

Welwyn Hatfield Borough Council - Budget Monitoring - General Fund Summary - 31 December 2023

Appendix A1

Description	YTD Budget	YTD Actual	YTD	Original	Current	Forecast	Variance to
	2023/24	(inc Cmmt)	Variance	Budget	Budget	Outturn	Current
	£ '000	£ '000	£ '000	2023/24	2023/24	2023/24	Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Customer Service and Transformation	1,164	1,281	116	1,516	1,525	1,799	273
Finance	4,644	3,689	(954)	5,754	5,674	6,551	877
ICT and Digital	1,398	1,378	(20)	1,825	1,865	1,665	(200)
Legal and Governance	2,141	1,970	(171)	2,797	2,811	2,768	(42)
Executive Director (Finance and Transformation)	9,348	8,319	(1,030)	11,892	11,875	12,783	908
Leisure, Community and Cultural Services	2,268	1,590	(678)	2,922	3,035	3,289	254
Planning	573	983	409	789	764	1,690	925
Regeneration and Economic Development	(2,112)	(3,233)	(1,121)	(3,010)	(3,039)	(3,140)	(101)
Executive Director (Place)	729	(660)	(1,389)	701	761	1,839	1,078
Service Director (Property Maintenance and Climate Change)	(656)	(950)	(294)	(928)	(961)	(1,097)	(136)
Service Director (Resident and Neighbourhood)	6,385	3,944	(2,440)	8,842	8,865	8,552	(313)
Senior Leadership Team	344	298	(46)	505	459	459	0
Net Controllable Income and Expenditure	16,150	10,952	(5,198)	21,012	20,997	22,536	1,537
Net Recharge to the Housing Revenue Account	782	0	(782)	(6,243)	(6,210)	(6,266)	(56)
Net Cost of Services	16,932	10,952	(5,980)	14,769	14,789	16,270	1,481
Income from Council Tax	0	0	0	(12,152)	(12,152)	(12,152)	0
Plus/Less Council Tax collection fund deficit/(surplus)	0	0	0	342	342	342	0
Business Rates Income	(2,963)	(2,050)	913	(3,950)	(3,950)	(3,950)	0
Plus/Less Rates collection fund deficit/(surplus)	0	0	0	2,237	2,237	2,237	0
New Homes Grant	(216)	(216)	0	(288)	(288)	(288)	0
Services Grant	(653)	(486)	167	(870)	(870)	(870)	0
Less Interest & Investment Income	(150)	(1,177)	(1,027)	(200)	(200)	(700)	(500)
Net Interest Income from Now Housing	0	0	0	0	0	0	0
Capital Financing Costs	0	116	116	1,354	1,354	1,354	0
Borrowing Interest	585	540	(45)	780	780	519	(261)
Parish Precepts	0	0	0	2,031	2,031	2,031	0
Net Total before movements in reserves	13,534	7,679	(5,856)	4,052	4,072	4,793	720
Contribution (from) / to Earmarked Reserves	(670)	0	670	(857)	(892)	(1,066)	(174)
Contribution (from) / to Earmarked Reserves - Collection Fund	(1,934)	0	1,934	(2,579)	(2,579)	(2,579)	0
Contribution (from) / to GF balances	10,930	7,679	(3,251)	(616)	(601)	(1,148)	(547)

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

General Fund Reserves Summary - 31 December 2023

Appendix A2

Reserve	Balance at 1 April 2023	Budgeted Movement	Approved Changes	Forecast Changes	Forecast Balance 31 March 2024
	£'000	£'000	£'000	£'000	£'000
Earmarked Reserves					
Strategic Initiatives Reserve	1,432	(50)			1,382
Business Rates Retention Reserve	4,757	(2,579)			2,178
Pensions Reserve	1,201	(400)			801
Transformation Reserve	750	(158)		(165)	427
Commitment Reserves	217				217
Grants and Contributions Reserve	2,087	(249)			1,838
Local Plan Reserve (Other reserves)	300				300
Climate Change Reserve (Other reserves)	116	(44)			72
Civic Buildings Reserve (Other reserves)	241				241
Disability Access Reserve	82				82
Other Reserves	97				97
Total Earmarked Reserves	11,279	(3,480)	0	(165)	7,635
General Fund Working Balance	6,783	(601)	0	(547)	5,635
Total Reserves	18,062	(4,081)	0	(712)	13,270

