

Welwyn Hatfield Borough Council - Budget Monitoring - General Fund Summary - 31 March 2024

Appendix A1

Description	Budget 2023/24 £ '000	Outturn 2023/24 £ '000	Variance £ '000
Customer Service and Transformation	1,463	1,628	165
Finance	5,674	5,049	(626)
ICT and Digital	1,927	1,791	(136)
Legal and Governance	2,829	2,735	(94)
Executive Director (Finance and Transformation)	11,893	11,203	(691)
Leisure, Community and Cultural Services	3,014	2,990	(24)
Planning	784	1,496	712
Regeneration and Economic Development	(3,050)	(3,366)	(316)
Executive Director (Place)	748	1,120	372
Service Director (Property Maintenance and Climate Change)	(961)	(1,198)	(236)
Service Director (Resident and Neighbourhood)	8,903	8,545	(359)
Senior Leadership Team	433	404	(29)
Net Controllable Income and Expenditure	21,017	20,074	(943)
Net Recharge to the Housing Revenue Account	(6,210)	(6,045)	165
Net Cost of Services	14,807	14,029	(778)
Income from Council Tax	(12,152)	(12,152)	0
Plus/Less Council Tax collection fund deficit/(surplus)	342	342	0
Business Rates Income	(3,950)	(2,266)	1,684
Plus/Less Rates collection fund deficit/(surplus)	2,237	(2,092)	(4,329)
New Homes Grant	(288)	(288)	0
Services Grant and Other Government Grants	(870)	(943)	(73)
New Burdens Grants	(18)	(157)	(139)
Interest & Investment Income	(200)	(1,807)	(1,607)
Capital Financing Costs	1,369	1,055	(314)
Borrowing Interest Costs	780	924	144
Parish Precepts	2,031	2,031	0
Net Total before movements in reserves	4,087	(1,324)	(5,412)
Contribution (from) / to Earmarked Reserves	(892)	942	1,834
Contribution (from) / to Earmarked Reserves - Collection Fund	(2,579)	397	2,976
Contribution (from) / to GF balances	(616)	(15)	601

Key of variance column = (Decrease in expenditure/increase in income), Increase in expenditure/reduction in income

General Fund Reserves Summary - 31 March 2024

Appendix A2

Reserve	Balance at 1 April 2023	Budgeted Movement	Grants and Approved Changes	Forecast Changes	Balance at 31 March 2024
	£'000	£'000	£'000	£'000	£'000
Earmarked Reserves					
Strategic Initiatives Reserve	1,432	(50)	(5)		1,377
Business Rates Retention Reserve	4,757	(2,579)	2,976		5,154
Pensions Reserve	1,201	(400)			801
Transformation Reserve	750	(196)	84	350	988
Commitment Reserves	217		(15)	99	301
Grants and Contributions Reserve	2,087	(249)	1,135		2,973
Local Plan Reserve (Other reserves)	300		3	150	453
Climate Change Reserve (Other reserves)	116		(42)	50	124
Civic Buildings Reserve (Other reserves)	241			60	301
Disability Access Reserve	82				82
Other Reserves	97		(32)		65
Total Earmarked Reserves	11,279	(3,474)	4,104	709	12,619
General Fund Working Balance	6,783	(616)	0	601	6,768
Total Reserves	18,062	(4,090)	4,104	1,310	19,387

Summary of virements between services

Appendix A3

Service	Virement Detail	Virement Total
Customer Service and Transformation	Virement to reflect increased pension contribution rate £9k	(53)
	Transfer of Jadu software contract costs to ICT (62k)	
Finance	Virement to reflect increased pension contribution rate (£115k)	(80)
	Drawdown from Modernisation Reserve for Payroll transformation project £35k	
ICT and Digital	Virement to reflect increased pension contribution rate £1k	101
	Transfer of Jadu software contract costs to ICT 62k	
	Telephone centralisation £38k	
Legal and Governance	Virement to reflect increased pension contribution rate £16k	32
	Telephone centralisation (£2k)	
	Grant drawdown of the funding for Voter ID £18k	
Leisure, Community and Cultural Services	Virement to reflect increased pension contribution rate £25k	92
	Realignment of functions following the restructure in 22/23 and further team reviews £57k	
	Telephone centralisation (£7k)	
	Transfer of Grant from Regeneration and Economic Development £17k	
Planning	Virement to reflect increased pension contribution rate £17k	(5)
	NEC Strategic Planning 20k	
	Realignment of functions following the restructure in 22/23 and further team reviews (£42k)	
	Telephone centralisation (£1k)	
Regeneration and Economic Development	Virement to reflect increased pension contribution rate £14k	(40)
	Realignment of functions following the restructure in 22/23 and further team reviews (£26k)	
	Telephone centralisation (£17k)	
	Economic Development - Better Business for All (BBfA) membership £6k	
	Transfer of Grant to Leisure, Community and Cultural Services (£17k)	
Service Director (Property Maintenance and Climate Change)	Virement to reflect increased pension contribution rate £5k	(33)
	Telephone centralisation (£4k)	
	Realignment of functions following the restructure in 22/23 and further team reviews (£34k)	
Service Director (Resident and Neighbourhood)	Virement to reflect increased pension contribution rate £25k	61
	Realignment of functions following the restructure in 22/23 and further team reviews £23k	
	Telephone centralisation (£7k)	
	Positive Pathways £20k	
Senior Leadership Team	Virement to reflect increased pension contribution rate £3k	(72)
	Positive Pathways (£20k)	
	NEC Strategic Planning (£20k)	
	Realignment of functions following the restructure in 22/23 and further team reviews (£12k)	
	Engraving machine (£15k)	
	Telephone centralisation (£1k)	
	Economic Development - Better Business for All (BBfA) membership (£6k)	
Total Increase/(Decrease) to Net Cost of Service Budgets		3

