent
Performance Mgt & Scrutiny	50,903	50,903	50,903	50,903	26,125	53,835	2,932	53,849	53,849	53,849	2023/24 Pay Award applied.
Debt Recovery	233,506	233,506	233,506	233,506	170,960	244,158	10,652	226,406	223,403	224,810	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements. Increase in Shared Service income due to 2023/24 pay award and future years realignment
Associate Director Strategy, Partnerships & Housing	100,609	100,609	100,609	100,609	67,729	105,252	4,643	109,178	113,107	113,107	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.
Three Rivers House	359,260	359,260	359,260	359,260	324,993	359,260	0	359,260	359,260	359,260	Budget will be spent
Basing House	(10,140)	(10,140)	(10,140)	(10,140)	8,415	(10,140)	0	(10,140)	(10,140)	(10,140)	Rent charged quarterly
Oxhey Drive	10,250	10,250	10,250	10,250	8,645	10,250	0	10,250	10,250	10,250	Budget will be spent
Wimbledon	(200,000)	(200,000)	(200,000)	(200,000)	(673,961)	(200,000)	0	(200,000)	(500,000)	(500,000)	
Officers' Standby	6,140	6,140	6,140	6,140	6,140	6,140	0	6,140	6,140	6,140	Budget fully spent
Vacancy Provision	(180,000)	(180,000)	(180,000)	0	0	0	0	(180,000)	(180,000)	(180,000)	Vacancy saving achieved
Finance Client	21,108	21,108	(5,892)	(5,892)	43,143	3,713	9,605	14,898	14,906	14,919	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements following restructure of service. Increase to Shared Service income due to new S151 Officer arrangements with Watford Borough Council and future years realignment
Business App Maintenance	257,875	257,875	257,875	257,875	220,227	257,875	0	257,875	257,875	257,875	Budget will be spent
ICT Client	721,551	755,551	755,551	741,551	418,922	683,377	(58,174)	683,377	683,377	683,377	Salary budgets removed and Increase in Shared Service payment to Watford Borough Council as salary costs now forms part of Shared Service Agreement. £20,000 Migration to Cloud budget no longer required
Internal Audit Client	55,968	55,968	55,968	51,688	38,404	56,688	5,000	55,968	55,968	55,968	Variance to be managed in year of £5,000 due to under accrual from 2022/23
Council Tax Client	(126,879)	(126,879)	(126,879)	(126,879)	0	(126,879)	0	(126,879)	(126,879)	(126,879)	Budget will be spent
Benefits Client	(470,660)	(470,660)	(470,660)	(470,660)	2,819,721	(470,660)	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.
Nndr Cost Of Collection	(107,090)	(107,090)	(107,090)	(107,090)	0	(107,090)	0	(107,090)	(107,090)	(107,090)	This is received at year end
Fraud Client	2,690	2,690	2,690	2,690	1,121	2,690	0	2,690	2,690	2,690	Budget will be spent
Insurances	373,220	373,220	489,995	489,995	502,913	489,995	0	373,220	373,220	373,220	Budget will be spent
Debt Recovery Client Acc	(6,140)	(6,140)	(6,140)	(6,140)	(1,450)	(6,140)	0	(6,140)	(6,140)	(6,140)	Budget will be spent
Benefits New Burden	0	0	0	0	(62,353)	0	0	0	0	0	
Benefits DHP	0	0	0	0	0	0	0	0	0	0	Actioned at year end
Benefits Non Hra	1,020	1,020	1,020	1,020	(248,686)	1,020	0	1,020	1,020	1,020	Actioned at year end
HR Client	334,113	334,113	334,113	334,113	195,576	334,113	0	334,113	334,113	334,113	Budget will be spent
Salary Contingency	175,000	175,000	175,000	518,624	0	0	(518,624)	712,285	905,378	1,124,612	2023/24 Pay Award applied .
Total	2,564,261	2,818,561	2,912,621	3,307,165	4,545,813	2,732,544	(574,621)	2,618,608	2,486,857	2,715,942	