Summary of virements between services

Appendix A3

Service	Virement Detail	Virement Total
Customer Service	Virement to reflect increased pension contribution rate £9k	9
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	39
	Telephone centralisation £38k	
Legal and Governance	Virement to reflect increased pension contribution rate £16k	14
	Telephone centralisation (£2k)	
Leisure, Community and Cultural Services	Virement to reflect increased pension contribution rate £25k	113
	Realignment of functions following the restructure in 22/23 and further team reviews £95k	
	Telephone centralisation (£7k)	
Planning	Virement to reflect increased pension contribution rate £17k	(24)
	Realignment of functions following the restructure in 22/23 and further team reviews (£41k)	
Regeneration and Economic Development	Virement to reflect increased pension contribution rate £14k	(29)
	Realignment of functions following the restructure in 22/23 and further team reviews (£26k)	
	Telephone centralisation (£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	23
	Realignment of functions following the restructure in 22/23 and further team reviews (£15k)	
	Telephone centralisation (£7k)	
	Positive Pathways £20k	
Senior Leadership Team	Virement to reflect increased pension contribution rate £3k	(45)
	Positive Pathways (£20k)	
	Realignment of functions following the restructure in 22/23 and further team reviews (£12k)	
	Engraving machine (£15k)	
	Telephone centralisation (£2k)	
Total Increase/(Decrease) to Net Cost of Service Budgets		(13)

Customer Service and Transformation

Description	YTD Budget 2023/24	YTD Actual (inc Cmnt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	1,223	1,078	(145)	1,630	1,435	(195)
Premises Related	274	48	(227)	339	245	(94)
Transport Related	0	4	4	0	5	5
Supplies and Services	234	220	(14)	312	385	73
Third Party Payments	230	201	(28)	306	207	(99)
Transfer Payments	0	0	0	0	0	0
Income	(796)	(270)	526	(1,062)	(478)	584
Controllable Costs	1,164	1,281	116	1,525	1,799	273

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) Due to issues with utility access the opening of the crematorium was delayed and opened in September. The income forecast reflects that it will only be 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.	218	422
d) There are several vacancies within the service which are currently being recruited to. Agency cover has been found for some of these posts where needed and costs are being monitored.	(157)	(196)
d) Efficiencies from the purchase of new software. The total cost for 2023/24 is £26.5k which results in a forecasted £12k saving for 23/24. There will be an ongoing efficiency of c.£10k each year which will be reflected in the 24/25 budget setting process.	61	(12)
d) Demand for burials is below level budgeted and previous financial year. Weekly reports are checked and forecast is being monitored based on reports from bereavement team.	17	28
d) Level of requests from other departments for printing/advertising/publicity is expected to result in spend on printing and publicity exceeding amount budgeted.	(8)	21
d) Other small variances.	(16)	9
TOTAL	116	273

Finance

Description	YTD Budget 2023/24	YTD Actual (inc Cmnt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	2,463	2,481	18	2,871	2,928	58
Premises Related	297	359	62	297	358	60
Transport Related	15	5	(10)	15	6	(9)
Supplies and Services	333	440	107	444	596	152
Third Party Payments	1,847	1,542	(305)	2,463	1,837	(626)
Transfer Payments	20,705	19,963	(742)	27,607	27,725	118
Income	(21,017)	(21,101)	(84)	(28,023)	(26,899)	1,124
Controllable Costs	4,644	3,689	(954)	5,674	6,551	877

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There is currently a year to date underspend due to accruals from the previous financial year for external audit not yet having been billed by the auditors, along with Q1 for 2023/24 not having been billed. However, a small overspend is forecasted at year end due to the increasing fees for testing and audit work that is being seen across the sector. The fees for 23/24 have not yet been agreed and therefore there is a risk that the year end forecast will change.	(244)	46
b) Grant given by central government to help with the cost of living for those that have alternative fuel methods. Ongoing payments have been made to residents that are entitled to this support, any surplus funds will be returned as per the grant conditions. The scheme closed on 31 May 2023 but we are still receiving applications from The Department of Business, Energy and Industrial Strategy (BEIS) which we are required to process until 11 August 2023. A reconciliation process has now concluded and the grant funds are due to be repaid in January 2024.	(358)	0
b) Grant payments received in previous financial years, that are expected to be returned to central government following reconciliation processes. We recently completed a reconciliation exercise for the Energy Grant scheme which we administered in 2022/23 and this should be the final scheme from previous years where any residual funding may need to be returned.	(1,387)	0
c) There is currently a year to date underspend due to the timing of invoice payments relating to revenues and benefits, and accruals from 22/23 which are still to be paid. No year end variance is forecasted.	(327)	0
d) There were previously a number of vacant posts within the Financial Services team resulting in an underspend, partially offset by agency cover. All posts have now been recruited to and staff have commenced in post.	3	19

