



**WATFORD  
BOROUGH  
COUNCIL**

# **BUDGET PANEL**

**27 June 2017**

**7.00 pm**

**Town Hall, Watford**

**Contact**

Ishbel Morren

[legalanddemocratic@watford.gov.uk](mailto:legalanddemocratic@watford.gov.uk)

01923 278375

For information about attending meetings please visit the [council's website](#).

**Publication date: 19 June 2017**

# Committee Membership

Councillor Asif Khan (Chair)

Councillor M Hofman (Vice-Chair)

Councillors N Bell, A Dychton, J Fahmy, R Martins, M Parker, G Saffery and N Shah

## Agenda

### Part A - Open to the Public

1. **Training: the role of Budget Panel**
2. **Apologies for Absence/Committee Membership**
3. **Disclosure of Interests (if any)**
4. **Minutes**

The [minutes](#) of the meeting held on 21 February 2017 to be submitted and signed.

5. **Financial Outturn 2016/17 (Pages 3 - 16)**

Report of the Head of Finance

6. **2017/18 Work Programme (Pages 17 - 18)**

Budget Panel is invited to approve the 2017/18 work programme and to suggest any additional items for discussion

**Report to:** Budget Panel / Cabinet  
**Date of meeting:** 27 June 2017 / 3 July 2017  
**Report of:** Director of Finance  
**Title:** Summary of the Financial Outturn 2016/17

## 1.0 SUMMARY

- 1.1 This report informs Cabinet of the revenue and capital outturns for financial year 2016/17.
- 1.2 The revised net revenue budget for 2016/17 (set at Council on 24 January 2017) was **£17.307 million**. The council outturn position at 31 March 2017 was **£17.304 million** which includes the service outturn position, transfers to reserves of £411,000 and £886,960 for budgets that need to be carried forward to 2017/18 to allow completion of previously agreed projects. **This leaves a favourable variance of £3,000.**
- 1.3 Also in January 2017, the Council agreed a revised capital budget of **£48.725 million**. £15.917 million has been re-phased to later years in the MTFs resulting in a revised in-year capital programme of **£32.808 million**. At 31 March 2017 the Council had spent **£33.027 million** giving an unfavourable variance of **£0.219 million**. This variance has been match-funded by additional grant and use of earmarked reserves in year.

## 2.0 RECOMMENDATIONS

- 2.1 To consider the revenue outturn as summarised at Paragraph 4.1, and supplementary notes at Appendices 1 to 5 and to note the year end position, which includes carry forwards.
- 2.2 To approve the 2016/17 budget carry forwards into 2017/18 as recommended by Leadership Team totalling **£886,960** as detailed at Appendix 3.
- 2.3 To consider the capital outturn as summarised at Paragraph 5.1 and shown in detail in Appendix 5. To confirm the re-phasing of **£15.917 million** into 2017/18 and later years.

### Contact Officer:

For further information on this report please contact Bob Watson, Head of Finance, telephone extension 7188, email [bob.watson@threeivers.gov.uk](mailto:bob.watson@threeivers.gov.uk)

### 3.0 INTRODUCTION

- 3.1 A key feature of reporting the outturn for the financial year is to compare it against the revised budget which provides an indication of accuracy and robustness of financial control and the achievement of the Council's priority to operate the Council efficiently and effectively.
- 3.2 This report provides an analysis of the revenue and capital outturns for 2016/17. A more detailed financial report can be found in the draft Statement of Accounts that will be reported to the Audit Committee on 29 June 2017.

### 4.0 REVENUE OUTTURN 2016/17

- 4.1 The table below shows the net expenditure by service area which compares the revised budget (as approved by Council on 24 January 2017) to the outturn. The net effect, after carry forwards is an under spend on the cost of services of **£3,000**.

Revenue Account 2016/17					
Service Area	Original Budget £'000	Revised Budget £'000	Outturn £'000	Variance Outturn to Revised Budget £'000	Variance %
Corporate Strategy & Client Services	7,246	7,417	6,561	(856)	(11.5)
Community & Customer Services	4,324	5,066	5,095	29	0.6
Democracy & Governance	3,382	3,405	3,410	5	0.1
Deputy MD	(4,995)	(4,761)	(5,160)	(399)	8.4
Managing Director	260	660	592	(68)	(10.3)
Human Resources	576	576	577	1	0.2
Strategic Finance	5,619	5,320	5,307	(13)	(0.3)
Adjustment Under Statute	(376)	(376)	(376)	0	0
Transfer to reserves	0	0	411	411	n/a
Carry forwards	0	0	887	887	n/a
<b>Outturn position</b>	<b>16,036</b>	<b>17,307</b>	<b>17,304</b>	<b>(3)</b>	<b>0</b>

Note: the above table includes only direct costs and incomes. Technical accounting adjustments for internal recharges and capital charges have been excluded as these have no effect on the Council's net general fund position.

Leadership Team on 6 June 2017 agreed the carry forwards.

- 4.2 **Appendix 1** details the variances when comparing the revised budget to the service outturn. Some of the significant variances are £466k additional management fee recovered from the leisure operator, £131k lower spend on use of temporary bed and breakfast accommodation for homeless families, £141k underspend on consultant fees

and land registry costs and £105k additional recycling credits from kerbside recycling.