Customer Service and Transformation

Description	Budget 2023/24 £ '000	Actual 2023/24 £ '000	Variance £ '000
Employees	1,630	1,373	(257)
Premises Related	339	173	(166)
Transport Related	0	5	5
Supplies and Services	250	275	25
Third Party Payments	306	242	(64)
Transfer Payments	0	0	0
Income	(1,062)	(440)	622
Controllable Costs	1,463	1,628	165

Controllable Variance Analysis	Variance
d) Due to issues with utility access the opening of the crematorium was delayed and opened in September. The income received reflected the fact that it was only operational for half of the financial year; this has been offset with savings from reduction in utilities usage and contractor payments in relation to monthly landscaping works.	387
d) There have been several vacancies within the service. Agency cover has been found for some of these posts where needed.	(257)
d) Efficiencies from the purchase of new software. The total cost for 2023/24 was £26.5k which resulted in a £12k saving. There will be an ongoing efficiency of c.£10k each year which has been reflected in the 24/25 budget setting process.	(12)
d) Demand for burials has been below level budgeted and previous financial year. This has been monitored throughout the year by weekly reports from the bereavement team.	32
d) Other small variances.	16
TOTAL	165

Finance

Description	Budget 2023/24	Actual 2023/24	Variance
	£ '000	£ '000	£ '000
Employees	2,871	2,888	17
Premises Related	297	308	11
Transport Related	15	4	(11)
Supplies and Services	444	418	(26)
Third Party Payments	2,463	3,521	1,058
Transfer Payments	27,607	27,605	(1)
Income	(28,023)	(29,696)	(1,673)
Controllable Costs	5,674	5,049	(626)

Controllable Variance Analysis	Variance
d) The main audit fees for the financial statements were £30k lower than budgeted for and this has been taken forward as a saving as part of the 24/25 budget setting process. However, an overspend has been incurred in 23/24 due to increased audit testing required on housing benefit audits from previous years.	175
b) Grant payments received in relation to government support schemes for businesses and residents during and post covid. These will be moved to the Grants and Contributions earmarked reserve.	(1,179)
d) A slight underspend on contractor payments due to differing rates of inflation applied than budgeted for.	(24)
d) Overspend on housing benefit payments made. There are various factors that feed into the overspend including rental prices versus the subsidy that we are allowed to claim for them. There are currently around 25 cases of homelessness for which private sector leased accommodation outside the borough is being used, and there is a significant difference between the costs of these and the subsidy claimed.	670
d) Underspend on insurance payments after adjusting for payments in advance for insurance products; these products relate to the period June 2023 to June 2024 and as such need adjusting.	(48)
d) A central provision was created for potential income losses following Covid (£400k) and for the pay award. Both of these items have been baselined in the 2024/25 budget in service areas. The £400k has been utilised to offset income losses at campus west.	(467)

d) Postage costs relating to new contractor. Under the new contract, we can be reimbursed for postage costs incurred by the contractor. This additional income will be offset against postage costs shown within governance services.	(90)
d) This relates to the Council Tax Subsidy grant, which this year was consolidated into the Revenue Support Grant for the first time. The budget has been corrected for 2024/25.	117
d) Additional expenditure incurred in relation to empty homes review and rateable values work. Longer term, this will increase income through council tax and business rates over a three year period.	22
d) Other small variances.	196
TOTAL	(626)

Executive Director (Finance and Transformation)