d) There is currently a year to date overspend for benefit payments made. A subsidy mid-year estimate was undertaken in August which suggests that the overspend will continue by year end. There are various factors that feed into the overall forecast overspend including increasing rental prices compared to the amount of subsidy which can be claimed. There are also currently around 25 cases of homelessness for which we are using private sector leased accommodation outside the borough; the rental costs for these are significantly higher than the rate of subsidy we can claim back.	1,618	564
d) The Council's Insurance products for 23/24 have cost more than was budgeted for. The majority of the overspend (£56k) relates to Housing Insurance and will be recharged to the HRA.	70	70
d) Year to date underspends on central budgets that will be used during the financial year. This includes central provision included for ongoing income pressures, which are likely to be vired throughout the financial year. No significant forecast variance is expected at present.	(344)	(2)
d) A higher year to date variance relating to software annual costs is showing due to the way the budget is profiled. A slight increase in software costs due to inflationary increases is expected to result in a small overspend at year end.	127	25
b) Government grant income received this financial year, plans are ongoing to utilise this government grant income, it is expected to be spent this year.	(185)	0
d) Additional income year to date from printing and postage costs for new contractor. No significant year end variance is expected.	(51)	2
d) This relates to the Council Tax Subsidy grant, which this year was received in a lump sum with the Revenue Support Grant for the first time. The budget does not align with the grant and is therefore causing a year end variance.	117	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.	18	34
d) Other small variances.	(11)	2
TOTAL	(954)	877

ICT and Digital

Description	YTD Budget 2023/24	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	120	345	225	160	491	331
Premises Related	0	0	0	0	0	0
Transport Related	0	3	3	0	4	4
Supplies and Services	522	835	313	696	870	175
Third Party Payments	757	199	(557)	1,009	300	(709)
Transfer Payments	0	0	0	0	0	0
Income	0	(4)	(4)	0	0	0
Controllable Costs	1,398	1,378	(20)	1,865	1,665	(200)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) A saving will be achieved from bringing the IT Support contract back in house. There are further savings forecast this year due to vacancies in the new in house team while these posts are recruited to.	(117)	(249)
d) Telephone costs have been centralised this year to facilitate a review of how these are procured.	(35)	49
a) This amount relates to the ongoing ICT modernisation project that the council is undertaking and will be funded from reserves at the end of the year.	131	0
TOTAL	(20)	(200)

Legal and Governance

Description	YTD Budget 2023/24	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	1,553	1,299	(254)	2,044	1,902	(142)
Premises Related	2	15	13	2	16	14
Transport Related	8	7	(0)	9	11	1
Supplies and Services	572	634	62	746	816	71
Third Party Payments	105	105	1	140	135	(5)
Transfer Payments	0	0	0	0	0	0
Income	(98)	(90)	7	(130)	(112)	19
Controllable Costs	2,141	1,970	(171)	2,811	2,768	(42)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There is a year to date and forecast overspend on local elections due to 1) there only being elections in WHBC this year (when there are HCC, PCC and/or general elections there are grants which pay for some of the staff time) and 2) an increase in costs due to voter ID requirements and the print costs of informing the public of this change.	29	31
d) There is a year to date underspend on salary budgets due to vacancies, partially offset by agency costs of covering those vacancies.	(183)	(140)
d) Income from search fees is expected to be less than budgeted based on historic trends.	49	50
d) There is a year to date underspend on training. The training programme has started and a new Learning Management System has been rolled out, however an underspend is still expected at the year end.	(93)	(40)
d) Software costs have risen across the service.	13	11
d) Inflation on postage has resulted in a pressure on this budget.	24	10
d) Other small variances.	(10)	35
TOTAL	(171)	(42)

Regeneration and Economic Development

Description	YTD Budget 2023/24	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	896	777	(119)	1,148	1,011	(138)
Premises Related	1,146	1,057	(89)	1,352	1,428	76
Transport Related	1	3	2	2	3	1
Supplies and Services	304	380	76	405	746	340
Third Party Payments	456	405	(50)	608	696	88
Transfer Payments	0	0	0	0	0	0
Income	(4,915)	(5,855)	(940)	(6,554)	(7,023)	(469)
Controllable Costs	(2,112)	(3,233)	(1,121)	(3,039)	(3,140)	(101)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There is a timing difference between the timing of payments to parking contractors and the profiling of the budget. An overspend is expected at year end.	(58)	76
d) There is currently a favourable variance on utility payments due to a 2-3 month lag in receiving utility invoices. Detailed work has been carried out and a small overspend is forecast at year end.	(53)	32
d) There are a number of vacancies within the team, resulting in an year to date saving. Although the aim is to recruit to a number of these positions, an underspend is still expected at year end.	(116)	(139)
d) Net income from off-street Parking fees and charges has seen a downward trend compared to budget.	56	48
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.	(13)	14
d) Net income from Parking enforcement.	(137)	(204)
d) Rent - Rent is received in advance either quarterly, monthly or annually and budgets are profiled accordingly. The year to date variance is the result of timing differences based on rents being received at different times to the budget profile. There are a number of different factors affecting rental income 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. Work is currently underway to reprofile budgets in line with the timing of rental income receipts.	(513)	(39)
d) A slight overspend is forecasted on hardware maintenance across both business centres, which primarily relates to broadband and phone lines.	20	17
d) A slight overspend is forecasted on the cleaning contract.	(4)	14
d) An under recovery is expected on rental income at business centres. This forecast is based on current occupancy rates.	29	53

b) Net grant expenditure from the UKSPF Revenue grant 2023/24	(252)	0
d) Other small variances.	(80)	28
TOTAL	(1,121)	(101)