- 4.3 **Appendix 2** details the requests to carry forward budgets to 2017/18 amounting to **£886,960**. These requests were reviewed by Leadership Team on 6 June 2017. Leadership Team considered all requests and support those requests put forward at this appendix.

## 5.0 CAPITAL OUTTURN 2016/17

- 5.1 **Appendix 3** shows the summary of the Capital position and **Appendix 4** gives a detailed analysis of the council's capital programme; the re-phased budget of £15.917 million and the outturn of £33.027 million giving a net increase in capital spend of £0.219 million.

## 6.0 COUNCIL RESERVES

- 6.1 The Council has set aside specific amounts as reserves for future policy purposes and to cover contingencies. **Appendix 5** shows the level of reserves held by the council, which stand at **£31.041 million** at the end of the year. This includes a balance of the general fund which has been set at a prudent level of **£1.350 million**.

## 7.0 CONCLUSION

- 7.1 In 2016/17 the Council had an underspend after carry forwards which amounted to a minimal variance of **£3,000**.
- 7.2 The 2016/17 capital programme outturn contains a net variance of £0.219 million against a re-profiled budget of £32.808 million. This is funded by use of earmarked reserves or increased grant contributions.
- 7.3 The Council continues to face some medium term revenue pressures whilst maintaining an ambitious programme of capital investment which includes ensuring its infrastructure/assets are well maintained as well as seeking to move forward through the development of key projects where the aim is to secure the future prosperity of the Watford area and the sustainability of the Council.

## 8.0 FINANCIAL IMPLICATIONS

- 8.1 These have been included within the report.

## 9.0 LEGAL IMPLICATIONS

- 9.1 There are no legal implications in the report.

## 10.0 POTENTIAL RISKS

10.1	Potential Risk	Likelihood	Impact	Overall Score
	A material error within the Final Accounts needs adjustment through the Council's reserve balances.	1	2	2
	Carry forward requests are not approved, resulting in in-year pressures in 2017/18	1	3	3

## 11.0 EQUALITIES

- 11.1 Watford Borough Council is committed to equality and diversity as an employer, service provider and as a strategic partner. In order to fulfil this commitment and its duties under the Equality Act 2010 it is important to demonstrate how policies, practices and decisions impact on people with different protected characteristics. It is also important to demonstrate that the Council is not discriminating unlawfully when carrying out any of its functions.
- 11.2 The reporting of the 2016/17 outturn does not have any direct equality implications, in effect it is reporting upon the financial consequences of policies already established by the Council and is not seeking to change those policies in any way.

### Appendices:

- Appendix 1 Revenue variances 2016/17
- Appendix 2 Carry Forward requests into 2017/18
- Appendix 3 Capital Summary 2016/17
- Appendix 4 Capital detailed report 2016/17
- Appendix 5 Reserves 2016/17

## REVENUE SERVICES – FINANCIAL POSITION AT 31 MARCH 2017

Service Area	Revised Budget & Outturn at 31 March 2017		
	Revised Budget	Outturn	Variance
	£	£	£
<b>Corp Strategy &amp; Client Service</b>			
Management & Support	112,890	118,208	5,318
Contract Monitoring	346,530	348,137	1,607
Parks And Open Spaces	1,266,740	1,156,575	(110,165)
Leisure	534,310	(21,873)	(556,183)
Grants	750,870	763,177	12,307
Street Cleansing	1,794,480	1,808,701	14,221
Waste And Recycling	1,987,500	1,837,772	(149,728)
Partnerships & Performance	623,900	550,151	(73,749)
<b>Totals - Corp Strategy &amp; Client Service</b>	<b>7,417,220</b>	<b>6,560,848</b>	<b>(856,372)</b>
<b>Community &amp; Customer Service</b>			
Customer Services	842,120	857,053	14,933
Housing	1,780,800	1,820,815	40,015
Environmental Hlth & Licensing	1,318,783	1,277,341	(41,442)
Culture & Play	1,124,510	1,140,169	15,659
<b>Totals - Community &amp; Customer Service</b>	<b>5,066,213</b>	<b>5,095,378</b>	<b>29,165</b>
<b>Democracy &amp; Governance</b>			
Legal And Democratic	1,867,060	1,800,708	(66,352)
Buildings And Projects	1,511,070	1,579,377	68,307
Procurement	26,990	30,380	3,390
<b>Totals - Democracy &amp; Governance</b>	<b>3,405,120</b>	<b>3,410,465</b>	<b>5,345</b>

