

Welwyn Hatfield Borough Council - Budget Monitoring - General Fund Summary - December 2022

Appendix A1

Description	YTD Budget	YTD Actual	YTD	Current	Forecast	Variance to
	2022/23	(inc Cmmt)	Variance	Budget	Outturn	Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Customer Service and Transformation	1,284	1,199	(85)	1,707	1,667	(40)
Finance	3,425	8,223	4,798	4,228	4,314	87
ICT and Digital	1,641	1,578	(62)	1,550	1,568	17
Legal and Governance	1,895	1,918	23	2,454	2,601	147
Executive Director (Finance and Transformation)	8,244	12,919	4,674	9,939	10,150	211
Leisure, Community and Cultural Services	1,778	2,650	872	2,305	3,911	1,606
Planning	686	(1,046)	(1,732)	915	1,046	131
Regeneration and Economic Development	(1,417)	(2,581)	(1,165)	(2,429)	(2,736)	(308)
Executive Director (Place)	1,047	(977)	(2,025)	791	2,220	1,429
Service Director (Property Maintenance and Climate Change)	(470)	(393)	77	(700)	(282)	418
Service Director (Resident and Neighbourhood)	5,952	5,756	(196)	8,384	8,141	(243)
Senior Leadership Team	704	821	116	939	835	(104)
Net Controllable Income and Expenditure	15,478	18,125	2,647	19,354	21,064	1,711
Net Recharge to the Housing Revenue Account	3,830	0	(3,830)	(5,579)	(5,579)	0
Net Cost of Services	19,308	18,125	(1,183)	13,775	15,485	1,711
Income from Council Tax				(11,641)	(11,641)	0
Plus/Less Council Tax collection fund deficit/(surplus)				213	213	0
Business Rates Income				(3,930)	(3,930)	0
Plus/Less Rates collection fund deficit/(surplus)				(1,153)	(1,153)	0
New Homes Grant				(712)	(712)	0
Lower Tier Services/Other Government Grants				(131)	(131)	0
Services Grant				(201)	(201)	0
Less Interest & Investment Income				(100)	(240)	(140)
Net Interest Income from Now Housing				(30)	(30)	0
Capital Financing Costs				1,094	1,094	0
Borrowing Interest				490	400	(90)
Parish Precepts				1,894	1,894	0
Net Total before movements in reserves				(433)	1,048	1,481
Contribution (from) / to Covid Earmarked Reserves				250	24	(226)
Contribution (from) / to Earmarked Reserves				(764)	(820)	(56)
Contribution (from) / to Earmarked Reserves - Collection Fund				940	940	0
Contribution (from) / to GF balances				7	(1,192)	(1,200)

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

General Fund Reserves Summary - December 2022

Appendix A2

Reserve	Balance at 1 April 2022	Budgeted Movement	Approved Changes	Forecast Changes	Forecast Balance 31 March 2023
	£'000	£'000	£'000	£'000	£'000
Earmarked Reserves					
Strategic Initiatives Reserve	1,399	(87)	(31)	35	1,316
Business Rates Retention Reserve	2,482	940	0	0	3,422
Pensions Reserve	1,201	0	0	0	1,201
Modernisation Reserve	1,167	0	0	(81)	1,086
Commitment Reserves	169	0	0	(40)	129
Grants and Contributions Reserve	2,809	(172)	(24)	(420)	2,193
Local Plan Reserve (Other reserves)	300	0	0	0	300
COVID-19 Pandemic Reserve (Other reserves)	0	250	0	(226)	24
Climate Change Reserve (Other reserves)	117	0	0	0	117
Youth Provision Reserve (Other reserves)	21	0	0	0	21
CE Accomodation reserve (Other reserves)	324	0	0	0	324
Disability Access Reserve	88	0	0	0	88
Other Reserves	51	0	0	0	51
Total Earmarked Reserves	10,128	931	(55)	(732)	10,272
General Fund Working Balance	6,679	7	0	(1,200)	5,487
Total Reserves	16,807	938	(55)	(1,932)	15,759

Summary of virements between services - December 2022

Appendix A3

Service	Virement Detail	Virement Total
Customer Service and Transformation	(31k) Budget Reset	(86)
	9k Steria inflation from Contingency	
	(64k) Procurement Saving	
Finance	209k Budget Reset	200
	(9k) Steria inflation from Contingency	
ICT and Digital	(-6k) Budget Reset	(6)
Legal and Governance	(4k) Budget Reset	140
	1k HR Legal costs	
	30k HR Reserve Drawdown	
	112k Procurement Saving	
	2k Centralisation of Training Budgets	
Leisure, Community and Cultural Services	(4k) Budget Reset	79
	84k Transfer to Community Outreach	
	(1k) Procurement Saving	
Planning	(14k) Budget Reset	(11)
	11k Funding of Birchill Gardens Project	
	(8k) Procurement Saving	
Regeneration and Economic Development	(76k) Budget Reset	(160)
	(84k) Transfer to Community Outreach	
Service Director (Property Maintenance and Climate Change)	(6k) Budget Reset	(12)
	(4k) Procurement Saving	
	(2k) Centralisation of Training Budgets	
Service Director (Resident and Neighbourhood)	(72k) Budget Reset	(67)
	(30k) Procurement Saving	
	10k Funding for Positive Pathways	
	25k Drawdown from Reserves Landscape and Ecology	
Senior Leadership Team	(11k) Funding of Birchill Gardens Project	(22)
	(1k) HR Legal costs	
	(10k) Funding for Positive Pathways	
Total Increase/(Decrease) to Net Cost of Service Budgets (Funded from Earmarked Reserves)		55