Planning

Description	YTD Budget 2023/24	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	1,241	1,252	11	1,655	1,661	6
Premises Related	2	1	(1)	2	2	0
Transport Related	1	3	1	2	5	3
Supplies and Services	176	364	189	234	690	456
Third Party Payments	40	35	(4)	53	61	9
Transfer Payments	0	95	95	0	0	0
Income	(886)	(767)	119	(1,181)	(729)	452
Controllable Costs	573	983	409	764	1,690	925

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There is currently a small overspend expected on employee costs.	9	5
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.	240	469
d) There are a number of workstreams which will require 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.	169	373
d) Postage costs incurred by the service whilst carrying out their statutory obligations, in relation to planning applications.	11	20
d) Forecast overspend on costs associated with the Local Plan.	(12)	18
d) Other small variances.	(7)	40
TOTAL	409	925

Leisure, Community and Cultural Services

Description	YTD Budget 2023/24	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	2,094	1,987	(107)	2,791	2,638	(154)
Premises Related	1,319	558	(761)	1,723	1,517	(206)
Transport Related	2	3	1	2	3	0
Supplies and Services	954	2,053	1,099	1,272	2,625	1,353
Third Party Payments	259	204	(54)	345	280	(65)
Transfer Payments	0	0	0	0	0	0
Income	(2,359)	(3,216)	(857)	(3,098)	(3,774)	(676)
Controllable Costs	2,268	1,590	(678)	3,035	3,289	254

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There is currently an underspend on Water and Electricity bills due to a lag in receiving invoices resulting in a timing difference of spend against budget. Detailed work to determine the likely year-end position has been completed and an updated forecast now provided.	(320)	173
b) Expenditure on homelessness which will be funded from the Homelessness Prevention Grant awarded by central government (see line below). The service manager has now provided a breakdown of full year forecasted expenditure against the grant, and this is now reflected in the forecast figures.	612	816
b) Government grant income (Homelessness Prevention Grant) to be used to fund various homelessness projects. The service manager has now provided a list of all expected 23/24 grant income and this has now been reflected in the forecast figures.	(846)	(816)
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	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.	(128)	(131)
b) 2023-24 instalment Household Support Grant received from HCC - expenditure plans are currently being considered and forecast to be updated once confirmed where expenditure is to be incurred.	(113)	0
d) Net underspends across Campus West Supplies and Services Costs, particularly due to lower film and panto fees paid so far in the year.	(110)	(154)
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 YTD income than expected.	547	706

d) Community Outreach grant paid to Citizens Advice Bureau; funding received in 2022-23 but not carried forward into 2023-24. Overspend partially offset by underspend against Small Community Grants (now Community Lottery)	27	10
d) Gas charges to date relating to Campus West, Leisure Contract, Community Centres & Mill Green Museum are significantly less than budgeted for, this is now also reflected in the full year forecast following detailed work on estimated full year spend undertaken during Q2.	(387)	(425)
d) Other small variances.	(26)	10
TOTAL	(678)	254

Resident and Neighbourhood

Description	YTD Budget 2023/24	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	1,969	1,777	(191)	2,625	2,478	(147)
Premises Related	252	209	(43)	296	307	11
Transport Related	11	16	5	15	24	9
Supplies and Services	207	284	77	276	447	170
Third Party Payments	6,490	4,742	(1,749)	8,654	8,131	(522)
Transfer Payments	0	0	0	0	0	0
Income	(2,544)	(3,084)	(540)	(3,001)	(2,835)	166
Controllable Costs	6,385	3,944	(2,440)	8,865	8,552	(313)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) A forecasted saving on the Recycling Contract following a greater than expected reduction in inflation than estimated. A year-to-date variance due to the timing of invoice payments.	(1,314)	(698)
d) A reduced market value of paper and plastic compared to when the budget was set has let to a net cost to Council.	78	296
c) Recycling - There is a year-to-date timing difference in newspaper income received. No variance is expected at year end.	80	0
d) Grounds Maintenance - A year to date underspend is showing due to a timing delay in receiving and paying invoices. An overspend is expected at year end due to increased expenditure required on planting and treatment of Japanese knotweed.	(250)	48
d) Grounds Maintenance/Tree Maintenance - Reimbursements from HCC were greater than originally budgeted for due to inflation basis.	(143)	(41)
e) Recycling - Awaiting payment of Subsidy from HCC. No year end variance expected.	179	0
d) Garden Waste subscriptions are not expected to meet their income targets due to the cost of living crisis reducing the number of subscribers.	14	15
d) Tewin Road Depot - A saving is forecasted due to prior year revenue costs associated with the development being higher than is now required.	(74)	(69)
e) Tewin Road Depot - We have received and paid the NNDR bill based on the previous valuation. An updated valuation is awaited from the Valuation Office Agency, and there is a risk that the bill will increase.	(70)	0
d) Landscaping - £30k Grant relating to WGC Centenary Group not removed from budget.	22	29
e) Landscaping - Payments to contractors is currently showing an underspend as there has been no major spend to date. Plans to spend majority over winter period.	(46)	0