Service Area	Revised Budget & Outturn at 31 March 2017		
	Revised Budget	Outturn	Variance
	£	£	£
<b>Deputy MD</b>			
Property Management	818,390	575,901	(242,489)
Investment Assets Outsourced	(6,581,755)	(6,611,945)	(30,190)
Operational Assets - Owner Occupied	(218,560)	(190,678)	27,882
Community Assets	(18,300)	(18,318)	(18)
Development Section	305,550	232,290	(73,260)
Transport And Infrastructure	203,990	126,997	(76,993)
Policy Team	467,710	452,279	(15,431)
Economic Development	262,416	273,445	11,029
<b>Totals - Deputy MD</b>	<b>(4,760,559)</b>	<b>(5,160,029)</b>	<b>(399,470)</b>
<b>Managing Director</b>			
Corporate Management	659,800	591,970	(67,830)
<b>Totals - Managing Director</b>	<b>659,800</b>	<b>591,970</b>	<b>(67,830)</b>
<b>Human Resources</b>			
Human Resources	575,650	577,083	1,433
<b>Totals - Human Resources</b>	<b>575,650</b>	<b>577,083</b>	<b>1,433</b>
<b>Strategic Finance</b>			
Finance & Resources	225,390	217,457	(7,933)
Finance Services Client	894,750	884,395	(10,355)
Revenues And Benefits Client	1,114,320	886,768	(227,552)
ICT Service	870,190	1,231,020	360,830
Corporate Costs	2,215,370	2,086,944	(128,426)
<b>Totals - Strategic Finance</b>	<b>5,320,020</b>	<b>5,306,584</b>	<b>(13,436)</b>
<b>Adjustments Under Statute</b>	<b>(376,950)</b>	<b>(376,950)</b>	<b>0</b>
<b>GRAND TOTALS</b>	<b>17,306,514</b>	<b>16,005,349</b>	<b>(1,301,165)</b>



**Explanation of Revenue Outturn Variance 2016/17**

<b>Service Area</b>	<b>Description</b>	<b>Details of Variances</b>	<b>£</b>
<b>Corporate Strategy &amp; Client Service</b>	Recycling - Kerbside	Reduction in paper recycling fees. This underspend to be carried forward into 2017/18 to pay for integration of services with online vision.	(35,000)
		Increased income from volumes of recycling. This needs to be carried forward into 2017/18 to pay for integration of services with online vision.	(70,000)
	Community Centres	Stock Condition Survey not carried out in 2016/17 to be carried forward to 2017/18	(58,000)
	Colesseum	Stock Condition Survey not carried out in 2016/17 to be carried forward to 2017/18	(36,000)
	Cemeteries	Increased income from sale of grave spaces & burial fees	(166,000)
	Sports Centres	Additional management fee income from leisure operator	(466,000)
	Partnerships and Performance	Underspend on projects relating to Watford 2020. To be carried forward into 2017/18	(16,500)
	Watford Learning Partnership	Underspend on work for One Watford related initiatives. To be carried forward into 2017/18	(12,770)
		Other Variances	3,898
		<b>TOTAL</b>	<b>(856,372)</b>
<b>Community &amp; Customer Services</b>	Customer Services	Additional staff costs	50,000
	Housing	Lower spend on bed & breakfast facilities	(131,000)
		Payment for Professional Legal fees	122,000
	Town Centre Events	Additional costs on various town centre events	27,000
	Environment	Herts Countywide schemes to take place in 2017/18, to be carried forward to 2017/18	(25,800)
		Spend on software licences	46,665
		Project underspend on public health & nuisance project to be carried forward to 2017/18	(51,700)
Trading Operations	Underspend on PMB funded commercialisation project. To be carried forward into 2017/18	(35,280)	
	Other Variances	27,280	
		<b>TOTAL</b>	<b>29,165</b>
<b>Democracy &amp; Governance</b>	Legal Services Team	Underspend on publications, legal fees and advertising costs. £9,200 to be carried forward to 2017/18 for employment tribunal costs	(18,000)
	Buildings & Projects	Increased spend on property maintenance costs	62,000
	Democratic Services	Reduction on employee costs due to vacancies	(25,800)
		Other Variances	(12,855)
		<b>TOTAL</b>	<b>5,345</b>

Service Area	Description	Details of Variances	£
Deputy MD	CCTV	Overspend on equipment	23,000
	Valuation & Estates Group	Additional agency staff costs	68,000
		Underspend on professional legal fees	(141,000)
		Reduction in bad debt provision	(99,000)
		Reduction due to over estimation of management fee on Watford Business park	(113,000)
		Lower rental income , mainly due to timing of rent reviews & disposals.	118,000
		Underspend on Corporate property review & Ascot Road funded by PMB. To be carried forward into 2017/18	(60,510)
	Development Control	Additional income from planning application fee	(43,000)
	Policy Team	Underspend on the local development plan, this is to be carried forward to 2017/18.	(44,000)
	Parking Income	Additional income from parking enforcement in the year, to transfer to CPZ reserve	(71,000)
		Additional income building regulation & inspection fees	(52,000)
	Other Variances	15,040	
		<b>TOTAL</b>	<b>(399,470)</b>
MD	Service Transformation	Savings on transformation project to be carried forward into 2017/18	(63,700)
		Other Variances	(4,130)
		<b>TOTAL</b>	<b>(67,830)</b>
HR		Other Variances	1,433
		<b>TOTAL</b>	<b>1,433</b>
Strategic Finance	ICT	Overspend has occurred due to additional staff costs for covering the ICT section head whilst on maternity leave and to manage the changes to the service model following the exit of Capita. There is a one off termination payment to outgoing outsourced service provider of £100,000. Increase in the costs of staff transferring from outsourced service provider to the Councils in-house team. All ICT budgets are being reviewed with a proposal to implement a revised staffing structure during 2017/18. In addition there was an efficiency saving target of £118,000 that has not been met.	317,000
	Interest	Interest for the year - LABV	(284,000)
		Additional investment interest	(34,000)
		Reduction in interest paid	(22,000)
		Other Variances	9,564
		<b>TOTAL</b>	<b>(13,436)</b>
		<b>GRAND TOTAL</b>	<b>(1,301,165)</b>