Customer Service and Transformation

Description	YTD Budget 2022/23 £ '000	YTD Actual (inc Cmmt) £ '000	YTD Variance £ '000
Employees	576	537	(40)
Premises Related	104	28	(76)
Transport Related	2	0	(1)
Supplies and Services	179	235	55
Third Party Payments	701	561	(140)
Transfer Payments	0	0	0
Income	(279)	(161)	117
Controllable Costs	1,284	1,199	(85)

Current Budget 2022/23 £ '000	Forecast Outturn 2022/23 £ '000	Variance to Current £ '000
909	839	(70)
134	116	(18)
5	1	(4)
239	256	16
792	700	(92)
0	0	0
(372)	(244)	127
1,707	1,667	(40)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
c) There is expected to be a favourable year end variance due to higher than expected income from cemeteries fees and charges.	(0)	(31)
c) Due to the delay to the crematorium opening some expenditure has not been incurred yet. Expenditure will be incurred in the coming months in preparation for the opening.	(73)	(15)
d) Due to the delay to the crematorium opening, no income will be received in this financial year.	118	157
d) Vacancies within the Customer services and Transformation team.	(67)	(88)
d) Variance for the customer service element of the Steria contract. The service has now been brought in house and savings are expected to be delivered as a result. There is an invoice outstanding which will decrease the year to date variance to that of the forecasted saving.	(104)	(80)
d) There has been a higher than expected increase in printing costs which is linked to inflation. The service is reviewing where a reduction in printing can be made to achieve the forecasted year end position.	37	20
e) Other small variances.	5	(3)
TOTAL	(85)	(40)

Finance

Description	YTD Budget 2022/23 £ '000	YTD Actual (inc Cmmt) £ '000	YTD Variance £ '000
Employees	1,913	1,836	(76)
Premises Related	257	267	9
Transport Related	17	13	(4)
Supplies and Services	339	498	159
Third Party Payments	3,175	6,506	3,331
Transfer Payments	17,947	18,759	812
Income	(20,223)	(19,656)	567
Controllable Costs	3,425	8,223	4,798

Current Budget 2022/23 £ '000	Forecast Outturn 2022/23 £ '000	Variance to Current £ '000
2,266	2,219	(47)
261	261	0
15	14	(0)
452	311	(142)
4,298	10,030	5,733
23,929	24,202	273
(26,994)	(32,724)	(5,730)
4,228	4,314	87

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
c) Broxbourne contract. Welwyn Hatfield runs the contract but there is a timing difference between the budget profile and when Broxbourne is invoiced. No variance is expected at year end as the invoice will be paid.	180	0
c) Software licencing agreements paid annually throughout the year are currently showing an overspend, some of these agreements span over two different financial years and will be adjusted as part of the year end process. There has been some increased expenditure which is being funded by reserves.	230	0
c) This variance is for the Housing Benefit payments to residents. The year to date variance is largely made up of a difference in timing between when we receive the income and when we pay the benefit to residents. A adverse variance has been forecasted based on the latest monthly information, which is down to the increased demand and higher rent levels in the private sector for which the subsidy we receive is capped. This is looked at in detail on a monthly basis to see where we can reduce the adverse variance.	6,778	256
d) Vacancies in the Finance team. Some temporary cover has been found and costs will be monitored closely. Recruitment is ongoing for vacant post.	(9)	(44)
c) Following a budget reset exercise savings were identified in year.	(126)	(167)
c) This is a timing difference due to profiling of the budget for employee costs, no year end variance is expected and the current variance will reduce each month.	(54)	0
b) Variance is a result of a timing difference between receiving government grants and when we spend the money. No year end forecast is projected.	(2,427)	0

c) This variance is a result of a timing difference, we are still awaiting invoices for a number of contractor payments and as such a favourable variance year to date is shown. This will reduce once the invoices are received and paid.	(151)	0
d) This variance is for council tax costs, there is some increased expenditure as a result of a project with Herts County Council in relation to single person discount, for which we will recover the cost from the County Council.	23	0
d) This variance is for fines from Magistrates, the year to date variance is a result of budget profiling. Based on the current information there is expected to be lower than budgeted income from this and as a result a shortfall of income is predicted for year end.	350	50
d) Other small variances.	5	(8)
TOTAL	4,798	87

ICT and Digital

Description	YTD Budget 2022/23	YTD Actual (inc Cmnt)	YTD Variance	Current Budget 2022/23	Forecast Outturn 2022/23	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	53	70	17	59	76	17
Premises Related	0	0	0	0	0	0
Transport Related	0	0	(0)	0	0	0
Supplies and Services	934	949	15	637	637	0
Third Party Payments	653	559	(94)	855	855	0
Transfer Payments	0	0	0	0	0	0
Income	0	0	0	0	0	0
Controllable Costs	1,641	1,578	(62)	1,550	1,568	17