31 March 2024 variances

Appendix B3

ICT and Digital

Description	Budget 2023/24	Actual 2023/24	Variance
	£ '000	£ '000	£ '000
Employees	160	465	305
Premises Related	0	0	0
Transport Related	0	4	4
Supplies and Services	758	1,039	281
Third Party Payments	1,009	287	(721)
Transfer Payments	0	0	0
Income	0	(4)	(4)
Controllable Costs	1,927	1,791	(136)

Controllable Variance Analysis	Variance
d) A saving has been achieved from bringing the IT Support contract back in house. In addition there were underspends due to vacancies in the new in-house team while these posts were being recruited to.	(353)
d) One off transition costs have been incurred as we centralise IT contracts for the Council website and CRM software.	112
d) Telephone costs have been centralised this year to facilitate a review of how these are procured.	43
a) This amount relates to the ongoing ICT transformation projects. £18k of the variance will be funded from earmarked reserves.	62
TOTAL	(136)

Legal and Governance

Description	Budget 2023/24 £ '000	Actual 2023/24 £ '000	Variance £ '000
Employees	2,062	1,813	(250)
Premises Related	2	15	13
Transport Related	9	11	1
Supplies and Services	746	866	121
Third Party Payments	140	139	(1)
Transfer Payments	0	0	0
Income	(130)	(109)	21
Controllable Costs	2,829	2,735	(94)

Controllable Variance Analysis	Variance
d) There was an overspend on local elections due to voter ID requirements and the print costs of informing the public of this change. Some of the overspend has been offset by additional government grant specifically for the costs of these new burdens.	6
d) There was an underspend on salaries in 2023/24 due to vacancies. This was partially offset by agency staffing costs.	(183)
d) Income from search fees has fallen due to transfer of income generating functions to HM Land Registry.	62
d) There was an underspend on training as the new learning and development framework is developed. £40k will be moved into a reserve to be carried forward for future use towards this new programme of training.	(84)
d) Software costs have risen across the service.	9
d) Inflation on postage has resulted in a pressure on this budget, along with printing for revenues and benefits which receives additional income shown in finance.	39
d) Other small variances.	61
TOTAL	(94)

Regeneration and Economic Development

Description	Budget 2023/24 £ '000	Actual 2023/24 £ '000	Variance £ '000
Employees	1,148	963	(185)
Premises Related	1,352	1,352	(0)
Transport Related	2	4	2
Supplies and Services	411	751	340
Third Party Payments	591	763	172
Transfer Payments	0	0	0
Income	(6,554)	(7,199)	(645)
Controllable Costs	(3,050)	(3,366)	(316)

Controllable Variance Analysis	Variance
d) Overspend on utility costs across the area.	69
d) There were a number of vacancies within the team across the year, resulting in an year end variance.	(181)
d) Net income from off-street Parking fees and charges has seen a small downward trend compared to budget.	21
d) Net income from parking season tickets and parking permit schemes. This also includes ongoing work on waiting restriction schemes, across the borough, to manage parking for road users. Works are ongoing in the following wards: Peartree, Sherrards, Hatfield Central, Brookmans Park & Little Heath.	(48)
d) Net income from the Parking enforcement contract. This includes an overspend on Parking payments to contractors, where monthly payments (management fee, direct and indirect costs) vary in relation to the number of Penalty Charge Notices (PCN's) issued. The overspend is in line with the increased number of PCN's issued in this financial year and the corresponding increase in PCN income to the council.	(146)
d) Rent - the adverse variance is due to a number of different factors including increased interest rates, backlog of rent reviews from COVID, as well as some units being surrendered earlier than anticipated resulting in a short period of loss of rental income while the redevelopment takes place.	58
d) Underachievement on rental income against the budgeted target at business centres, due to current occupancy rates.	55

b) Net grant income and expenditure from the UKSPF Revenue grant 2023/24. We have received confirmation that unspent grant can be rolled forward into 2024/25 and will be set aside in the grants and contributions earmarked reserve.	(60)
d) Herts Economic Growth Fund Income. The variance reflects the amount to be released in this financial year for projects that have been completed. A small balance will be set aside in earmarked reserves for projects in 2024/25.	(109)
d) Other small variances.	25
TOTAL	(316)

Planning

Description	Budget 2023/24 £ '000	Actual 2023/24 £ '000	Variance £ '000
Employees	1,655	1,663	8
Premises Related	2	1	(1)
Transport Related	2	3	2
Supplies and Services	254	657	403
Third Party Payments	53	36	(17)
Transfer Payments	0	0	0
Income	(1,181)	(865)	317
Controllable Costs	784	1,496	712

Controllable Variance Analysis	Variance
d) There is a shortfall in income from planning fees and charges, particularly from major planning applications. The number of minor planning applications has remained broadly level, but it is extremely difficult to predict future income as major planning applications which have the potential to generate large amounts of income are not linear and occur sporadically.	359
d) There are a number of workstreams which have required the use of external legal and consultancy advice due to the likelihood of further planning appeals, legal challenges related to specific sites, the Local Plan, and ongoing enforcement matters.	342
d) Postage costs incurred by the service whilst carrying out their statutory obligations, in relation to planning applications.	16
d) Other small variances.	(4)
TOTAL	712