## REVENUE CARRY FORWARD REQUESTS TO 2017/18

Service	Description	Amount Requested £	Reason
Corp Strategy & Client Services	Colosseum	36,000	Stock condition surveys
	Leavesden Green Community Centre	23,000	
	Holywell Community Centre	2,000	
	Orbital Community Centre	2,000	
	Meriden Community Centre	14,660	
	Grants	5,000	
	Centrepoint Community Centre	11,400	
	Recycling Kerbside	104,000	To allow for movement in recyclable material which could affect fee paid for comingled cycling & use of funds for integration of services with online vision
	Communications	9,500	Website development cost - Phase 2 in 2017/18
	Partnerships and Performance	16,500	Funds for projects relating to Watford 2020
	Watford Learning Partnership	12,770	Work for One Watford related initiatives
	Watford Health Inequalities	4,110	Support work on health inequalities
	Commissioning Waste	9,000	Website development costs and additional compost bin charges
Community & Customer Services	Public Health & Nuisance	51,700	Public Health Funding, Project over 2 years.
	Environmental Health Team	25,800	Contribution from Herts local authorities to fund coordinator work across County
	Housing	46,000	Extensive refurbishment of York House required budget will be used in 2017/18. Further IT systems upgrade costs in 2017/18
	Information Unit	7,700	Upgrades - online digital development GIS platform
Democracy & Governance	Civic Expenses	800	Civic reception in May 2017
	Legal Services Team	9,200	Litigation costs & employment tribunal claim in 2017
	Buildings, Projects & Facilities	6,000	6 Months temporary surveyor cost
Deputy MD	Policy Team	4,630	Further extensive work being undertaken re the Riverwell project and the balance can be used to be utilised on top of the new years budget to meet our statutory duties
		10,330	Agency staff works 1 day per week providing structural detailed calculations - This has been on-going for a number of years now. There is no budget in 2017/18
		44,160	To be spent on ongoing Local Plan Review
Head of Service Transformation	Service Transformation and PMB Projects *	430,700	Service transformation project work in 2017/18
		<b>886,960</b>	<b>TOTAL AMOUNT REQUESTED</b>
	* PMB Projects	£	
	MP19-6 Corporate Property Review	50,000	
	MP17 Western Gateway (Ascot Rd)	10,510	
	MP26 Commercialisation	50,227	
	MP29a Digital Smart Town	15,464	

**CAPITAL INVESTMENT PROGRAMME – SUMMARY**

Capital Scheme	Revised Budget 2016/17 £	Actual £	Variance due to rephasing	Variance due to (Underspend) / Overspend	Budget 2017/18 (including rephasing) £	Budget 2018/19 (including rephasing) £	Budget 2019/20 (including rephasing) £
Key Projects (excl Watford Riverwell)	565,313	369,952	(200,692)	5,332	6,825,692	500,000	250,000
Watford Riverwell	13,577,000	11,626,378	(1,950,622)	0	9,905,622	8,398,000	18,069,000
Environmental Services	362,850	408,950	(55,168)	101,268	180,549	440,125	100,000
Community & Leisure Services	9,743,664	8,135,827	(1,732,132)	124,295	4,165,132	2,365,000	15,000
Housing Services	816,370	518,640	(297,730)	0	2,747,730	2,525,000	2,450,000
Parking Services	91,507	64,771	(25,736)	(1,000)	25,736	0	0
Asset Management	2,205,398	531,926	(1,653,287)	(20,185)	6,171,949	5,668,048	496,810
ICT	404,496	96,817	(303,619)	(4,060)	623,619	320,000	320,000
ICT Shared Services	924,000	535,246	(388,754)	0	598,754	210,000	210,000
Section 106 Funded Schemes	195,841	171,658	(20,755)	(3,428)	20,755	20,000	0
Corp Serv / Project Mgt	552,470	552,470	0	0	675,470	677,470	679,470
Property Investment Board	19,286,250	10,013,947	(9,288,866)	16,563	9,288,866	0	0
<b>TOTAL CAPITAL PROGRAMME</b>	<b>48,725,159</b>	<b>33,026,582</b>	<b>(15,917,362)</b>	<b>218,785</b>	<b>41,229,874</b>	<b>21,123,643</b>	<b>22,590,280</b>