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.	20	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.	3	10
d) Salaries - There is currently an underspend due to vacancies and posts held as part of restructure process.	(129)	(147)
d) Hackney Carriages - Current licence fee payment projections suggest a downfall in the number of renewing licence holders. Income budget set with additional staff costs in mind which have not been required.	65	92
d) Hackney Carriages - Court Costs relating to ongoing dispute regarding accessible vehicles.	11	18
d) Environmental Health - Less income is expected for Permit Fees and Health and Safety Courses than has been budgeted for. Health and Safety courses have been reduced and therefore will not generate as much income as in previous years.	12	21
b) COMF and Other Covid funding to be used to cover backlog of Environmental Health work.	(164)	0
b) Community Safety - Additional funding for projects received, to be fully utilised by the end of the year. Budget virement required.	(20)	(13)
e) Private Sector Housing - There is currently an underspend relating to the Stock Condition Survey which will be held at the end of March. No year end variance is expected.	(34)	0
d) HMO licences - Variance is due to landlords leaving the private sector, 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. The Year to Date variance is due to the licences to be smoothed over 5 years.	(291)	63
d) Private Sector Housing - Fines totalling £550k raised, Probability of payment to be determined.	(550)	(5)
d) Other small variances.	159	42
TOTAL	(2,440)	(313)

Property Maintenance and Climate Change

Description	YTD Budget 2023/24	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	366	376	11	487	490	2
Premises Related	1,126	892	(234)	1,414	1,392	(22)
Transport Related	1	1	0	1	0	(0)
Supplies and Services	46	58	12	61	73	11
Third Party Payments	0	5	5	0	0	0
Transfer Payments	0	0	0	0	0	0
Income	(2,194)	(2,282)	(88)	(2,925)	(3,053)	(128)
Controllable Costs	(656)	(950)	(294)	(961)	(1,097)	(136)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There have been vacancies within the service resulting in a year to date underspend, net of agency costs incurred. These are currently being recruited to.	(22)	(20)
d) This variance relates to utility payments; there is currently a 2-3 month lag with utility invoices being sent. Detailed work to determine the likely year-end position has now been carried out and a slight overspend is expected at year end.	(120)	23
e) Property maintenance budgets are showing a small YTD overspend due to fluctuations in maintenance across different sites. At present corporately no forecast variance is expected.	26	0
d) There is currently a year to date underspend on contract cleaning which is expected to continue at year end.	(106)	(45)
d) There is additional garage income expected for 2023/24. There has been higher demand than expected for garages and as a result more income is forecasted to be achieved.	(87)	(128)
d) Other small variances.	16	35
TOTAL	(294)	(136)

Chief Executive and PAs

Description	YTD Budget 2023/24	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	238	255	17	318	318	0
Premises Related	0	0	0	0	0	0
Transport Related	0	0	(0)	1	1	0
Supplies and Services	105	38	(68)	141	141	0
Third Party Payments	0	5	5	0	0	0
Transfer Payments	0	0	0	0	0	0
Income	0	0	0	0	0	0
Controllable Costs	344	298	(46)	459	459	0

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
e) Other small variances.	(46)	0
TOTAL	(46)	0

Welwyn Hatfield Borough Council Housing Revenue Account - December 2023

Appendix C1

Description	YTD Budget 2023/24 £'000	YTD Actual (inc Cmmt) £ '000	FYE Variance £'000	Current Budget 2023/24 £ '000	Forecast Outturn 2023/24 £ '000	Variance to Current £ '000
Dwelling rents	(41,940)	(41,315)	626	(55,920)	(55,069)	852
Non-dwelling rents	(333)	(388)	(55)	(435)	(435)	-
Tenants' charges for services and facilities	(1,453)	(1,405)	49	(1,938)	(1,865)	73
Leaseholders' charges for services and facilities	(1,113)	(1,224)	(111)	(1,474)	(1,296)	178
Contributions towards expenditure	(153)	(130)	24	(302)	(302)	-
Total Income	(44,994)	(44,462)	532	(60,069)	(58,967)	1,102
Repairs and maintenance	8,883	4,970	(3,914)	11,844	12,068	224
Supervision and management	5,441	4,990	(452)	11,556	11,915	359
Special services	3,493	2,478	(1,014)	4,657	3,987	(669)
Rents, rates, taxes and other charges	574	1,009	434	872	1,350	478
Impairment allowance for doubtful debts	-	80	80	490	490	-
Depreciation	-	-	-	16,602	16,602	-
Debt management costs	-	7	7	18	18	-
Sums directed by Secretary of State	-	-	-	50	50	-
Total Expenditure	18,392	13,533	(4,859)	46,088	46,480	392
HRA share of Corporate and Democratic Core	-	-	-	928	928	-
Net Cost of Services	(26,602)	(30,929)	(4,327)	(13,053)	(11,558)	1,494
Less Interest and Non-Statutory Items:						
Interest payable and similar charges	6,090	3,272	(2,818)	8,120	6,395	(1,725)
HRA financing and investment income	(59)	(53)	6	(78)	(158)	(80)
Revenue Contribution to Capital	3,577	-	(3,577)	4,769	5,137	368
Total Adjustments	9,608	3,220	(6,388)	12,811	11,374	(1,437)
(Surplus) / Deficit on the HRA	(16,994)	(27,709)	(10,715)	(242)	(184)	58