Leisure, Community and Cultural Services

Description	Budget 2023/24 £ '000	Actual 2023/24 £ '000	Variance £ '000
Employees	2,753	2,608	(145)
Premises Related	1,723	1,147	(576)
Transport Related	2	4	1
Supplies and Services	1,272	3,092	1,820
Third Party Payments	362	312	(50)
Transfer Payments	0	0	0
Income	(3,098)	(4,173)	(1,075)
Controllable Costs	3,014	2,990	(24)

Controllable Variance Analysis	Variance
d) Underspend on Electricity bills (Leisure Contract and Campus West).	(164)
b) Expenditure on homelessness which will be funded from grant awarded by central government (both in year and previous receipts set aside in earmarked reserves).	956
b) Home Office Asylum Dispersal Grant to be moved to earmarked reserve.	(185)
b) Syrian and Afghan Refugee Government Grants to be moved to earmarked reserve.	(58)
b) Rough Sleeper Accommodation Project Government Grant to be moved to earmarked reserve.	(57)
b) Homelessness Prevention Grant to be used to offset additional homelessness projects, for which an adverse variance has been shown above.	(844)
d) There is an overspend relating to the management fee received, as part of the Leisure contract. This has been addressed in the 24/25 budget setting process.	64
d) Net underspends across Employee Costs. Underspends in Campus West caused by vacancies and reduced use of casual staff partially offset by overspends in other areas.	(138)
d) Net underspends across Campus West Supplies and Services Costs, particularly due to lower film and panto fees paid during 2023/24 than expected.	(105)

d) Income shortfall across most activity streams at Campus West. The biggest drivers of this are cinema ticket sales and food and beverage income. A reduced number of blockbuster movies has resulted in a decrease in income. This combined with the cost of living crisis has seen a continuation of lower than anticipated footfall. This has been partially offset by parties generating more income than expected, along with reductions in costs.	768
b) Overspend on Temporary Accommodation due to continued increases in those we have a duty to support, which will be funded from earmarked reserves.	134
d) Gas charges relating to Campus West, Leisure Contract, Community Centres & Mill Green Museum are significantly less than budgeted for due to inflationary reductions.	(430)
d) Other small variances.	34
TOTAL	(24)

Resident and Neighbourhood

Description	Budget 2023/24 £ '000	Actual 2023/24 £ '000	Variance £ '000
Employees	2,663	2,442	(221)
Premises Related	296	323	27
Transport Related	15	23	8
Supplies and Services	276	448	172
Third Party Payments	8,654	8,209	(444)
Transfer Payments	0	0	0
Income	(3,001)	(2,901)	100
Controllable Costs	8,903	8,545	(359)

Controllable Variance Analysis	Variance
d) Saving on the main Recycling Contract. Inflation was high at the time this budget was set, however this reduced when the contract was indexed.	(698)
d) Recycling - Cost associated with the reduction of market value of recyclates, leading to a net cost where a net income was budgeted.	317
d) Recycling - This relates to payment of recycling credits from HCC. Tonnage for Q3 and Q4 higher than originally estimated resulting in more credits due to be paid.	(32)
d) Recycling - Reduction of income relating to Fees and Charges. This has been incorporated into the main Urbaser contract going forward.	36
c) Recycling - This relates to newspaper recycling credits from Palm Recycling, as well as Q3 and Q4 Newspaper Recycling Credits from HCC. Newspaper tonnage significantly lower than previously estimated.	83
d) A reduced market value of paper and plastic compared to when the budget was set has led to a net cost to the Council.	34
d) Grounds Maintenance - Increased expenditure required on planting/bedding and treatment of Japanese knotweed.	49
d) Grounds Maintenance/Tree Maintenance - Reimbursements from HCC were greater than originally budgeted for due to inflation basis.	(41)
d) Garden Waste subscriptions were down 1.1% compared to budget assumptions, driven by low take up on 2+ additional bin collection services. This could be driven by a number of factors including but not limited to; price increases and the cost of living crisis.	14