## CAPITAL INVESTMENT PROGRAMME – DETAIL

Capital Scheme	Revised Budget 2016/17	Actual	Variance	Amount to Rephase to 2017/18 (from 2016/17 only)	Amount to Rephase to 2017/18 (other years)	Amount to Rephase to 2018/19 (from 2016/17 only)	Amount to Rephase to 2018/19 (other years)	Overspend / (Underspend)	Latest Budget 2017/18	Latest Budget 2017/18 including rephasing	Latest Budget 2018/19	Latest Budget 2018/19 including rephasing	Latest Budget 2019/20	Latest Budget 2019/20 including rephasing	Scheme Update
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
<b>Key Projects</b>															
New Market	122,573	105,552	(17,021)	17,021	0	0	0	0	0	17,021	0	0	0	0	Rephasing required for planned spend in 2017/18.
CSI Project	182,500	80,023	(102,477)	102,477	0	0	0	0	65,000	167,477	0	0	0	0	Customer Service Centre modernisation completes in 2017/18.
High Street Enhancement	0	0	0	0	0	0	0	0	250,000	250,000	250,000	250,000	0	0	
Green Spaces Strategy	89,000	156,656	67,656	(59,656)	0	0	0	8,000	235,000	175,344	250,000	250,000	250,000	250,000	Compensating adjustment from 2017/18 budget.
Website Enhancement	3,400	732	(2,668)	0	0	0	0	(2,668)	0	0	0	0	0	0	Scheme underspend.
Cultural Quarter Phase 1	167,840	26,989	(140,851)	140,851	0	0	0	0	0	140,851	0	0	0	0	Rephasing required to fund expected retention payments.
Loan to HHW	0	0	0	0	0	0	0	0	6,075,000	6,075,000	0	0	0	0	
<b>Watford Riverwell</b>															
Campus-Client Side & Land Assy	359,000	218,435	(140,565)	140,565	0	0	0	0	100,000	240,565	100,000	100,000	100,000	100,000	
Campus-Equity	4,474,000	4,550,000	76,000	(76,000)	0	0	0	0	0	(76,000)	0	0	0	0	
Campus-Hospital Loan	2,000,000	2,000,000	0	0	0	0	0	0	0	0	0	0	0	0	
Campus-Ind Zone South	150,000	150,000	0	0	0	0	0	0	1,575,000	1,575,000	0	0	0	0	
Campus-Ind Zone South (Loan)	5,933,000	4,457,943	(1,475,057)	1,475,057	0	0	0	0	567,000	2,042,057	0	0	0	0	
Campus-Willow Lane (Ph 1)	403,000	250,000	(153,000)	153,000	(1,343,000)	0	1,026,000	0	2,525,000	1,335,000	3,524,000	4,550,000	0	317,000	
Campus-Riverside East (Ph 2)	210,000	0	(210,000)	210,000	(601,000)	0	(1,425,000)	0	2,079,000	1,688,000	4,546,000	3,121,000	0	2,026,000	
Campus-Riverside C'tral (Ph 3)	24,000	0	(24,000)	24,000	2,139,000	0	(4,873,000)	0	162,000	2,325,000	5,256,000	383,000	10,956,000	13,690,000	
Campus-Riverside West (Ph 4)	24,000	0	(24,000)	24,000	719,000	0	147,000	0	33,000	776,000	3,000	150,000	991,000	125,000	
Campus-Island Resid'tial-Hotel	0	0	0	0	0	0	0	0	0	0	75,000	75,000	0	0	
Campus-Island Resid'tial-Sch'e	0	0	0	0	0	0	(42,000)	0	0	0	42,000	0	3,000	45,000	
Campus-Cardiff Road North	0	0	0	0	(3,000)	0	(354,000)	0	3,000	0	357,000	3,000	0	357,000	
Campus-Cardiff Rd Car Park	0	0	0	0	(16,000)	0	16,000	0	16,000	0	0	16,000	1,409,000	1,409,000	
<b>Environmental Services</b>															
Replacement Domestic Bins	0	0	0	0	0	0	0	0	0	0	42,185	42,185	0	0	
Electric Vehicle Charging Units	11,884	6,083	(5,801)	5,801	0	0	0	0	25,381	31,182	0	0	0	0	Rephasing required as Watford BC await Herts CC's electric vehicle strategy.
Veolia Contract Fleet Requirement	0	0	0	0	0	0	0	0	0	0	225,000	225,000	0	0	
Transit Vans x 2	33,706	33,706	(0)	0	0	0	0	0	0	0	0	0	0	0	
Pest Control Van	13,560	13,578	18	0	0	0	0	18	0	0	0	0	0	0	Minor overspend.
Wood Chipper / Shredder	15,500	15,300	(200)	0	0	0	0	(200)	0	0	0	0	0	0	Minor underspend.
Cricket Pitch Roller	11,100	10,700	(400)	0	0	0	0	(400)	0	0	0	0	0	0	Minor underspend.
Caged Vehicle / Bulky Lorry	15,000	15,000	0	0	0	0	0	0	0	0	0	0	0	0	
Pedestrian Aerator	7,650	8,983	1,333	0	0	0	0	1,333	0	0	0	0	0	0	Actual cost slightly higher than originally expected. Funded by vehicle replacement reserve.
Mounted Aerator	24,450	24,450	0	0	0	0	0	0	0	0	0	0	0	0	
Electric Van	25,000	20,446	(4,554)	0	0	0	0	(4,554)	0	0	0	0	0	0	Lower cost than expected.
Food Caddies Rollout	0	105,072	105,072	0	0	0	0	105,072	0	0	0	0	0	0	Food caddies rolled out to encourage food recycling and funded by DCLG reserve.
Recycling Boxes	0	0	0	0	0	0	0	0	0	0	36,940	36,940	0	0	
Additional Green Waste Bins	0	0	0	0	0	0	0	0	0	0	36,000	36,000	0	0	
Decent Homes Assistance	205,000	155,633	(49,367)	49,367	0	0	0	0	100,000	149,367	100,000	100,000	100,000	100,000	To enable works to vulnerable residents homes to prevent health impacts. Original budget only £100k for 2017/18.