	Year to Date Variance	Forecast Variance
Controllable Variance Analysis		
d) Agency staff covering posts being held vacant whilst new ICT team structure is designed.	20	20
c) ICT contract payments and software licencing agreements paid annually throughout the year are currently showing an underspend. This is a payment timing difference.	(70)	0
d) Other small variances.	(12)	(3)
TOTAL	(62)	17

Legal and Governance

Description	YTD Budget 2022/23	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2022/23	Forecast Outturn 2022/23	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	1,394	1,248	(147)	1,823	1,764	(58)
Premises Related	2	14	12	2	14	12
Transport Related	11	7	(4)	15	11	(4)
Supplies and Services	544	664	121	700	832	133
Third Party Payments	31	63	32	31	59	28
Transfer Payments	0	0	0	0	0	0
Income	(88)	(78)	10	(117)	(81)	36
Controllable Costs	1,895	1,918	23	2,454	2,601	147

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There is currently a net underspend on employee costs across the service including £43k underspend on Democratic Services, a £67k underspend within Legal Services, £116k in HR and £27k underspend within Procurement which is offset partly by increased costs for agency staffing (£90k). Training budgets are currently underspent but plans are in place to deliver training which will reduce the underspend. Delays in receiving and paying agency invoices and successful recruitment to vacant posts will also reduce the variance by year end.	(163)	(77)
d) This is made up of various overspends across elections which are made up of salary costs, as well as postage and printing. Postage and printing are showing higher than expected costs which are linked to inflation.	37	39
d) This relates to Procurement savings. The service had a target saving of £89k to make; some savings have been identified but it is expected that the full saving will not be made in the year.	58	59
d) Reduced income in Local Land Charges due to prevailing economic conditions reducing search fee income.	26	34
d) Increase to member allowances from May 2021, as approved this financial year. The overspend forecast includes the back pay for allowances from 2021/22.	37	47
d) Increasing costs relating to contracts for the authority's recruitment portal, sickness management system and benefits system.	5	11
d) Other small variances.	24	33
TOTAL	23	147

Regeneration and Economic Development

Description	YTD Budget 2022/23	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2022/23	Forecast Outturn 2022/23	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	1,257	974	(283)	1,305	832	(473)
Premises Related	1,020	724	(296)	1,195	1,319	123
Transport Related	6	3	(2)	8	7	(0)
Supplies and Services	320	354	34	422	445	23
Third Party Payments	415	318	(97)	554	558	4
Transfer Payments	0	0	0	0	0	0
Income	(4,435)	(4,955)	(521)	(5,913)	(5,898)	15
Controllable Costs	(1,417)	(2,581)	(1,165)	(2,429)	(2,736)	(308)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
c) 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. No significant year end variance is expected.	(615)	0
d) Increasing cost of utilities. There is currently a favourable variance due to delays receiving invoices. An adverse variance is forecast at year end due to the price rises in utilities being much larger than expected and budgeted for.	(105)	121
d) Cleaning contract inflation is showing a small pressure.	10	5
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 these positions, an underspend is still expected at year end. Additionally, service reviews for 2023/24 will also mean that some vacancies will not be recruited to.	(394)	(464)
c) Timing of contract payments in Parking. This is a timing difference and no variance is forecast at year end.	(104)	0
d) Parking income from fees and charges has seen an upward trend, since October, which has improved the YTD position. This has also been reflected in the forecast outturn.	(6)	(108)
d) Net overspends across Season tickets, Permit schemes and civil parking enforcement.	154	130
d) Rent charge at Weltech. This relates to rent paid for a finance lease throughout the year, which is then credited back to this cost centre as part of the leases year-end process, resulting in a net nil variance at year end.	116	0
c) NNDR payments - timing difference between budget profile and when expenditure will be incurred.	(259)	0

d) Other small variances.	37	7
TOTAL	(1,165)	(308)

Planning

Description	YTD Budget 2022/23	YTD Actual (inc Cmmt)	YTD Variance
	£ '000	£ '000	£ '000
Employees	1,274	1,229	(45)
Premises Related	2	1	(1)
Transport Related	5	2	(3)
Supplies and Services	185	435	250
Third Party Payments	36	409	373
Transfer Payments	0	18	18
Income	(815)	(3,140)	(2,325)
Controllable Costs	686	(1,046)	(1,732)

Current Budget 2022/23	Forecast Outturn 2022/23	Variance to Current
£ '000	£ '000	£ '000
1,698	1,556	(142)
2	2	0
7	3	(4)
246	493	246
48	58	10
0	0	0
(1,087)	(1,066)	21
915	1,046	131

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There are a number of vacancies within the service, resulting in a saving which is being used to offset overspends. Efforts have been made throughout the year to recruit to these posts, however market conditions have not been favourable and an underspend is expected at year-end.	(45)	(142)
e) The relates to S106 income and associated expenditure. The balance will be transferred to the Balance Sheet at year end, resulting in a net-nil variance.	(1,985)	0
e) There is small year to date shortfall on income from planning charges. There are risks in this area around fewer planning application fees being received, reflective of increasing costs of living discouraging homeowners from planning home improvements. This is reflected in the forecast overspend based on current knowledge of forthcoming applications.	48	23