Welwyn Hatfield Borough Council Housing Revenue Account - December 2023

Appendix C2

HRA By Service Area

Description	YTD Budget 2023/24 £'000	YTD Actual (inc Cmmt) £'000	YTD Variance £'000	Current Budget 2023/24 £'000	Forecast Outturn 2023/24 £'000	Forecast Variance £'000
Finance & Transformation	(34,581)	(36,648)	(2,067)	(45,762)	(46,410)	(648)
Place	19	163	144	(5)	249	254
Resident and Neighbourhoods	3,131	2,550	(581)	4,076	3,876	(200)
Property Maintenance and Climate Change	10,316	6,232	(4,084)	13,755	13,982	227
Corporate items	4,121	(6)	(4,128)	27,694	28,120	425
(Surplus) / Deficit on the HRA	(16,994)	(27,709)	(10,715)	(242)	(184)	58

HRA Reserves

	Current Budget 2023/24 £'000	Forecast Outturn 2023/24 £'000	Forecast Variance £'000
Opening HRA Balance	(2,764)	(2,764)	-
In-year (Surplus) / Deficit	(242)	(184)	58
Closing HRA Balance	(3,006)	(2,948)	58

Executive Director (Finance and Transformation)

Description	YTD Budget 2023/24	YTD Actual (inc Cmnt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	1,327	1,533	207	1,654	1,864	210
Premises Related	0	0	0	0	0	0
Transport Related	8	8	0	10	10	(0)
Supplies and Services	7,078	4,324	(2,755)	9,844	8,138	(1,706)
Third Party Payments	0	32	32	0	14	14
Transfer Payments	0	0	0	50	50	0
Income	(42,994)	(42,546)	448	(57,321)	(56,486)	834
Controllable Costs	(34,581)	(36,648)	(2,067)	(45,762)	(46,410)	(648)

Controllable Variance Analysis	Date	Variance
d) There are 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.	(91)	(86)
d) The annual lump sum pension payment was higher than budgeted for.	299	299
d) There has been delays for 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 averaging 60 days for general voids and 72 days for major voids compared to 18 and 42 days target, resulting in increased loss of income from void properties.	513	752
d) Interest payments on loans, there are a number of interest payments still to be made resulting in the year to date underspend. The interest charged is looked at on a regular basis, this is heavily linked to the expected need for borrowing for the capital programme.	(2,818)	(1,725)
d) Year to date underspends on project budgets for support with items such as the White Paper on social housing. It has been agreed that part of this underspend can be used to offset overspends on feasibility costs and a virement has been done to action this.	(140)	(70)
d) There is a year end overspend forecasted for leaseholder insurance, the market for this service has changed with many providers leaving the market.	37	63

D) Service charge income is currently showing a favourable variance as the annual estimates have been raised for the year. The service charge audit is near completion and a year end forecast has now been provided for the total income expected 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) an overspend is now forecast at year end 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.	(114)	178
c) This relates to the software budget for the HRA, an overspend is showing at present due to accounting treatment where the invoices relate to more than one financial year. This is adjusted as part of the year end processes. A slight year end variance is showing due to varying inflation rates.	96	6
D) As a result of increasing interest rates additional interest income is forecasted to be earned on cash balances held.	56	(80)
c) Housing rental debt written off in year as part of rent reconciliation, no forecast variance expected, as part of year-end process a full exercise is carried out to ensure provision for bad debts is adequate	80	0
d) Other minor variances.	14	16
TOTAL	(2,067)	(648)

Housing Revenue Account
31 December 2023 variances

Appendix D2

Executive Director (Place)

Description	YTD Budget 2023/24	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	373	436	63	497	601	104
Premises Related	387	423	37	476	590	114
Transport Related	1	3	2	2	3	1
Supplies and Services	124	158	35	165	179	14
Third Party Payments	45	71	26	60	75	15
Transfer Payments	0	0	0	0	0	0
Income	(910)	(928)	(18)	(1,204)	(1,198)	6
Controllable Costs	19	163	144	(5)	249	254