Capital Scheme	Revised Budget 2016/17	Actual	Variance	Amount to Rephase to 2017/18 (2016/17 only)	Amount to Rephase to 2017/18 (other years)	Amount to Rephase to 2018/19 (2016/17 only)	Amount to Rephase to 2018/19 (other years)	Overspend / (Underspend)	Latest Budget 2017/18	Latest Budget 2017/18 including rephasing	Latest Budget 2018/19	Latest Budget 2018/19 including rephasing	Latest Budget 2019/20	Latest Budget 2019/20 including rephasing	Scheme Update
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
<b>Community &amp; Leisure Services</b>															
Town Hall Subway CCTV	12,300	10,205	(2,095)	0	0	0	0	(2,095)	0	0	0	0	0	0	Project underspend.
Clarendon Road Street Improvements-Relocation of CCTV	0	0	0	0	0	0	0	0	18,000	18,000	0	0	0	0	
Watford Museum HLF Matchfunding	25,000	0	(25,000)	25,000	0	0	0	0	100,000	125,000	350,000	350,000	0	0	Continued spend expected in 2017/18.
Meriden Community Centre Redevelopments	444,000	444,033	33	0	0	0	0	33	0	0	0	0	0	0	Minor overspend.
Play Review	1,400,000	921,164	(478,836)	478,836	0	0	0	0	0	478,836	0	0	0	0	2017/18 is when project is due to complete.
Allotments & Parks Upgrades	416,990	459,538	42,548	0	0	0	0	42,548	0	0	0	0	0	0	Overspend due to further soil needs as well as additional fencing requirements from Farm Terrace transfers.
Farm Terrace Allotments	552,874	577,976	25,102	0	0	0	0	25,102	0	0	0	0	0	0	Overspend due to top soil and drainage requirements.
Town Centre CCTV Camera Replacement	26,616	26,616	0	0	0	0	0	0	0	0	0	0	0	0	
Gaelic Football Relocation	865,886	924,593	58,707	0	0	0	0	58,707	0	0	0	0	0	0	Overspend due to site issues caused by 3 occasions of flash flooding and late unforeseen design changes.
Improvements Community Centres	159,160	100,000	(59,160)	59,160	0	0	0	0	0	59,160	0	0	0	0	Continued spend expected in 2017/18.
Cassiobury Park HLF Project	5,640,838	4,671,703	(969,135)	969,135	0	0	0	0	0	969,135	0	0	0	0	Scheme completes in 2017/18 including anticipated snagging and retention payments.
Cassiobury Dev't (Fullerians)	200,000	0	(200,000)	200,000	0	0	0	0	0	200,000	0	0	0	0	Spend to be incurred in 2017/18.
Cemetery Improvements	0	0	0	0	0	0	0	0	0	0	250,000	250,000	0	0	
Tennis Courts Enhancement	0	0	0	0	0	0	0	0	225,000	225,000	0	0	0	0	
Oxhey Park North Enhanc'mnts	0	0	0	0	0	0	0	0	25,000	25,000	0	0	0	0	
Oxhey Park North	0	0	0	0	0	0	0	0	2,000,000	2,000,000	1,750,000	1,750,000	0	0	
Tree Planting Programme	0	0	0	0	0	0	0	0	15,000	15,000	15,000	15,000	15,000	15,000	
Little Cassiobury Match Fund	0	0	0	0	0	0	0	0	50,000	50,000	0	0	0	0	
<b>Housing Services</b>															
Retained Housing Stock	163,800	21,696	(142,104)	142,104	0	0	0	0	50,000	192,104	50,000	50,000	50,000	50,000	Project is due to complete 2017/18.
Mand Disabled Facilities Grant	652,570	496,943	(155,627)	155,627	0	0	0	0	400,000	555,627	400,000	400,000	400,000	400,000	Expenditure commitments and flexibility requirements for move to Herts Home Improvement Agency service.
Modular Temp Accommodation	0	0	0	0	0	0	0	0	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	
York House Boiler Replacement	0	0	0	0	0	0	0	0	0	0	75,000	75,000	0	0	
<b>Parking Services</b>															
Garages Project (incl Parking)	72,000	59,837	(12,163)	11,163	0	0	0	(1,000)	0	11,163	0	0	0	0	Delay in project completion. Project Management Board updated that also reflects £1k in lower funding receipts.
Upgrading/Resurfacing Car Parks	19,507	4,934	(14,573)	14,573	0	0	0	0	0	14,573	0	0	0	0	Rephasing required due to on going discussions affecting long term car parking strategy.

