



**WATFORD
BOROUGH
COUNCIL**

BUDGET PANEL

26 June 2018

7.00 pm

Town Hall, Watford

Contact

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Publication date: 18 June 2018

Committee Membership

Councillor S Bashir (Chair)

Councillor P Kloss (Vice-Chair)

Councillors A Barton, N Bell, J Johnson, 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**
4. **Minutes**

The [minutes](#) of the meeting held on 14 March 2018 to be submitted and signed.

5. **Financial outturn 2017/18** (Pages 3 - 16)

Report of the Director of Finance

6. **2018/19 Work Programme** (Page 17)

Budget Panel is invited to approve the 2018/19 work programme and to suggest any additional items for discussion

Report to: Budget Panel / Cabinet
Date of meeting: 26 June 2018 / 2 July 2018
Report of: Director of Finance
Title: Summary of the Financial Outturn 2017/18

1.0 Summary

- 1.1 This report informs Cabinet of the revenue and capital outturns for financial year 2017/18.
- 1.2 The revised net revenue budget for 2017/18 (set at Council on 30 January 2018) was **£11.761 million**. The council outturn position at 31 March 2018 was **£11.758 million** which includes the service outturn position, net transfers from reserves of £188,798 and £1,056,290 for budgets that need to be carried forward to 2018/19 to allow completion of previously agreed projects. **This leaves a favourable variance of £0.002 million. (£2,350)** which will be transferred to the economic impact reserve.
- 1.3 The Council agreed a revised capital budget of **£53.902 million**. £7.547 million net has been re-phased to later years in the MTFS resulting in a revised in-year capital programme of **£46.355 million**. At 31 March 2018 the Council had spent **£46.233 million** giving a favourable variance of **£0.122 million**.

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 2017/18 budget carry forwards into 2018/19 as recommended by Leadership Team totalling **£1,056,290** as detailed at Appendix 2.
- 2.3 To consider the capital outturn as summarised at Paragraph 5.1 and shown in detail in Appendix 4. To confirm the re-phasing of **£7.547 million** into 2018/19 and later years.

Contact Officer:

For further information on this report please contact Martin Henwood, Interim Head of Finance, telephone extension 7188, email martin.henwood@threerivers.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 2017/18. A more detailed financial report can be found in the Statement of Accounts that will be reported to the Audit Committee on 26 July 2018.

4.0 Revenue Outturn 2017/18

- 4.1 The table below shows the net expenditure by service area which compares the revised budget (as approved by Council on 30 January 2018) to the outturn. The net effect, after carry forwards is an under spend on the cost of services of **£2,350**.

Revenue Account 2017/18					
Service Area	Original Budget £'000	Revised Budget £'000	Outturn £'000	Variance Outturn to Revised Budget £'000	Variance %
Service Transformation	1,852	2,486	2,266	(220)	(9)
Community & Environmental	8,950	9,108	8,797	(311)	(3)
Democracy & Governance	3,172	3,236	3,063	(172)	(5)
Place Shaping & Performance	(4,521)	(5,064)	(4,430)	634	13
Corporate Strategy & Comms	823	1,051	948	(102)	(10)
Human Resources	581	590	593	4	1
Strategic Finance	3,958	355	(346)	(701)	(198)
Total Services	14,815	11,761	10,891	(870)	
Transfer from reserves	0	0	(189)	(189)	
Carry forwards (Appendix 2)	0	0	1,056	1,056	
Outturn position	14,815	11,761	11,758	(2)	

Note: the above table includes only direct costs and incomes. Technical accounting adjustments for capital charges have been excluded as these have no effect on the Council's net general fund position. Leadership Team agreed the carry forwards on 22 May 2018.

- 4.2 **Appendix 1** details the variances when comparing the revised budget to the service outturn. Some of the significant variances are £118k additional income from AFM recycling model, £62k saving on utility costs, lower repairs & maintenance costs of £53k, additional cost of the Revenues & Benefits service of £274k, higher costs on legal & professional fees of 104k and additional planning income of £82k.

4.3 **Appendix 2** details the requests to carry forward budgets to 2018/19 amounting to **£1,056,290**. These requests were reviewed by Leadership Team on 22 May 2018 and support the requests on this appendix.

5.0 Capital Outturn 2017/18

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 net re-phased budget of £7.547 million and the outturn of £46.233 million giving a net decrease in capital spend of £0.122 million against a budget of £46.355 million.

6.0 Council Reserves

6.1 The Council has set aside specific amounts which it holds as reserves for future business purposes and to cover contingencies in case of operational need i.e. economic impact reserve. These are split between and capital and earmarked revenue reserves.