Leader	Original Budget 2023/24	Original Budget Plus 2022/23 Carry Forwards	Latest Budget 2023/24	Previous Forecast 2023/24	Spend to Date	Latest Forecast 2023/24	Variance @ P8	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Officer Comments
	£	£	£	£	£	£	£	£	£	£	
Register Of Electors	36,800	36,800	36,800	36,800	6,878	36,800	0	36,800	36,800	36,800	Budget will be spent
District Elections	76,320	76,320	76,320	76,320	142,870	76,320	0	76,320	76,320	76,320	May 2023 Election costs to be recharged
Customer Service Centre	876,087	876,087	876,087	876,087	500,876	934,618	58,531	949,303	959,124	961,784	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.
Democratic Representation	307,838	307,838	321,766	321,516	223,000	321,516	0	321,516	321,516	321,516	Budget will be spent
Customer Contact Programme	6,000	80,635	80,635	80,635	35,653	80,635	0	6,000	6,000	6,000	Budget will be spent
Customer Experience	87,324	87,324	87,324	87,324	58,463	91,532	4,208	95,468	99,401	99,401	2023/24 Pay Award applied.
Communication	322,645	336,195	337,035	337,035	183,483	334,664	(2,371)	324,697	324,697	324,697	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.
Legal Practice	407,881	407,881	407,881	407,381	261,915	401,647	(5,734)	402,049	402,698	403,363	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements.
Committee Administration	194,741	194,741	194,741	186,741	121,495	196,551	9,810	207,249	209,217	211,181	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements following restructure of service.
Elections & Electoral Regn	146,326	146,326	146,326	146,326	132,927	123,293	(23,033)	125,815	127,783	129,747	2023/24 Pay Award applied . Variance includes revised employee estimates which takes into account vacancies and changes in pay elements following restructure of service.
Parish Elections	0	0	0	0	6,311	0	0	0	0	0	Costs from May 2023 election to be recharged to Parishes
County Elections	0	0	0	0	0	0	0	0	0	0	
Parliamentary Elections	0	0	0	0	0	0	0	0	0	0	
Referendums	0	0	0	0	(150)	0	0	0	0	0	
Police Commissioner Election	0	0	0	0	13,347	0	0	0	0	0	May 2021 Election claim currently with Cabinet Office
Total	2,461,962	2,550,147	2,564,915	2,556,165	1,687,068	2,597,576	41,411	2,545,217	2,563,556	2,570,809	
Total Policy and Resources	5,026,223	5,368,708	5,477,536	5,863,330	6,232,881	5,330,120	(533,210)	5,163,825	5,050,413	5,286,751	
Total All Committees	11,354,773	11,845,545	12,166,354	12,873,481	8,433,038	12,759,904	(113,577)	11,632,099	11,580,117	11,841,507	

Corporate Costs	Original Budget 2023/24	Original Budget Plus 2022/23 Carry Forwards	Latest Budget 2023/24	Previous Forecast 2023/24	Spend to Date	Latest Forecast 2023/24	Variance @ P8	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Officer Comments
	£	£	£		£	£	£	£	£	£	
Interest Earned	(670,000)	(670,000)	(670,000)	(780,000)	(612,616)	(1,174,191)	(394,191)	(760,000)	(660,000)	(660,000)	An extra £350,000 is expected on Investment interest and £44,191 on pre-emption sites
Interest Paid	682,989	682,989	682,989	573,639	93,030	606,256	32,617	715,606	715,606	715,606	Revenue Provision for Capital budget updated to values in MRP Schedule
Parish Precepts	2,386,783	2,386,783	2,386,783	2,386,783	2,386,783	2,386,783	0	2,434,520	2,483,220	2,483,220	Paid half yearly in April & September
Total Corporate Costs	2,399,772	2,399,772	2,399,772	2,180,422	1,867,197	1,818,848	(361,574)	2,390,126	2,538,826	2,538,826	

Grand Total	13,754,545	14,245,317	14,566,126	15,053,903	10,300,235	14,578,752	(475,151)	14,022,225	14,118,943	14,380,333	
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Growth Bids	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27
Community Safety - Reinstate Budget for PCSO's	72,256	72,256	72,256
Customer Contact Programme - CRM	0	62,453	62,453
Asset Management Property - Repairs and Maintenance	106,548	185,242	185,242
Revenue impact of Capital Growth Bids	0	39,660	26,160
Total	178,804	359,611	346,111