d) Tewin Road Depot - Savings due to prior year revenue costs associated with the development being higher than is now required.	(71)
d) Tewin Road Depot - Updated Business Rate received from Valuation Office Agency, final annual cost lower than estimated.	(29)
d) Landscaping - £30k WGC Centenary Grant received in prior year only not removed from budget causing a pressure in 2023/24. This has been corrected as part of the 2024/25 budget setting process.	29
e) Landscaping - Payment of S106 funding relating to Contractor works completed in prior year has resulted in a below budgeted net expenditure in the current year.	(22)
d) Allotments - This variance relates to the Allotments Savings target as agreed by Full Council in February 2023. No savings have been found to date.	27
d) Allotments - Following the increase in allotment prices, more tenants eligible to claim a discount have begun to do so, causing an income pressure.	10
d) Salaries - Underspend due to vacancies throughout the year, some of these have been incorporated into the 2024/25 base budget.	(252)
d) Hackney Carriages - Licence fee payments have seen a downfall in the number of renewing licence holders resulting in a pressure on the budget.	138
d) Hackney Carriages - Court Costs relating to ongoing dispute regarding accessible vehicles.	21
d) Environmental Health - Less income has been received for Permit Fees and Health and Safety Courses than has been budgeted for. Health and Safety courses have been reduced and therefore have not generated as much income as in previous years.	19
d) Private Sector Housing - There is an underspend relating to the Stock Condition Survey which began at the end of March. This was due to be funded from earmarked reserves. Due to the underspend the reserves will not be drawn down so the balance of works can be completed in 2024/25.	(39)
d) HMO licences - Variance is due to landlords leaving the private sector and delays in landlords applying for licences despite the team working to chase and in some cases apply for resource intensive legal action to access properties.	60
d) Private Sector Housing - The University of Hertfordshire has agreed to increase their contributions this year which is resulting in a favourable variance.	(16)
d) Other small variances.	(38)
TOTAL	(359)

Service Director (Property Maintenance and Climate Change)
31 March 2024 variances

Appendix B9

Property Maintenance and Climate Change

Description	Budget 2023/24	Actual 2023/24	Variance
	£ '000	£ '000	£ '000
Employees	487	477	(10)
Premises Related	1,414	1,242	(172)
Transport Related	1	1	0
Supplies and Services	61	73	12
Third Party Payments	0	30	30
Transfer Payments	0	0	0
Income	(2,925)	(3,022)	(97)
Controllable Costs	(961)	(1,198)	(236)

Controllable Variance Analysis	Variance
d) An underspend on utility bills, this is due to several factors including the use of air source heat pumps which have reduced spend. Energy prices have reduced throughout the year which has also significantly contributed to the overall underspend.	(138)
d) Maintenance budgets are overspent, this is due to different factors including the fact that there have been increased works which are one-off in nature this financial year which were not expected.	66
d) Underspend on contract cleaning due to lower levels of inflation being applied to the contract than assumed in the budget which was set at a time of high inflation.	(66)
d) There has been additional garage income received in 2023/24 due to lower level in occupancy reductions than anticipated.	(95)
d) Other small variances.	(3)
TOTAL	(236)

Senior Leadership Team
31 March 2024 variances

Appendix B10

Chief Executive and PAs

Description	Budget 2023/24	Actual 2023/24	Variance
	£ '000	£ '000	£ '000
Employees	318	344	27
Premises Related	0	0	0
Transport Related	1	0	(0)
Supplies and Services	115	54	(61)
Third Party Payments	0	5	5
Transfer Payments	0	0	0
Income	0	1	1
Controllable Costs	433	404	(29)

Controllable Variance Analysis	Variance
e) Other small variances.	(29)
TOTAL	(29)

Welwyn Hatfield Borough Council Housing Revenue Account - FYE 2024

Appendix C1

Description	Budget 2023/24 £'000	Outturn 2023/24 £ '000	Variance £'000
Dwelling rents	(55,920)	(55,055)	865
Non-dwelling rents	(435)	(508)	(73)
Tenants' charges for services and facilities	(1,938)	(1,868)	70
Leaseholders' charges for services and facilities	(1,474)	(1,234)	239
Contributions towards expenditure	(302)	(236)	66
De minimis receipts	-	-	-
Non-specific grants, contributions and other capital	-	(1,139)	(1,139)
Total Income	(60,069)	(60,041)	29
Repairs and maintenance	11,844	12,175	331
Supervision and management	11,556	11,324	(231)
Special services	4,657	3,868	(789)
Rents, rates, taxes and other charges	872	1,722	850
Impairment allowance for doubtful debts	490	258	(232)
Depreciation	16,602	15,014	(1,587)
Debt management costs	18	67	49
Sums directed by Secretary of State	50	39	(11)
Total Expenditure	46,088	75,005	28,917
HRA share of Corporate and Democratic Core	928	795	(133)
Net Cost of Services	(13,053)	15,760	28,813