<p>There have been a number of additional workstreams which have required the use of external legal and consultancy advice throughout this year. This has included the Public Inquiry on the BioPark, for which Counsel and consultants were instructed. The total costs of this Inquiry were over £100k. Also in relation to appeals at Bridge Road East (£15k) and Northaw House (£17k). We are currently preparing for a further Public Inquiry at Bradmore Way, Brookmans Park, where Counsel and one consultant have been appointed, with a budgeted cost at this stage of approx. £40k.</p> <p>As well as this, the service has had to defend two Judicial Reviews, for which Counsel has been required. Further costs have been incurred in relation to planning enforcement activities including the serving of Stop Notices and then Injunctions in relation to Gypsy and Traveller activities at Danesbury Park, Swanley Bar Lane (approx. £40k total).</p> <p>It is anticipated that these overspends may well continue into the next financial year due to the likelihood of further planning appeals, legal challenges related to specific sites, and the Local Plan, and ongoing enforcement matters.</p>	255	270
e) Other small variances.	(5)	(20)
TOTAL	(1,732)	131

Leisure, Community and Cultural Services

Description	YTD Budget 2022/23	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2022/23	Forecast Outturn 2022/23	Variance to Current
	£ '000	£ '000	£ '000			
Employees	1,922	1,825	(97)	2,550	2,483	(67)
Premises Related	754	1,114	360	953	1,773	820
Transport Related	4	2	(2)	6	4	(1)
Supplies and Services	922	1,602	680	1,229	2,199	970
Third Party Payments	250	261	11	333	338	5
Transfer Payments	0	0	0	0	0	0
Income	(2,074)	(2,154)	(80)	(2,765)	(2,886)	(121)
Controllable Costs	1,778	2,650	872	2,305	3,911	1,606

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) Increasing costs of utilities for Campus West and the Borough's sports facilities (e.g. Hatfield leisure centre). A large adverse variance is forecast at year end due to the price rises in utilities being much larger than expected and budgeted for.	348	782
d) Net income shortfall across all activity streams at Campus West. The biggest drivers of this are ticket sales and screen advertising income, closely followed by sales of food and beverages. A very poor film selection has resulted in a decrease in sales, this combined with the hot weather in the summer, closure of Campus West car park and the cost of living crisis has seen a decrease in footfall at the cinema since July.	732	941
d) Loss of income at Community Centres as a result of COVID.	15	11
b) Expenditure on Homelessness which will be offset by grant income (see line below).	747	1,082
b) Income received from HCC for Community Outreach and Homelessness which will be used to offset Homelessness expenditure (see line above).	(862)	(1,018)
d) Net underspends across Campus West Employee Costs.	(76)	(86)
d) Net underspends across Campus West Supplies and Services Costs.	(116)	(213)
c) NNDR payments - timing difference between budget profile and when expenditure was incurred.	(17)	(6)
d) Building maintenance costs across Campus West and Mill Green	70	65
d) Net overspends across Homelessness employee costs	30	59
e) Other small variances.	2	(10)
TOTAL	872	1,606

Resident and Neighbourhood

Description	YTD Budget 2022/23	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2022/23	Forecast Outturn 2022/23	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	1,860	2,035	175	2,480	2,622	141
Premises Related	178	261	82	221	369	148
Transport Related	29	19	(11)	39	24	(15)
Supplies and Services	576	337	(239)	768	734	(34)
Third Party Payments	5,569	5,457	(111)	7,558	7,662	104
Transfer Payments	0	0	0	0	0	0
Income	(2,261)	(2,353)	(92)	(2,683)	(3,270)	(587)
Controllable Costs	5,952	5,756	(196)	8,384	8,141	(243)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) Additional costs of the Grounds Maintenance contract, to be funded by HCC as shown below.	95	152
d) Grounds Maintenance funding from HCC to cover their element of the grounds maintenance contract (see above). The full years income has been received.	(152)	(152)
d) Net income received from garden waste green bins (primarily billed annually in advance). Forecast includes the expectation that a small amount of income will continue to be received for the remainder of the year, therefore reducing the current overspend.	20	12
d) Income relating to AFM recycling subsidies. The year to date relates to income due in 2021/22 but not received until 2022/23. Discussions are ongoing with Hertfordshire County Council with regards to AFM values for 2022/23 but an additional £150k is expected, on top of the £66k already received.	(66)	(216)
d) The majority of the year to date variance relates to income recovery for mixed recycling which lags activity by around three months with the remainder being chargeable income and the shortfall from reduced newspaper recycling income. Newspaper recycling income has been falling for several years now due to changes in consumer behaviour. The full year forecast shows a shortfall which is due to less income expected from newspaper recycling due to the changes in behaviour mentioned.	261	27
d) HCC pay a contribution to the transport of recycling to facilities outside the Borough as part of the waste management contract. This contribution has increased due to the increase in tonnage of recycling processed.	(1)	(29)
d) There has been less expenditure on payments to contractors for recycling than was budgeted for. Expenditure in this area is hard to predict as it is based on the volatile recycling market, as well as external macro-economic events. An underspend is forecasted for year end.	(85)	(100)
d) Tewin Road NDR charges are higher than budgeted.	24	24