Net Budget	14,201,029	14,478,554	14,726,444
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Funding Changes	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27
New Homes Bonus	(100,025)	(95,000)	(95,000)
Council Tax	(10,419,425)	(10,789,065)	(11,122,947)
Council Tax Collection Fund Deficit	84,870	0	0
Business Rates Pooling	0	(300,000)	(300,000)
Business Rates	(2,818,907)	(2,495,000)	(2,495,000)
Revenue Support Grant	(79,000)	(70,000)	(70,000)
Funding Guarantee	(400,000)	(300,000)	(300,000)
Services Grant	0	0	0
Dividend	(50,000)	(50,000)	(50,000)
Total Funding	(13,782,487)	(14,099,065)	(14,432,947)

FINANCIAL AND BUDGETARY KEY 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.	4	4	16	The Council has a robust financial management framework which includes 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	The pay award exceeds estimates included in the MTFP resulting in unplanned and unsustainable use of reserves.	The Council's 3 year Medium term Financial Strategy includes forecast pay awards for the next three years. The 2023-24 pay award has now been agreed at the level included in the current budget monitoring. Inflation is beginning to come down reducing pressure on next years	3	3	9	Maintain reserves to guard against risk. Early identification of new pressures through Budget Monitoring.	Head of Finance	3	2	6	⬇	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 enable the Council to take steps to bring the budget back into balance.	Head of Finance	Continuous
Apr-06	FIN09	Director of Finance	Budgetary	Other inflationary increases exceed estimates included in the MTFP resulting in unplanned and unsustainable use of reserves.	Other than contractual agreements, budgets are cash limited where possible and budget managers are expected to manage increases within existing budgets.	3	3	9	Monitor future inflation projections. Actively manage budgets to contain inflation. Maintain reserves.	Service Heads/Head of Finance	3	2	6	➔	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. Early identification of new pressures through Budget Monitoring enable the Council to take steps to bring the budget back into balance.	Head of Finance	Continuous
Jan-15	FIN10	Director of Finance	Budgetary	Interest rates increase or decrease resulting in significant variations in estimated interest income (investments) or interest expense (borrowing)	The Council remains cash positive so is experiencing a short term benefit from higher interest rates. Over the longer term rates are expected to come down allowing the Council to borrow for future capital projects.	3	2	6	The Council has a Treasury Management Strategy which is reviewed annually. The Council is looking to lend out over a longer period to maximised the benefit from temporary higher rates..	Head of Finance	3	2	6	➔	The Audit Committee receives two reports per year on Treasury Management activity and interest income and expenditure is monitored through the Budget Monitoring Report.	PIB	Continuous

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 and / or estimates of cost of delivering chargeable services result in budgetary pressure.	A budget pressure is created due to income shortfalls or increased expenditure	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
Apr-06	FIN12	Director of Finance	Budgetary	The Council loses the ability to recover VAT as a result of exceeding the partial exemption threshold resulting in budgetary pressure.	If the council's expenditure on functions for which it receives income that is exempt for VAT purposes exceeds 5% of its total vatatable 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 is undertaken annually with support provided by the Council's external tax advisors, PS Tax. The Council continue to opt to tax land where appropriate.	Head of Finance	Continuous
Dec-13	FIN13	Director of Finance	Budgetary	The estimated cost reductions and additional income gains set out in the MTFP are not achieved resulting in an unplanned and unsustainable use of reserves.	Savings identified and included in the budget will be monitored as part of the budget monitoring process. See fees and charges above. MTFP agreed for next three 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	Continuous
Apr-06	FIN14	Director of Finance	Budgetary	The Council is faced with potential litigation and other employment related risks	The Council has no material 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	Business Rates Retention fluctuates impacting on the amount of funding received by the Council.	From April 2020 the system was due to be subject to reset and increase to 75% retention resulting in a loss of growth. This has been further postponed to 2025/26. However, the significant revaluations for 2023 introduce additional risk of appeals which could result in a reduction to income.	3	4	12	Maintain reserves against risk.	Head of Finance	3	3	9	➔	Hertfordshire CFOs continue to work with LG Futures to assess the impact on individual Councils in Hertfordshire and the impact on the ability to create a business rate pool for 2024/25. The scale of appeals is still unknown but this is likely to become clearer over the next 24 months as transitional relief reduces for businesses impacted by the increases in rateable value.	Director of Finance	Continuous
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	Continuous
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 has limited options to further improve self sustainability through commercial investment following changes to the the Prudential Code for Capital Finance and changes to PWLB borrowing regulations. Currently there is a	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
Nov-19	FIN 24	Director of Finance	Service	Loss of Key Personnel	As the Council becomes more complex in its financial arrangements, key skills become more important.	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 during 2022/23, 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