Less Interest and Non-Statutory Items:			
Interest payable and similar charges	8,120	6,101	(2,019)
HRA financing and investment income	(78)	(62)	16
Revenue Contribution to Capital	4,769	5,958	1,190
Reversal of revaluation loss	-	(29,125)	(29,125)
HRA other reserve movements	-	1,452	1,452
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	-	386	386
Capital grants reversed out		1,139	
Total Adjustments	12,811	(15,948)	(29,898)
(Surplus) / Deficit on the HRA	(242)	(188)	(1,085)

Welwyn Hatfield Borough Council Housing Revenue Account - FYE 2024

HRA By Service Area

Description	Budget 2023/24 £'000	Outturn 2023/24 £'000	Variance £'000
Finance & Transformation	(45,762)	(46,734)	(972)
Place	(5)	339	344
Resident and Neighbourhoods	4,076	3,618	(458)
Property Maintenance and Climate Change	13,755	14,062	308
Corporate items	27,694	28,526	831
(Surplus) / Deficit on the HRA	(242)	(188)	54

HRA Reserves

General HRA reserve	Current Budget 2023/24 £'000	Outturn 2023/24 £'000	Variance £'000
Opening HRA Balance	(2,764)	(2,764)	-
In-year (Surplus) / Deficit	(242)	(188)	54
Closing HRA Balance	(3,006)	(2,952)	54

Earmarked reserves HRA	Current Budget 2023/24 £'000	Outturn 2023/24 £'000	Variance £'000
Opening HRA Balance	-	-	-
In-year movements	-	(1,452)	(1,452)
Closing HRA Balance	-	(1,452)	(1,452)

Housing Revenue Account
31 March 2024 variances

Appendix D1

Executive Director (Finance and Transformation)

Description	Budget 2023/24	Actual 2023/24	Variance
	£ '000	£ '000	£ '000
Employees	1,654	1,918	264
Premises Related	0	17	17
Transport Related	10	11	0
Supplies and Services	9,844	7,608	(2,235)
Third Party Payments	0	70	70
Transfer Payments	50	39	(11)
Income	(57,321)	(56,397)	924
Controllable Costs	(45,762)	(46,734)	(972)

Controllable Variance Analysis	Variance
d) There have been a number of vacant posts across the service which are in the process of being recruited to. One post has been removed from the budget for 2024/25.	(31)
d) The annual lump sum pension payment was higher than budgeted for. This has been included in the budget for 2024/25.	299
d) There have been delays with the delivery of Minster House and 1-9 Town Centre Hatfield. As such there is reduced rental income from these sites. Furthermore, current void times are not meeting the targets of 60 days for general voids and 72 days for major voids resulting in increased loss of income from void properties.	702
d) Interest payments on loans. The interest charged is looked at on a regular basis. This is heavily linked to the expected need for borrowing for the capital programme and due to rephasing of capital schemes, there is less borrowing required, and therefore there is a favourable year end variance.	(2,019)
d) Due to the large number of outstanding insurance claims in relation to the HRA, there was a larger than average increase in the provision for insurance claims. This will be reviewed quarterly going forward.	234

d) The service charge audit is near completion and a year end overspend is showing for the total income from leaseholder service charge bills. Due to the terms of the leases, and legislation, we can only charge leaseholders for expenditure that was paid by the 31st March 2023. As there were a number of invoices (£73k) that were accrued for at year end (but not yet paid) this is contributing to the year end overspend for the day to day service charge. A further £104k of the year end overspend relates to fewer leaseholders signing up for new fire doors than expected; this was budgeted for in the service charge income. The service will continue to encourage more sign up in this area.	235
c) This relates to the software budget for the HRA, the underspend is due to certain software/licences not being continued.	(45)
This relates to the provision for bad debts; despite the cost of living crisis the rental collection levels remain high, and as a result, based on the outstanding debts at year end and the length of time of the debts a reduction to the budgeted provision was achieved.	(232)
d) Other minor variances.	68
TOTAL	(972)

Housing Revenue Account
31 March 2024 variances

Appendix D2

Executive Director (Place)

Description	Budget 2023/24	Actual 2023/24	Variance
	£ '000	£ '000	£ '000
Employees	497	567	71
Premises Related	476	699	222
Transport Related	2	4	3
Supplies and Services	165	217	52
Third Party Payments	60	83	23
Transfer Payments	0	0	0
Income	(1,204)	(1,232)	(28)
Controllable Costs	(5)	339	344

Controllable Variance Analysis	Variance
d) Overspend due to a pressure against capital recharges for Housing Development (HRA). We are commencing a review of the capital recharges process.	127
d) Overspend on Hostels Water Bills (£12k) and Council Tax Charges (£33k).	46
d) Overspend on Hostels Gas (£45k) and Electricity (£88k) charges.	133
d) Other minor variances.	38
TOTAL	344

Housing Revenue Account
31 March 2024 variances

Appendix D3

Service Director (Resident and Neighbourhood)