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) Overspend due to a pressure against capital recharges for Housing Development (HRA). We are commencing a review of the capital recharges process.	99	138
d) Water Service Charges for 1-18 Burfield Close and 1-21 Howlands House properties have been paid for the full year in advance, resulting in a year to date variance. The Council are looking to develop these sites. In addition, Council Tax charges to date are significantly higher than budgeted for, this was also the case at the same stage of 2022/23. The full year forecast has been adjusted to reflect this, based on both actuals to date and 2022/23 outturn.	53	66
d) Forecast overspend on Hostels Electricity and Gas charges - detailed work on estimating full year spend has been completed during Q2 and forecasts have been updated to reflect this.	(6)	63
d) Other minor variances.	(2)	(13)
TOTAL	144	254

Service Director (Resident and Neighbourhood)

Description	YTD Budget 2023/24	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	2,456	1,922	(534)	3,274	2,661	(613)
Premises Related	1,255	975	(280)	1,666	1,573	(93)
Transport Related	57	39	(18)	76	50	(26)
Supplies and Services	299	272	(27)	398	463	65
Third Party Payments	188	334	146	251	536	285
Transfer Payments	0	0	0	0	0	0
Income	(1,123)	(993)	130	(1,589)	(1,407)	182
Controllable Costs	3,131	2,550	(581)	4,076	3,876	(200)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) Efficiency Savings from closing the Independent Living Control Centre. These savings are net of redundancy payments made and income lost from fewer Authorities using our Contact Service.	(66)	(62)
d) Delays to capital projects such as Queensway 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.	387	330
d) Savings expected to be achieved from moving the Community Buses service to a third party provider.	(30)	(44)
d) Temporary Accommodation, Assisted Transfer and Tenants removal expenses relating to hotel costs for decants. The higher year end forecast is due to lack of affordable solutions.	(1)	50
d) There is currently an underspend relating to utility payments due to a 2-3 month lag in receiving invoices from utility companies. Detailed work has now been carried out and there is a significant underspend predicted for year end.	(572)	(451)
d) There is currently an underspend due to vacancies, this is expected to be offset throughout the year due to use of agency staff.	(118)	(39)
d) Mileage / Car Allowance Payments greater than expected.	15	20
c) Timing difference in the payment of a consultancy fees invoice for supervision and management. The budget will be reprofiled to account for this.	27	(1)
d) Estates Management contractor payments to increase over winter period.	(71)	(18)
d) Independent Living - Maintenance works will increase over the winter period. No major variances expected by year end. Rent payment for Warden Offices timing differences.	(111)	4
e) CCTV Contract under review.	(12)	0

d) Other minor variances	(29)	10
TOTAL	(581)	(200)

Service Director (Property Maintenance and Climate Change)

Description	YTD Budget 2023/24	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2023/24	Forecast Outturn 2023/24	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	1,457	1,293	(164)	1,943	1,946	3
Premises Related	23	34	11	30	100	70
Transport Related	0	4	3	1	1	0
Supplies and Services	1,284	188	(1,096)	1,712	1,862	150
Third Party Payments	7,577	4,713	(2,864)	10,102	10,106	4
Transfer Payments	0	0	0	0	0	0
Income	(25)	0	25	(33)	(33)	0
Controllable Costs	10,316	6,232	(4,084)	13,755	13,982	227

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
D) The service has recently been restructured and recruitment for the vacant posts has been ongoing. There are still a few vacant roles that are in the process of being recruited to.	(699)	(775)
D) Agency staffing costs. Due to current vacancies following the restructure, agency cover has been sought to ensure that service delivery is maintained. This is forecasted to cost £453k and is reviewed regularly based on any recruitment updates. There are further agency costs for the waking watch at Queensway house which is forecasted to cost £325k.	533	778
c) There is currently a year to date underspend due to the fact that there are several contract payments still to made. These contract payments go through an application process that ensures works have been completed to the required standard and that the charges are in line with the contractual terms. Most of these payments relate to the main repairs contract, where ongoing discussions are being held regarding pricing and works delivered. Applications have been received up to the end of August and initial forecasting based on this would assume a saving between £638k- £1.8m. However, it should be noted that there is expected to be an increase in the number of damp and mould cases over the winter period which will reduce the saving. The service are currently costing this and have not yet agreed to amend the forecast outturn. Forecast overspends are also expected on Water safety works and Gas contract extras.	(2,900)	4
c) The stock condition survey is expected to take place in the coming months and invoices will come through as they progress. The year to date variance is due to how the budget is profiled. No forecast variance is expected for this work.	(1,200)	0
D) There are ongoing disrepair claims coming through which are likely to incur legal fees above what has been budgeted.	152	220
e) Other minor variances.	30	(0)
TOTAL	(4,084)	227