Capital Scheme	Revised Budget 2016/17	Actual	Variance	Amount to Rephase to 2017/18 (2016/17 only)	Amount to Rephase to 2017/18 (other years)	Amount to Rephase to 2018/19 (2016/17 only)	Amount to Rephase to 2018/19 (other years)	Overspend / (Underspend)	Latest Budget 2017/18	Latest Budget 2017/18 including rephasing	Latest Budget 2018/19	Latest Budget 2018/19 including rephasing	Latest Budget 2019/20	Latest Budget 2019/20 including rephasing	Scheme Update
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
<b>Asset Management</b>								0					0	0	
Watford Business Park Redevelopment	1,547,400	257,938	(1,289,462)	1,289,462	0	0	0	0	3,546,321	4,835,783	4,872,425	4,872,425	0	0	Regeneration project that continues to gain momentum.
Private Sector Stock Condition Survey	150,000	41,200	(108,800)	108,800	0	0	0	0	0	108,800	0	0	0	0	Project is due to complete 2017/18.
Atrium / GIS	16,988	16,847	(141)	0	0	0	0	(141)	0	0	0	0	0	0	Minor underspend.
Pop Up Toilets Refurbishment	5,000	0	(5,000)	0	0	0	0	(5,000)	30,000	30,000	0	0	0	0	No budget rephasing required.
Non PIB - Strategy & Prog Disposal	16,796	3,477	(13,319)	0	0	0	0	(13,319)	0	0	0	0	0	0	Underspend offset by other service overspends.
CIL Review	0	0	0	0	0	0	0	0	30,000	30,000	50,000	50,000	0	0	
Match Funding Capital Projects	19,044	14,262	(4,782)	4,782	0	0	0	0	68,334	73,116	0	0	0	0	Rephasing required due to support the Watford High Street public realm capital project set to commence in Feb 2018.
Veolia Capital Improvements	93,170	91,445	(1,725)	0	0	0	0	(1,725)	94,250	94,250	95,380	95,380	96,810	96,810	Minor underspend.
Building Investment Programme	357,000	106,757	(250,243)	0	0	250,243	0	0	1,000,000	1,000,000	400,000	650,243	400,000	400,000	Prioritisation needs notably with regard to Colosseum refurbishment.
<b>ICT</b>								0							
ICT-Hardware Replacement Programme	160,000	27,008	(132,992)	132,992	0	0	0	0	200,000	332,992	200,000	200,000	200,000	200,000	Carry forward request to facilitate ICT strategy going forward.
ICT - Document Management Process	4,036	0	(4,036)	0	0	0	0	(4,036)	0	0	0	0	0	0	Service indicate budget is no longer required.
ICT-Env Health	13,460	7,936	(5,524)	5,500	0	0	0	(24)	0	5,500	0	0	0	0	Continued spend expected in 2017/18.
ICT-Project Management Provision	227,000	61,874	(165,126)	165,126	0	0	0	0	120,000	285,126	120,000	120,000	120,000	120,000	Carry forward request to facilitate ICT strategy going forward.
<b>ICT Shared Services</b>															
ShS-Business Application Upgrade	243,000	53,686	(189,314)	189,314	0	0	0	0	165,000	354,314	165,000	165,000	165,000	165,000	Carry forward request to facilitate ICT strategy going forward.
ShS-IT Modernisation	603,000	479,371	(123,629)	123,629	0	0	0	0	0	123,629	0	0	0	0	
ShS-Hardware Replace Programme	78,000	2,190	(75,811)	75,811	0	0	0	0	45,000	120,811	45,000	45,000	45,000	45,000	
<b>Section 106 Funded Schemes</b>															
Himalayan Way Play Area	67,100	72,740	5,640	0	0	0	0	5,640	0	0	0	0	0	0	Project costs higher than expected. Funded by S106.
Berry Avenue Play Area	6,025	8,957	2,932	0	0	0	0	2,932	0	0	0	0	0	0	Project costs higher than expected. Funded by S106.
Southwold Road Play Area	0	0	0	0	0	0	0	0	0	0	20,000	20,000	0	0	
Ridgehurst Avenue Play Area	29,266	18,767	(10,499)	10,499	0	0	0	0	0	10,499	0	0	0	0	Continued spend expected in 2017/18.
Colne River Project	11,450	7,284	(4,166)	4,166	0	0	0	0	0	4,166	0	0	0	0	Retention due in 2017/18.
Local Nature Reserves	6,350	260	(6,090)	6,090	0	0	0	0	0	6,090	0	0	0	0	Continued spend expected in 2017/18.
Lower High St Cycle Scheme	15,393	15,393	0	0	0	0	0	0	0	0	0	0	0	0	
Abbey Way Cycle Scheme	23,627	23,627	0	(0)	0	0	0	0	0	(0)	0	0	0	0	
Garston Park Cycle Scheme	15,630	15,630	0	0	0	0	0	0	0	0	0	0	0	0	
Cassiobury Park Cycle Route	21,000	9,000	(12,000)	0	0	0	0	(12,000)	0	0	0	0	0	0	No budget rephasing required.
<b>Corporate Services / Project Management</b>															
Support Services	552,470	552,470	0	0	0	0	0	0	552,470	552,470	552,470	552,470	552,470	552,470	
Major Projects - FBP and QS	0	0	0	0	0	0	0	0	123,000	123,000	125,000	125,000	127,000	127,000	
<b>Property Investment Board</b>															
PIB - Strategy & Prog Disposal	0	16,417	16,417	0	0	0	0	16,417	0	0	0	0	0	0	Overspend offset by other service underspends.
Marriott House	4,286,250	4,286,396	146	0	0	0	0	146	0	0	0	0	0	0	Minor overspend.
Parkhouse Interchange	15,000,000	5,711,134	(9,288,866)	9,288,866	0	0	0	0	0	9,288,866	0	0	0	0	Rephasing request of £9,288,866 for further property acquisitions. Coleshill Industrial Estate acquired for £5.792m in May 2017.
<b>TOTAL CAPITAL PROGRAMME</b>	<b>48,725,159</b>	<b>33,026,582</b>	<b>(15,698,577)</b>	<b>15,667,118</b>	<b>895,000</b>	<b>250,243</b>	<b>(5,505,000)</b>	<b>218,785</b>	<b>24,667,756</b>	<b>41,229,874</b>	<b>26,378,400</b>	<b>21,123,643</b>	<b>17,980,280</b>	<b>22,590,280</b>	