Description	Budget 2023/24	Actual 2023/24	Variance
	£ '000	£ '000	£ '000
Employees	3,274	2,528	(746)
Premises Related	1,666	1,462	(205)
Transport Related	76	48	(28)
Supplies and Services	405	386	(19)
Third Party Payments	244	536	293
Transfer Payments	0	0	0
Income	(1,589)	(1,343)	246
Controllable Costs	4,076	3,618	(458)

Controllable Variance Analysis	Variance
d) Efficiency Savings from closing the Independent Living Control Centre. These savings are net of set up and transfer costs, and the reduced income generated from organisations.	(125)
d) Delays to capital projects such as Queensway, Minster and Howard House are causing an overspend on council tax as the Council is responsible for council tax costs while these properties are empty. Queensway makes up approximately 30% of this, Howard and Minster House approximately a further 10% each of this additional cost. Additionally there is some lost income from community facilities charges owing to this delay in occupancy.	403
d) Savings achieved from moving the Community Buses service to a third party provider.	(46)
d) Overspend on Temporary Accommodation, Assisted Transfers relating to hotel costs for decants due to a lack of affordable solutions.	13
d) Underspend on utility payments caused by a reduction in utility costs over the course of the year since budgets were set.	(512)
d) Underspend due to vacancies partially offset by agency staff costs.	(143)
d) Estates Management contractor payments overspend is a result of unexpected expedited works from contractor.	23
e) CCTV Contract based on estimated inflationary increase, which exceeded the final outturn.	(22)

d) Lower cost replacement furnishing for Independent Living accommodation purchased which did not compromise on quality.	(19)
d) Savings in contractor costs due to delays in bringing Minster House up to full occupation.	(27)
d) Other minor variances	(3)
TOTAL	(458)

Service Director (Property Maintenance and Climate Change)

Description	Budget 2023/24 £ '000	Actual 2023/24 £ '000	Variance £ '000
Employees	1,943	1,875	(68)
Premises Related	30	81	51
Transport Related	1	5	4
Supplies and Services	1,712	878	(834)
Third Party Payments	10,102	11,223	1,121
Transfer Payments	0	0	0
Income	(33)	0	33
Controllable Costs	13,755	14,062	308

Controllable Variance Analysis	Variance
D) The service has recently been restructured and a number of roles have been filled with agency staff whilst permanent recruitment has been taking place (see below).	(889)
D) Agency staffing costs. Due to vacancies whilst recruitment has been taking place, agency cover has been sought to ensure that service delivery is maintained which has cost over £500k. Further agency costs for the waking watch at Queensway house has cost over £300k.	814
d) There have been increased costs for voids and damp and mould cases during 2023/24 which has led to a significant overspend on the repairs budget. Void properties are now being completed to a higher specification which comes at a higher cost. Damp and Mould works are being carried out and properties are being given extra capital investment where this will help with the issues.	1,163
a) This relates to the HRA stock condition survey, the works for this are still ongoing and will continue in 2024/25. The funds for this will be put into a reserve so that it can be used for the project next year.	(1,321)
D) There are ongoing disrepair claims coming through which have incurred legal fees above what has been budgeted.	228
d) There has been a high number of disrepair cases in recent years and therefore a provision has been created in this financial year for cases that are still outstanding. This provision will be looked at on a quarterly basis and updated as needed.	264
e) Other minor variances.	49
TOTAL	308

Summary of virements between services

Appendix D5

Service	Virement Detail	Virement Total
Finance and Transformation	Virement to reflect increased pension contribution rate (£55k)	(155)
	Realignment of functions following the restructure in 2022/23 (£100k)	
Place	Virement to reflect increased pension contribution rate £6k	106
	Realignment of functions following the restructure in 2022/23 100k	
Service Director (Resident and Neighbourhood)	Virement to reflect increased pension contribution rate £30k	30
Service Director (Property Maintenance and Climate Change)	Virement to reflect increased pension contribution rate £18k	18
Total Increase/(Decrease) to Net Cost of Service Budgets		0