6.2 **Appendix 5** shows the level of usable reserves held by the council, which at the beginning of the year stood at **£30.267 million** and closed at the end of the year at **£21.422 million**. The reduction is mainly due to the use of the capital receipt reserve to fund the Council's investment programme.

7.0 Conclusion

7.1 In 2017/18 the Council had an under spend after carry forwards which amounted to a variance of £2,350.

7.2 The 2017/18 capital programme outturn contains a net variance of **£0.122 million**.

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 2018/19	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 2017/18 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 2017/18
- Appendix 2 Carry Forward requests into 2018/19
- Appendix 3 Capital Summary 2017/18
- Appendix 4 Capital detailed report 2017/18
- Appendix 5 Reserves 2017/18

REVENUE SERVICES – FINANCIAL POSITION AT 31 MARCH 2017

Service Area	Revised Budget & Outturn at 31 March 2018		
	Latest Budget	Actual	Variance
	£	£	£
Service Transformation			
Customer Services	896,380	762,953	(133,427)
ICT Services	1,171,430	1,140,570	(30,860)
Service Transformation	418,227	362,201	(56,026)
Totals - Service Transformation	2,486,037	2,265,724	(220,313)
Community & Environmental			
Corporate Services & Client Support	25,000	4,602	(20,398)
Contract Monitoring	440,840	468,511	27,671
Parks And Open Spaces	1,345,800	1,351,612	5,812
Leisure	541,746	377,261	(164,485)
Environmental Hlth & Licensing	1,342,110	1,232,213	(109,897)
Culture & Play	872,701	880,809	8,108
Street Cleansing	1,905,050	1,950,559	45,509
Trading Operations	35,227	4,713	(30,514)
Waste And Recycling	1,838,550	1,771,921	(66,629)
Totals - Community & Customer Service	9,107,684	8,796,578	(311,106)
Democracy & Governance			
Legal And Democratic	1,781,990	1,716,153	(65,837)
Buildings And Projects	1,425,135	1,306,248	(118,887)
Procurement	28,420	40,788	12,368
Totals - Democracy & Governance	3,235,545	3,063,189	(172,356)

Service Area	Revised Budget & Outturn at 31 March 2018		
	Latest Budget	Actual	Variance
	£	£	£
Place Shaping & Performance			
Housing	1,239,260	1,389,544	150,284
Property Management	658,850	780,107	121,257
Investment Assets Outsourced	(7,727,362)	(7,470,348)	257,014
Operational Assets - Owner Occupied	(248,175)	(266,759)	(18,584)
Community Assets	(19,530)	(18,260)	1,270
Development Section	12,590	(135,969)	(148,559)
Transport And Infrastructure	496,820	1,043,590	546,770
Policy Team	523,420	248,110	(275,310)
Totals - Place Shaping & Performance	(5,064,127)	(4,429,986)	634,141
Corporate Strategy & Comms			
Corporate Management	390,191	337,130	(53,061)
Partnerships & Performance	660,500	611,174	(49,326)
Totals - Corporate Strategy & Comms	1,050,691	948,304	(102,387)
Human Resources			
Human Resources Client	94,770	48,537	(46,233)
HR Shared Service	494,990	544,870	49,880
Totals - Human Resources	589,760	593,407	3,647
Strategic Finance			
Finance & Resources	226,520	198,945	(27,575)
Finance Services Client	1,007,640	1,019,185	11,545
Revenues And Benefits Client	1,096,920	1,302,307	205,387
Corporate Costs	(1,976,062)	(2,866,887)	(890,825)
Totals - Strategic Finance	355,018	(346,449)	(701,468)
GRAND TOTALS	11,760,608	10,890,766	(869,842)