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 December 2023

Appendix E

	1-30 Days Overdue	31-60 Days Overdue	61-90 Days Overdue	91-365 Days Overdue	365 Days Overdue	Total Outstanding
Executive Director - Place						
Economic Development	0.00	1,000.00	0.00	0.00	0.00	1,000.00
Commercial Property and Ground Rents	305,846.00	-6,136.00	-21,228.00	51,470.00	349,165.00	679,117.00
Parking and Playgrounds	705.00	0.00	0.00	0.00	0.00	705.00
Planning	7,405.00	3,000.00	2,210.00	9,280.00	5,535.00	27,430.00
Housing Options	320.00	175.00	305.00	10,635.00	115,240.00	126,675.00
Place other	64,162.00	95,619.00	2,935.00	1,115.00	-404.00	163,427.00
	378,438.00	93,658.00	-15,778.00	72,500.00	469,536.00	998,354.00
Executive Director - Finance & Transformation						
Cemeteries and Crematoriums	79,405.00	14,115.00	3,070.00	664.00	3,719.00	100,974.00
Finance	16,361.00	2.00	25.00	2,401.00	28,423.00	47,211.00
Finance and Transformation other	1,686.00	0.00	0.00	60.00	528.00	2,274.00
	97,452.00	14,117.00	3,095.00	3,125.00	32,670.00	150,459.00
Service Director - Property Maintenance & Climate Change						
Property Maintenance and Climate Change other	5,500.00	0.00	0.00	0.00	6,170.00	11,670.00
	5,500.00	0.00	0.00	0.00	6,170.00	11,670.00
Service Director - Resident & Neighbourhood						
Community Safety	0.00	0.00	350.00	0.00	0.00	350.00
Environmental Services - waste/recycling	0.00	150.00	0.00	659.00	0.00	809.00
Independent Living	1,593.00	-38.00	-370.00	-579.00	394.00	1,000.00
Private Sector Housing	0.00	1,350.00	760.00	558,490.00	29,887.00	590,487.00
Resident and Neighbourhood other	541,618.00	1,450.00	5,521.00	-2,172.00	-83.00	546,334.00
	543,211.00	2,912.00	6,261.00	556,398.00	30,198.00	1,138,980.00
TOTAL	1,024,601.00	110,687.00	-6,422.00	632,023.00	538,574.00	2,299,463.00

Breakdown
below:

Breakdown
below:

Rental Deposit scheme ¹	10,595.00	115,720.00
Referred to legal ²	1,358.00	45,132.00
Payment plan ³	0.00	43,343.00
Chasing commercial tenants ⁴	91,578.00	315,231.00
Chasing - other LAs and partner orgs ⁵	909.00	3,399.00
Chasing - other orgs & individuals ⁶	11,380.00	8,823.00
Balances of less than £50 ⁷	1,357.00	1,359.00
Unallocated credits ⁸	-44,434.00	-15,007.00
Invoices in dispute ⁹	559,280.00	20,574.00

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 £'000	2023/24 Forecast £'000	On Track
Finance and Transformation	Customer Services	(120)	(120)	Green
Finance and Transformation	Crematorium	(25)	0	Red
Finance and Transformation	Cemeteries	(10)	0	Green
Finance and Transformation	Internal Audit	(7)	(7)	Green
Finance and Transformation	Fraud	(15)	(15)	Green
Finance and Transformation	General	(2)	0	Green
Finance and Transformation	Revenues and Benefits	(220)	(220)	Green
Finance and Transformation	General	(4)	0	Green
Finance and Transformation	Baseline reset	(167)	(167)	Green
Finance and Transformation	Service Reviews	(57)	(57)	Green
Place	HatTech	(41)	(33)	Green
Place	Estates	(165)	(39)	Yellow
Place	Parking	(139)	0	Red
Place	Parking	(58)	(58)	Green
Place	Service Review	(128)	(128)	Green
Place	Service Review	(117)	(100)	Green
Place	Estates Management Scheme Fees	(5)	(5)	Green
Place	Hertfordshire Building Control	(12)	0	Green
Place	Planning pre-application fees	(5)	0	Green
Place	Community Grants	(50)	(50)	Green
Place	Homelessness funding	(48)	(48)	Green
Place	Hilltop	(5)	0	Green
Place	Service Reviews	(73)	(73)	Green
Place	Housing allocations	(16)	(16)	Green
Place	Campus West	(40)	(40)	Green
Property Maintenance and Climate Change	Garages	(200)	(200)	Green
Property Maintenance and Climate Change	Office consolidation	(100)	(100)	Green
Property Maintenance and Climate Change	Service Review	(120)	(120)	Green
Resident and Neighbourhood	Garden Waste Subscription Fees	(216)	(216)	Green

Resident and Neighbourhood	Allotment Fees	(29)	(19)	
Resident and Neighbourhood	Service Reviews	(100)	(100)	
Corporate	PensionsRevaluation	(105)	(105)	
Corporate	Council Tax	(127)	(127)	
TOTAL		(2,526)	(2,163)	