d) Increasing cost of utilities including water at allotments and utilities at the Tewin Road waste management depot. An adverse variance is forecast at year end due to the price rises in utilities being much larger than expected and budgeted for.	13	55
c) Landscaping and Tree maintenance work is seasonal and weather dependent. Since this has paused for the winter spend will increase from February onwards.	(72)	(3)
d) Forecast variance relates to £14k reduction in licensing income due to a lower number of licenses being requested post pandemic, and £57k reduction in Hackney Carriage income due to falling fleet numbers.	14	57
a) This underspend relates to Covid-19 projects which will be funded from grant funds received last year and set aside in the Grants and Contributions Reserve.	(104)	0
a) Planned private sector accommodation condition surveys to be carried out will be spread over two years. The underspend will be taken to reserves for use during 2023/24.	(18)	(32)
e) Other small variances.	(47)	(38)
TOTAL	(196)	(243)

Property Maintenance and Climate Change

Description	YTD Budget 2022/23	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2022/23	Forecast Outturn 2022/23	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	476	448	(28)	634	738	104
Premises Related	840	803	(38)	1,047	1,265	218
Transport Related	3	(1)	(4)	4	3	(1)
Supplies and Services	51	77	26	68	74	6
Third Party Payments	0	16	16	0	0	0
Transfer Payments	0	0	0	0	0	0
Income	(1,840)	(1,735)	105	(2,453)	(2,362)	91
Controllable Costs	(470)	(393)	77	(700)	(282)	418

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There are a number of vacancies in this service resulting in a year to date underspend. Agency staff are being used which will reduce the underspend by year end.	(55)	105
d) Increasing cost of utilities. A large adverse variance is forecast due to the price rises in utilities being much larger than expected and budgeted for.	36	217
d) Garages are showing a shortfall in income raised. Additional resource has been provided to the garages team for a project focussed on recovering garage debt.	139	90
e) Year to date spend on preparing the offices for Hybrid working. This will be closely monitored to determine if there will be any variance at year end.	53	0
c) This is the profiled budget for Christmas lights and decorations for the town centres; there is currently a year to date underspend but invoices are expected to be paid shortly.	(23)	0
e) Other small variances.	(72)	6
TOTAL	77	418

Chief Executive and PAs (includes previous management structure costs to August)

Description	YTD Budget 2022/23	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2022/23	Forecast Outturn 2022/23	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	563	665	101	751	647	(104)
Premises Related	0	0	0	0	0	0
Transport Related	4	1	(3)	6	6	0
Supplies and Services	137	141	4	182	168	(14)
Third Party Payments	0	14	14	0	14	14
Transfer Payments	0	0	0	0	0	0
Income	0	0	0	0	0	0
Controllable Costs	704	821	116	939	835	(104)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
a) As a result of the new management structure there was expenditure incurred advertising the roles, this is being funded by an reserve that was set up for these expected costs.	40	0
d) Savings generated in the current financial year as a result of the new management structure and some posts being vacant for several months. The budgets that are needed to fund the new structure have been vired from these existing budgets.	(106)	(287)
d) As a result of the new structure some redundancy costs have been incurred.	184	184
e) Other small variances.	(1)	(0)
TOTAL	116	(104)

Description	YTD Budget 2022/23 £'000	YTD Actual (inc Cmmt) £ '000	FYE Variance £'000	Current Budget 2022/23 £ '000	Forecast Outturn 2022/23 £ '000	Variance to Current £ '000
Dwelling rents	(39,198)	(38,807)	391	(52,264)	(51,791)	472
Non-dwelling rents	(293)	(367)	(73)	(391)	(444)	(53)
Tenants' charges for services and facilities	(1,317)	(1,382)	(65)	(1,693)	(1,767)	(74)
Leaseholders' charges for services and facilities	(672)	(817)	(145)	(782)	(962)	(180)
Contributions towards expenditure	(131)	(119)	12	(245)	(245)	-
Total Income	(41,610)	(41,492)	119	(55,374)	(55,209)	165
Repairs and maintenance	6,910	8,386	1,476	9,214	10,906	1,692
Supervision and management	7,271	4,207	(3,064)	10,111	9,394	(717)
Special services	2,570	2,149	(421)	3,426	3,595	169
Rents, rates, taxes and other charges	763	505	(258)	879	868	(11)
Impairment allowance for doubtful debts	-	2	2	490	490	-
Depreciation	-	-	-	16,352	16,352	-
Debt management costs	29	9	(21)	29	29	-
Sums directed by Secretary of State	50	-	(50)	50	50	-
Total Expenditure	17,594	15,258	(2,335)	40,551	41,684	1,133
HRA share of Corporate and Democratic Core	782	-	(782)	905	905	-
Net Cost of Services	(23,235)	(26,233)	(2,998)	(13,918)	(12,620)	1,298
Less Interest and Non-Statutory Items:						
Interest payable and similar charges	5,669	4,495	(1,174)	7,559	6,759	(800)
HRA financing and investment income	-	()	()	(52)	(52)	-
Revenue Contribution to Capital	907	17,000	16,093	6,257	5,705	(552)
Total Adjustments	6,576	21,495	14,919	13,764	12,412	(1,352)
(Surplus) / Deficit on the HRA	(16,659)	(4,738)	11,920	(154)	(208)	(54)