Explanation of Revenue Outturn Variance 2017/18

Service Area	Description	Details of Variances	£	
Service Transformation	Information Unit	Lower spend on subscriptions. This underspend to be carried forward into 2017/18 to pay for an upgrade to the GIS system.	(20,000)	
	Customer Service Centre	Lower spend on employee related costs of £63,458 and on telephone maintenance of £8,351. Service has requested £50,000 to be carried into 2018/19 for licencing /support / maintenance of the Firmstep CRM product.	(71,809)	
	Service Transformation	The bulk of the underspend is on project costs. The full amount has been requested to be carried forward to 2018/19 to allow for spend on Watford 2020 projects.	(56,960)	
	ICT Client Services	Lower spend on software licences in year	(55,424)	
		Other Variances	(16,120)	
		TOTAL	(220,313)	
Environmental Health & Licensing	Leisure	Reduced expenditure on supplies & services as follows: Saving on management fee of £22,995, Under on surveys £28,170, £45,318 on development work and £66,060 on contingency. Request for £104,330 to be carried into 2018/19 for stock condition surveys	(162,543)	
	Environmental Health & Licensing		Additional income from issuing food safety certificates & HMO registrations	(15,016)
			Lower spend on Public Heath & Nuisance projects. A carry forward of £33,250 has been requested to aid projects in 2018/19.	(37,208)
			Safeguarding project not actioned in year due to difficulty in finding the right resources. £30,000 requested to be carried into 2018/19 for completion of the project.	(30,000)
			Additional income of £8,000 received from LA's across Herts to be carried forward to 2018/19 for specific projects	(8,000)
			Lower costs on pest control services. Budget carry over request of £10,000 to fund an apprentice post	(14,229)
	Street Cleansing	Increase in contract costs on street cleansing	45,116	
	Trading Operations	Lower spend on consultancy fees in trading operations. The amount has been transferred to PMB reserve for reallocation in 2018/19	(30,514)	
	Waste & Recycling		Additional contract costs	54,143
		Additional income mainly due to a receipt form HCC relating to the AFM recycling model	(118,311)	
	Other Variances	5,456		
		TOTAL	(311,106)	
Democracy & Governance	Legal Services Team	Lower legal services	(25,511)	
	Democratic Services	Reduced spend on supplies & services. £900 has been requested for 2018/19 for the Civic expenses	(20,031)	
	Buildings & Projects		Reduced spend on property maintenance costs	(53,458)
			Lower Electricity & Cleaning costs	(61,954)
		Other Variances	(11,402)	
		TOTAL	(172,356)	

Explanation of Revenue Outturn Variance 2017/18			
Service Area	Description	Details of Variances	£
Place Shaping & Performance	Housing	Lower spend on repairs & maintenance. £23,500 requested to be carried forward to 2018/19	(37,864)
		Additional spend on professional & legal fees	123,913
	Property Management	Rental income on investment property under due to property acquisition delays	247,282
		Additional spend on professional & legal fees	104,246
	Development Control	Additional income from building & planning application fee	(81,598)
	Policy Team	Lower spend on the local development plan, All this is requested to be carried forward to 2018/19	(258,650)
	Parking Income	Additional spend on the parking service , this is fully funded from the CPZ reserve.	546,958
	Other Variances	(10,146)	
		TOTAL	634,141
Corporate Strategy & Comms	Partnerships& Performance / Corporate Management	Delayed spend on projects, £56,200 is requested to be carried forward to 2018/19 to enable completion of these projects	(72,297)
		Grant expenditure was not fully allocated	(29,862)
		Other Variances	(228)
		TOTAL	(102,387)
HR		Other Variances	3,647
		TOTAL	3,647
Strategic Finance	Revenues & Benefit Client	The variance is mainly due to the increase cost of benefits due to higher volumes. There was a lower charge from the shared service of £35,000 which officers are requesting to carry forward £20,000 in to 2018/19 to support the costs that will be required to complete projects	274,168
	Corporate Costs	Lower spend on the projects associated of the Watford 2020 programme. £365K is requested to be carried into 2018/19 to allow for this major programme to continue	(500,000)
		Lower spend on designated Project Management Board projects, which are funded from the PMB reserve will now complete in 2018/19.	(471,296)
	Finance	The lower costs are due to the delay in upgrading the Council's Financial Management System. £20,000 is requested to carry forward in to 2018/19 to complete this necessary project	(20,000)
		Other Variances	15,660
		TOTAL	(701,468)
		GRAND TOTAL	(869,842)