APPENDIX 5

**RESERVE BALANCES**

Description	Balance at 1 April 2016 £000	Use of/contribution to in Year £000	Movement between Reserves £000	Balance at 31 March 2017 £000
<b>Capital Reserves</b>				
Capital Fund	(650)	0	0	(650)
Development Sites Decontamination	(446)	0	0	(446)
New Homes Bonus	(4,069)	0	0	(4,069)
Performance Reward Grant (Capital)	(191)	50	0	(141)
Vehicle Replacement	(310)	128	0	(182)
Weekly Collection Support Grant (Capital)	(158)	105	0	(53)
Capital Receipts	(17,486)	4,485	0	(13,001)
Section 106	(1,986)	1,305	0	(681)
Community Infrastructure Levy	(152)	(400)	0	(552)
Grants & Contributions	(456)	15	0	(441)
<b>Total</b>	<b>(25,904)</b>	<b>5,688</b>	<b>0</b>	<b>(20,216)</b>
<b>Revenue Reserves</b>				
Budget Carry Forward	(1,190)	429	(126)	(887)
Business Rates	(4,661)	4,661	0	0
Car Parking Zones	(775)	(75)	0	(850)
Charter Place Tenants	(160)	0	0	(160)
Climate Change	(57)	0	0	(57)
Homelessness Prevention	(113)	0	113	0
Leisure Structured Maintenance	(423)	0	0	(423)
Le Marie Centre Repairs	(12)	0	0	(12)
Multi-Storey Car Park Repair	(181)	0	0	(181)
Parks, Waste & Street Strategy	(60)	0	60	0
Rent Deposit Guarantee Scheme	(100)	0	0	(100)
Area Based Grant	(85)	0	0	(85)
Crematorium	(50)	0	0	(50)
Economic Impact	(4,029)	3,297	(379)	(1,111)
High Street Innovation	(90)	0	90	0
Housing Benefit Subsidy	(996)	0	0	(996)
Housing Planning Delivery Grant	(266)	0	0	(266)
Invest to Save	(839)	0	0	(839)
LA Business Growth Incentive (LABGI)	(570)	0	66	(504)
Local Development Framework	(178)	0	50	(128)
Pension Funding	(2,249)	0	0	(2,249)
Performance Reward Grant (Revenue)	(29)	0	0	(29)
Project and Programme Management	(655)	295	126	(234)
Riverwell Project	0	(284)	0	(284)
Weekly Collection Support Grant (Revenue)	(30)	0	0	(30)
<b>Total</b>	<b>(17,798)</b>	<b>8,323</b>	<b>0</b>	<b>(9,475)</b>
<b>General Fund Working Balance</b>	<b>(1,350)</b>	<b>0</b>	<b>0</b>	<b>(1,350)</b>
<b>Total Revenue Reserves</b>	<b>(19,148)</b>	<b>8,323</b>	<b>0</b>	<b>(10,825)</b>
<b>Total</b>	<b>(45,052)</b>	<b>14,011</b>	<b>0</b>	<b>(31,041)</b>



**Budget Panel  
2017/18 Work Programme**

**Agenda Item 6**

<b>Meeting date</b>	<b>Item for agenda</b>	<b>Officer</b>
<b>Tuesday 27 June 2017</b>	Training: the role of Budget Panel	Head of Finance
	Financial Outturn 2016/17 (Q4)	Head of Finance
	2017-18 Work Programme	Committee & Scrutiny Support Officer
<b>Wednesday 13 September 2017</b>	The process for setting the budget for 2018/19 and Medium Term Financial Strategy for 2020/21	Head of Finance
	Update on Property Investment Board's activities	Regeneration & Property Section Head
	Finance Digest 2017/18 (Q1)	Head of Finance
<b>Tuesday 28 November 2017</b>	Finance Digest 2017/18 (Q2)	Head of Finance
	Training: Council Finances	Head of Finance
<b>Tuesday 16 January 2018</b>	Financial Planning: Draft Revenue and Capital Estimates 2018/21	Director of Finance / Head of Finance
	Treasury Management Strategy 2018/21	Director of Finance / Head of Finance
	Finance Digest 2017/18: Period 8 (end-Nov to revise and confirm the 2016/17 budget)	Director of Finance / Head of Finance
<b>Thursday 22 February 2018</b>	Finance Digest 2017/18 (Q3)	Head of Finance