HRA By Service Area

Description	YTD	YTD Actual (inc Cmmt) £'000	YTD Variance £'000	Current	Forecast	Forecast Variance £'000
	Budget 2021/22 £'000			Budget 2022/23 £'000	Outturn 2022/23 £'000	
Finance & Transformation	(31,811)	(32,939)	(1,128)	(42,020)	(42,961)	(941)
Place	(118)	(225)	(107)	(196)	(238)	(41)
Resident and Neighbourhoods	2,374	1,990	(384)	3,062	3,166	104
Property Maintenance and Climate Change	8,109	9,431	1,322	10,812	12,361	1,549
Corporate items	4,787	17,005	12,218	28,188	27,463	(725)
(Surplus) / Deficit on the HRA	(16,659)	(4,738)	11,919	(154)	(208)	(54)

HRA Reserves

	Current	Forecast	Forecast
	Budget	Outturn	Variance
	2022/23	2022/23	
	£'000	£'000	£'000
Opening HRA Balance	(2,552)	(2,552)	-
In-year (Surplus) / Deficit	(154)	(208)	(54)
Closing HRA Balance	(2,706)	(2,760)	(54)

Housing Revenue Account
31 December 2022 variances

Appendix D1

Executive Director (Finance and Transformation)

Description	YTD Budget 2022/23 £ '000	YTD Actual (inc Cmmt) £ '000	YTD Variance £ '000	Current Budget 2022/23 £ '000	Forecast Outturn 2022/23 £ '000	Variance to Current £ '000
Employees	1,139	1,052	(86)	1,390	1,266	(124)
Premises Related	8	6	(2)	10	10	0
Transport Related	11	9	(2)	15	12	(2)
Supplies and Services	6,788	5,637	(1,151)	9,465	8,471	(993)
Third Party Payments	0	0	0	0	0	0
Transfer Payments	0	0	0	50	50	0
Income	(39,756)	(39,643)	113	(52,949)	(52,770)	179
Controllable Costs	(31,811)	(32,939)	(1,128)	(42,020)	(42,961)	(941)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There are a number of vacancies within the service leading to a year to date underspend. Although there are plans to recruit to the vacant posts there is still a significant year end saving expected.	(86)	(124)
c) This is for the software that is used within the HRA. The year to date overspend is due to many of the invoices going across two different financial years, which will be accounted for as part of the year end process. No variance is expected by the end of the financial year.	200	0
d) There has been a higher number of void properties than expected, as well as a slight delay in the completion of Minster House. As a result less rental income is being collected than was originally assumed in the HRA Business Plan. The new housing repairs contractor is working hard to ensure void properties are able to be re-let in a timely matter. The variance is being monitored on a monthly basis.	279	369
d) Following a review of the capital programme and re-phasing of schemes, there is less borrowing needed than expected. As a result there is less interest that will be payable. The interest paid will continue to be monitored closely given the current climate.	(1,174)	(800)
d) Additional service charge income is expected, due to a number of capital works that have been completed and invoiced for.	(145)	(180)
d) Year to date overspend for legal and consultancy fees. An overspend is forecasted and the lines are being monitored closely	89	70
d) Following a budget reset exercise savings have been found during the year.	(193)	(258)
d) Year to date underspend on HRA insurance costs, some savings have been identified and this is being closely monitored to see if further savings can be delivered.	(68)	(6)
e) Other minor variances.	(30)	(12)
TOTAL	(1,128)	(941)

Housing Revenue Account
31 December 2022 variances

Appendix D2

Executive Director (Place)

Description	YTD Budget 2022/23	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2022/23	Forecast Outturn 2022/23	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	295	270	(25)	393	363	(30)
Premises Related	296	271	(24)	356	420	64
Transport Related	1	3	1	2	2	0
Supplies and Services	48	58	10	64	75	11
Third Party Payments	45	50	6	60	60	0
Transfer Payments	0	0	0	0	0	0
Income	(803)	(877)	(75)	(1,071)	(1,156)	(85)
Controllable Costs	(118)	(225)	(107)	(196)	(238)	(41)

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There is currently an underspend on staffing costs. These staffing savings are to be used to increase the contract cleaning budget and contribute to other salary costs.	(27)	(36)
c) Increasing cost of utilities. An adverse variance is forecast at year end due to the price rises in utilities being much larger than expected and budgeted for.	(24)	46
d) Additional income is expected due to delays to the Howlands House capital project which means that the units are still being utilised for temporary accommodation.	(32)	(53)
e) Other minor variances.	(23)	1
TOTAL	(107)	(41)

Service Director (Resident and Neighbourhood)

Description	YTD Budget 2022/23	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2022/23	Forecast Outturn 2022/23	Variance to Current
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Employees	2,209	2,072	(138)	2,946	2,827	(118)
Premises Related	633	471	(162)	782	1,074	292
Transport Related	82	59	(23)	109	80	(29)
Supplies and Services	355	250	(105)	436	352	(84)
Third Party Payments	146	110	(36)	195	168	(27)
Transfer Payments	0	0	0	0	0	0
Income	(1,051)	(971)	80	(1,407)	(1,335)	71
Controllable Costs	2,374	1,990	(384)	3,062	3,166	104