REVENUE CARRY FORWARD REQUESTS TO 2018/19

Service	Description	Amount Requested £	Reason
Service Transformation	Service Transformation	56,960	To enable delivery on elements of Watford 2020 Programme
	Customer Service Centre	50,000	Planned carry forward of underspend within the Customer Service Centre budget to fund the first year of licensing/support/maintenance charges for the Firmstep CRM product. During 2018/19 we will be running Firmstep in parallel with the existing Lagan CRM system and therefore incur licensing costs on both systems.
	Information Unit	20,000	To fund the upgrade costs to the GIS system and supporting modelling tool to enable the development of the GIS tool.
Community & Environmental	Environmental Health team	8,000	Income from other LAs for work across Herts in 2018/19 for BBFA initiative
	Public Health & Nuisance	33,250	Budget funded through income from HCC for public health projects already committed for delivery in 18/19
	Safeguarding	30,000	Budget for safeguarding review and action plan implementation - delayed to problems finding a supplier - now resolved and procured.
	Pest Control	10,000	Funding for pest control apprentice not utilised as apprentice scheme not approved in time, revised plan to recruit student EHO to support pest control and other work areas as well as providing resilience to workforce for 12 months
	Community Centres	104,330	Conduct stock condition survey of various leisure and community venues - Community Asset Review (CAR) project
Democracy & Governance	Civic Expenses	900	To fund the cost of a Civic reception to be held in in May 2018
Place Shaping & Performance	WBC Properties	23,000	Maintenance projects in 2018/19
	Policy Team	258,650	Watford Junction Project - Ring fenced funds for project and salary costs.
Corporate Strategy & Comms	Partnership & Performance, Economic Development	23,500	Special project committed to paying for footfall counters in 2018/19
	Communications	5,000	Website development to pay for intranet message board
	Corporate Strategy Team	27,700	To fund Cultural Plan in 2018/19
Strategic Finance	Budget Strategy Items	365,000	For commercialisation and service transformation projects in 2018/19
	Finance	20,000	To pay for completing the FMS upgrade and additional resources for closing of the accounts
	Revenue & Benefits	20,000	Savings in year on shared service costs, to allow for spend in 2018/19 on various projects
		1,056,290	TOTAL AMOUNT REQUESTED

CAPITAL INVESTMENT PROGRAMME – SUMMARY

Service Area	Service Provision	Revised Budget 2017/18	Actual	Variance due to rephasing	Variance due to (underspend) / overspend	Budget 2018/19 (including rephasing)	Budget 2019/20 (including rephasing)	Budget 2020/21 (including rephasing)
		£	£	£	£	£	£	£
Service Transformation	Customer Services	53,000	32,766	(20,234)	0	134,711	0	0
	ICT Shared Services	398,754	300,928	(240,796)	0	970,796	530,000	530,000
	ICT Client Services	618,118	475,148					
Community & Environmental	Waste & Recycling (inc Veolia)	94,250	93,033	0	(1,217)	435,505	2,396,810	96,810
	Parks & Open Spaces	2,021,133	1,416,681	(619,315)	14,863	5,484,315	340,000	290,000
	Cemeteries	0	0	0	0	450,000	100,000	50,000
	Leisure & Play	1,021,214	960,704	(62,651)	2,141	1,445,851	20,000	250,000
	Culture & Heritage	211,851	162,767	(49,084)	0	562,244	0	0
	Environmental Health	129,867	78,163	(53,204)	1,500	208,204	100,000	100,000
Democracy & Governance	Buildings & Projects	755,000	594,284	(160,716)	0	3,220,959	11,536,000	782,000
Place Shaping & Performance	Watford Business Park	5,295,399	4,644,166	(651,233)	0	5,064,042	0	0
	Watford Riverwell	8,113,072	5,306,732	(2,806,340)	0	13,737,053	3,281,000	14,159,000
	Housing	881,389	484,597	(141,224)	(255,568)	266,224	50,000	50,000
	Transport & Infrastructure	412,715	811,085	398,029	341	2,465,253	415,000	315,000
	Development Control	30,000	0	(30,000)	0	80,000	0	0
	Property Investment Board	24,076,413	24,209,890	0	133,477	0	0	0
	Property Management	9,027,719	5,918,996	(3,110,529)	1,806	5,110,529	2,000,000	0
Strategic Finance	Capital Support Services	675,470	659,402	0	(16,068)	677,470	679,470	679,470
	Business Systems	87,000	83,232	0	(3,768)	0	0	0
TOTAL CAPITAL PROGRAMME		53,902,364	46,232,574	(7,547,297)	(122,493)	40,313,156	21,448,280	17,302,280