Arrears by service at 31 March 2024

Appendix E

	1-30 Days Overdue	31-60 Days Overdue	91-365 Days Overdue	365 Days Overdue	Total Outstanding
Executive Director - Place					
Economic Development	2,340	0	0	0	2,340
Commercial Property and Ground Rents	524,070	77,025	86,888	326,570	1,010,288
Parking and Playgrounds	2,285	0	135	0	2,420
Planning	9,101	0	11,490	4,510	19,100
Housing Options	265	415	7,507	93,597	102,104
Place other	8,714	-584	675	-234	21,571
	<u>546,775</u>	<u>76,856</u>	<u>106,695</u>	<u>424,443</u>	<u>1,157,824</u>
Executive Director - Finance & Transformation					
Cemeteries and Crematoriums	46,735	18,724	2,470	4,757	72,691
Finance	39,004	2,053	2,533	27,292	71,175
Finance and Transformation other	0	0	60	408	468
	<u>85,739</u>	<u>20,777</u>	<u>5,063</u>	<u>32,457</u>	<u>144,334</u>
Service Director - Property Maintenance & Climate Change					
Property Maintenance and Climate Change	168	0	0	5,555	5,723
	<u>168</u>	<u>0</u>	<u>0</u>	<u>5,555</u>	<u>5,723</u>
Service Director - Resident & Neighbourhood					
Community Safety	2,500	0	350	0	2,850
Environmental Services - waste/recycling	183,696	0	0	0	183,696
Independent Living	18,401	144	-396	-482	17,644
Private Sector Housing	11,669	1,150	559,050	29,587	602,741
Resident and Neighbourhood other	10,635	-2,049	1,294	-877	9,105
	<u>226,901</u>	<u>-755</u>	<u>560,298</u>	<u>28,229</u>	<u>816,036</u>
TOTAL	859,583	96,878	672,056	490,684	2,123,916

	Breakdown below:	Breakdown below:
Rental Deposit scheme ¹	7,507	93,382
Referred to legal ²	0	45,090
Payment plan ³	695	21,876
Chasing commercial tenants ⁴	88,314	307,838
Chasing - other LAs and partner orgs ⁵	350	0
Chasing - other orgs & individuals ⁶	10,238	10,501
Balances of less than £50 ⁷	834	1,146
Unallocated credits ⁸	-2,472	-9,671
Invoices in dispute ⁹	566,590	20,521

Analysis and actions being taken re debt over 90 days

1. Rental Deposit Scheme - these are deposits provided to residents to enable them to rent a property. The more recent debts have instalment plans in place.
2. Referred to legal - the debt is now in the hands of the Council's legal team who will first issue a Letter Before Action and if appropriate seek a County Court Judgement.
3. Payment plan - these customers are paying their debt in instalments, as a result of an agreement with officers or terms set by a court.
4. Commercial tenant debts - these are debts of tenants who lease commercial premises and are managed by the Estates team.
5. Other LAs & partners - these are debts of other councils or partner organisations, so legal action is not usually required.
6. Other Chasing - these debts are being actively pursued directly with the customer by the department who provided the service or by Finance.
7. Balances of less than £50 - many of these debts are ground rent.
8. Unallocated credits - these arise when customers pay a different amount than the invoice issued or where a customer pays in advance of an invoice being raised.

Budget Efficiency Savings 2023 - 2024

Appendix F

Service Manager	Title of the Proposal	2023/24 Saving to be made	2023/24 Forecast	On Track
		£'000	£'000	
Finance and Transformation	Customer Services	(120)	(120)	Green
Finance and Transformation	Crematorium	(25)	0	Red
Finance and Transformation	Cemeteries	(10)	0	Red
Finance and Transformation	Internal Audit	(7)	(7)	Green
Finance and Transformation	Fraud	(15)	(15)	Green
Finance and Transformation	General	(2)	0	Red
Finance and Transformation	Revenues and Benefits	(220)	(220)	Green
Finance and Transformation	General	(4)	0	Red
Finance and Transformation	Baseline reset	(167)	(167)	Green
Finance and Transformation	Service Reviews	(57)	(57)	Green
Place	HatTech	(41)	(33)	Yellow
Place	Estates	(165)	(39)	Yellow
Place	Parking	(139)	(139)	Green
Place	Parking	(58)	(58)	Green
Place	Service Review	(128)	(128)	Green
Place	Service Review	(117)	(100)	Yellow
Place	Estates Management Scheme Fees	(5)	(5)	Green
Place	Hertfordshire Building Control	(12)	(6)	Yellow
Place	Planning pre-application fees	(5)	0	Red
Place	Community Grants	(50)	(50)	Green
Place	Homelessness funding	(48)	(48)	Green
Place	Hilltop	(5)	0	Red
Place	Service Reviews	(73)	(73)	Green
Place	Housing allocations	(16)	(16)	Green

Place	Campus West	(40)	(14)	
Property Maintenance and Cli	Garages	(200)	(200)	
Property Maintenance and Cli	Office consolidation	(100)	(100)	
Property Maintenance and Cli	Service Review	(120)	(120)	
Resident and Neighbourhood	Garden Waste Subscription Fees	(216)	(216)	
Resident and Neighbourhood	Allotment Costs	(29)	0	
Resident and Neighbourhood	Service Reviews	(100)	(100)	
Corporate	PensionsRevaluation	(105)	(105)	
Corporate	Council Tax	(127)	(127)	
TOTAL		(2,526)	(2,263)	