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There are a number of vacancies within the service which are proving difficult to recruit to. These are currently being covered by agency staff.	(138)	(118)
d) Increasing costs of utilities. Year to date underspend is due to a lag in invoicing. A large adverse year end variance is forecast due to the price rises in utilities being much larger than expected or budgeted for.	(115)	254
d) Underspends on council tax costs for vacant sheltered living properties within Independent Living are offset by overspends on other premises costs such as cleaning and building maintenance.	(98)	10
d) Timing differences between the budget profile and when income is received for minor contracts.	(69)	(60)
d) This relates to moving costs incurred by the Council for incentivising people to move into smaller properties, in order to free up larger properties for others.	24	16
d) There has been a saving on fuel costs as a result of reducing demand for the service.	(15)	(19)
d) Shortfall of income on personal alarms and community buses.	77	71
e) Other minor variances	(50)	(50)
TOTAL	(384)	104

Service Director (Property Maintenance and Climate Change)

Description	YTD Budget 2022/23	YTD Actual (inc Cmmt)	YTD Variance	Current Budget 2022/23	Forecast Outturn 2022/23	Variance to Current
	£ '000	£ '000	£ '000			
Employees	1,180	1,037	(143)	1,574	1,430	(144)
Premises Related	23	19	(4)	30	30	0
Transport Related	12	4	(9)	17	17	0
Supplies and Services	83	224	142	110	225	115
Third Party Payments	6,811	8,147	1,336	9,082	10,659	1,577
Transfer Payments	0	0	0	0	0	0
Income	0	(0)	(0)	0	0	0
Controllable Costs	8,109	9,431	1,322	10,812	12,361	1,549

Controllable Variance Analysis	Year to Date Variance	Forecast Variance
d) There is currently an underspend due to staff vacancies which will cover some of the overspend on agency staffing. A new structure is due to come into place for Property Services late this financial year/ early next financial year.	(432)	(594)
d) Some vacancies are being covered by agency staff as well as a waking Firewatch at Queensway House. The Firewatch is forecasted to cost £300k by the end of the financial year.	283	450
d) The year to date variance is due to delays in contractors receiving payments. Gas maintenance and servicing are forecasting to overspend due to higher number of calls than expected and inflation being higher than budgeted for.	(140)	89
d) The rate of inflation on the old contract was higher than budgeted for and there are still high volumes of jobs and rising material prices. The partnership Auditor has been commissioned to undertake monthly reviews of the contract cost reports and ensure all costs are fair and value for money is received. The forecasted position is regularly checked to ensure it is relevant and it is hoped with responsive repairs starting to decrease the forecast can be decreased in the coming months.	1,476	1,488
d) There has been a high number of disrepair claims for the housing tenants this year, so increased legal fees expenditure has been incurred to investigate these cases. Whilst there is a high number of cases, this has not been reflected in compensation awarded from these cases, which remains below budget YTD. This is being closely monitored and it is hoped the cases should start to decrease in the coming months.	103	115
e) Other minor variances.	32	0
TOTAL	1,322	1,549

Arrears by service at 31 December 2022

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	2,750.00	0.00	0.00	0.00	2,750.00
Commercial Property and Ground Rents	320,535.94	21,619.24	-92.35	83,397.97	303,384.52	728,845.32
Parking and Playgrounds	180.00	0.00	0.00	0.00	10,608.77	10,788.77
Planning	10,000.00	0.00	2,060.00	0.00	8,717.46	20,777.46
Housing Options	3,230.00	1,889.62	925.00	13,674.77	115,859.81	135,579.20
Place other	20,406.67	2,199.96	0.00	-300.25	5,521.41	27,827.79
	<u>354,352.61</u>	<u>28,458.82</u>	<u>2,892.65</u>	<u>96,772.49</u>	<u>444,091.97</u>	<u>926,568.54</u>
Executive Director - Finance & Transformation						
Cemeteries and Crematoriums	4,225.00	3,490.00	11.33	6,045.27	4,235.24	18,006.84
Finance	142,587.57	2.00	28,940.00	1,719.42	24,619.60	197,868.59
Former garage tenants 1	147.75	-554.08	98.52	5,937.36	132,139.16	137,768.71
Finance and Transformation other	0.00	0.00	1,149.39	39,460.00	1,108.00	41,717.39
	<u>146,960.32</u>	<u>2,937.92</u>	<u>30,199.24</u>	<u>53,162.05</u>	<u>162,102.00</u>	<u>395,361.53</u>
Service Director - Property Maintenance & Climate Change						
Property Maintenance and Climate Change other	674.75	0.00	0.00	60,660.00	7,710.69	69,045.44
	<u>674.75</u>	<u>0.00</u>	<u>0.00</u>	<u>60,660.00</u>	<u>7,710.69</u>	<u>69,045.44</u>
Service Director - Resident & Neighbourhood						
Community Safety	0.00	0.00	0.00	0.00	0.00	0.00
Environmental Services - waste/recycling	1,222,089.40	885.60	417.46	-200.00	1,675.00	1,224,867.46
Independent Living	16,544.55	-4,158.00	5,502.97	5,452.31	186.55	23,528.38
Private Sector Housing	6,868.78	1,000.00	0.00	26,300.00	24,413.60	58,582.38
Resident and Neighbourhood other	16,730.00	4,157.92	3,270.00	400.22	944.26	25,502.40
	<u>1,262,232.73</u>	<u>1,885.52</u>	<u>9,190.43</u>	<u>31,952.53</u>	<u>27,219.41</u>	<u>1,332,480.62</u>
TOTAL	1,764,220.41	33,282.26	42,282.32	242,547.07	641,124.07	2,723,456.13

	Breakdown below:	Breakdown below:
Rental Deposit scheme ²	13,674.77	97,438.15
Referred to legal ³	0.00	83,148.63
Payment plan ⁴	0.00	38,788.21
Chasing commercial tenants ⁵	109,079.44	267,690.66
Chasing - other LAs and partner orgs ⁶	120,398.69	2,299.60
Chasing - other orgs & individuals ⁷	31,890.34	27,181.89
Former Garage tenants ¹	5,937.36	132,139.16
Balances of less than £50 ⁸	2,123.42	1,883.38
Unallocated credits ⁹	-40,556.95	-9,445.61

Analysis and actions being taken re debt over 90 days

1. Former Garage tenants - these are debts left when a tenant no longer leases a garage and are being pursued by the Garages Team.
2. 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.
3. 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.
4. Payment plan - these customers are paying their debt in instalments, as a result of an agreement with officers or terms set by a court.
5. Commercial tenant debts - these are debts of tenants who lease commercial premises and are managed by the Estates team.
6. Other LAs & partners - these are debts of other councils or partner organisations, so legal action is not usually required.
7. Other Chasing - these debts are being actively pursued directly with the customer by the department who provided the service or by Finance.
8. Balances of less than £50 - many of these debts are ground rent.
9. 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 2022 - 2023

Appendix F

Service Manager	Title of the Proposal	2022/23 Saving to be made £'000	2022/23 Forecast £'000	On Track
Customer Service and Transformation	Crematorium	(60)	0	
Customer Service and Transformation	Printing costs (GRF only)	(41)	(41)	
Customer Service and Transformation	Communications	(27)	(30)	
Finance	Resources Processes Review	(10)	(57)	
Finance	Insurance Savings	(15)	(15)	
Finance	Bank and Giro Charges	(10)	(13)	
ICT and Digital	Further Printing Reductions	(5)	(5)	
Legal and Governance	Additional Procurement Savings 22/23	(100)	(78)	
Legal and Governance	Postage	(25)	(25)	
Regen and Economic Development	Business Centres Restructure	(8)	(8)	
Regen and Economic Development	Estates	(39)	(39)	
Regen and Economic Development	Estates	(14)	(14)	
Regen and Economic Development	Parking Services - contract review	(180)	(180)	
Regen and Economic Development	On street parking - increased demand	(140)	(115)	
Regen and Economic Development	Increase in permit charge by £5	(60)	(60)	
Regen and Economic Development	ANPR Income	(70)	(33)	
Regen and Economic Development	Community Partnerships	(38)	(38)	
Planning	Estate Management Fees	(57)	(57)	
Planning	Planning	(6)	(108)	
Planning	Planning fees	(100)	(50)	
Planning	Increase establishment - stop using terraquest	(77)	0	
Planning	Planning Application Fees (PPA)	(10)	(10)	
Planning	Planning monitoring Fees (CIL)	(30)	(30)	
Leisure, Community and Cultural	Cleaning	(17)	(31)	
Leisure, Community and Cultural	Decarbonisation Projects	(66)	0	
SD - Resident and Neighbourhood	Allotment Income	(10)	0	
SD - Resident and Neighbourhood	General review of L&E budgets	(10)	(11)	
SD - Resident and Neighbourhood	L&E review - woodlands (gate closure)	(10)	(2)	
SD - Resident and Neighbourhood	Garden Waste - demand	(40)	(25)	

SD - Resident and Neighbourhood	Garden Waste - increase in fees	(110)	(110)	
SD - Resident and Neighbourhood	General Waste Budget Review	(15)	(15)	
SD - Resident and Neighbourhood	Remove waste calendar - delivery	(20)	(22)	
SD - Resident and Neighbourhood	Remove waste calendar - print	(5)	(3)	
SD - Resident and Neighbourhood	Cleaning	(1)	(1)	
SD - Resident and Neighbourhood	Misc Savings (PHP)	(6)	(12)	
SD - Resident and Neighbourhood	Statutory Pest control review	(20)	(20)	
SD - Resident and Neighbourhood	Public Health Salaries	(21)	(42)	
SD - Resident and Neighbourhood	Housing Options Review - technical officer	(40)	(38)	
SD - Property Maintenance and Climate Change	Cleaning	(3)	(2)	
SD - Property Maintenance and Climate Change	Decarbonisation Projects	(14)	0	
TOTAL		(1,531)	(1,340)	