CAPITAL INVESTMENT PROGRAMME – DETAIL

Capital Scheme	Revised Budget 2017/18	Actual	Variance	Amount to Rephase to 2018/19 (from 2017/18)	Amount to Rephase from 2018/19 (to 2017/18)	Overspend / (Underspend)	Latest Budget 2018/19	Latest Budget 2018/19 including rephasing	Latest Budget 2019/20	Latest Budget 2020/21	Scheme Update
	£	£	£	£	£	£	£	£	£	£	
SERVICE TRANSFORMATION											
Customer Services											
CSI Project	53,000	32,766	(20,234)	20,234	0	0	114,477	134,711	0	0	Service request for rephasing into 2018/19 to cover remaining CRM implementation.
ICT Shared Services											
ShS-Business Application Upgrade	154,314	0	(154,314)	0	0	0	0	0	0	0	Service request for rephasing totalling £240,796 to meet ICT modernisation programme including Watford 2020.
ShS-ICT Modernisation	123,629	179,601	55,972	0	0	0	0	0	0	0	
ShS-Hardware Replacement Programme	120,811	121,327	516	0	0	0	45,000	45,000	45,000	45,000	
ICT Client Services						0					
ICT-Hardware Replacement Programme	397,992	282,167	(115,825)	115,825	0	0	200,000	315,825	200,000	200,000	
ICT-Business Application Upgrade	0	26,273	26,273	124,971	0	0	365,000	489,971	165,000	165,000	
ICT-Project Management Provision	220,126	144,917	(75,209)	0	0	0	120,000	120,000	120,000	120,000	
ShS-Scheme 1 REFCUS	0	21,791	21,791	0	0	0	0	0	0	0	
COMMUNITY & ENVIRONMENTAL											
Waste & Recycling (inc Veolia)											
Replacement Domestic Bins	0	0	0	0	0	0	42,185	42,185	0	0	
Veolia Contract Fleet Requirements	0	0	0	0	0	0	225,000	225,000	2,300,000	0	
Recycling Boxes	0	0	0	0	0	0	36,940	36,940	0	0	
Veolia Capital Improvements	94,250	93,033	(1,217)	0	0	(1,217)	95,380	95,380	96,810	96,810	
Additional Green Waste Bins	0	0	0	0	0	0	36,000	36,000	0	0	
Parks & Open Spaces											
Allotments & Parks Upgrades	7,885	8,188	303	0	0	303	0	0	0	0	
Farm Terrace Allotments	(86,231)	(71,671)	14,560	0	0	14,560	0	0	0	0	Final invoice payable at end of March 2018.
Green Spaces Strategy	140,344	198,137	57,793	0	(57,793)	(0)	250,000	192,207	250,000	250,000	
Cassiobury Park HLF Project	1,219,135	936,422	(282,713)	282,713	0	0	0	282,713	0	0	Ongoing contractual costs including retention.
Cassiobury Dev't (Fullerians)	200,000	0	(200,000)	200,000	0	0	0	200,000	0	0	Grant award in May 2018.
Oxhey Park North Enhancements	25,000	18,875	(6,125)	6,125	0	0	0	6,125	0	0	Projects to continue into 2018/19.
Oxhey Park North	500,000	311,730	(188,270)	188,270	0	(0)	3,250,000	3,438,270	0	0	
Tree Planting Programme	15,000	15,000	0	0	0	0	15,000	15,000	15,000	15,000	
River Colne Restoration	0	0	0	0	0	0	100,000	100,000	25,000	25,000	
Cassiobury Park Car Park Imps	0	0	0	0	0	0	1,000,000	1,000,000	0	0	
Garston Park Improvements	0	0	0	0	0	0	250,000	250,000	50,000	0	
Cemeteries											
Cemetery Improvements	0	0	0	0	0	0	250,000	250,000	0	0	
Cemetery Reprovision	0	0	0	0	0	0	50,000	50,000	50,000	50,000	
North Watford Cemetery Imps	0	0	0	0	0	0	150,000	150,000	50,000	0	
Leisure & Play											
Play Review	553,836	552,093	(1,743)	1,743	0	0	0	1,743	0	0	Retention payments due in 2018/19.
Gaelic Football Relocation	90,000	29,092	(60,908)	60,908	0	0	0	60,908	0	0	
Hérons F.C.	0	0	0	0	0	0	25,000	25,000	0	0	
Leisure Centres (SLM)	0	0	0	0	0	0	1,313,200	1,313,200	20,000	250,000	
Watford Tennis Partnership	0	0	0	0	0	0	25,000	25,000	0	0	
Southwold Road Play Area	0	0	0	0	0	0	20,000	20,000	0	0	
Tennis Courts Enhancement	225,000	227,140	2,140	0	0	2,140	0	0	0	0	Small overspend due to site variations.
Cassiobury Park Play Area	152,378	152,378	0	0	0	0	0	0	0	0	

Capital Scheme	Revised Budget 2017/18	Actual	Variance	Amount to Rephase to 2018/19 (from 2017/18)	Amount to Rephase from 2018/19 (to 2017/18)	Overspend / (Underspend)	Latest Budget 2018/19	Latest Budget 2018/19 including rephasing	Latest Budget 2019/20	Latest Budget 2020/21	Scheme Update
	£	£	£	£	£	£	£	£	£	£	
Culture & Heritage											
Watford Museum HLF Matchfunding	50,000	53,310	3,310	0	(3,310)	0	425,000	421,690	0	0	
Improvements Community Centres	0	0	0	0	0	0	59,160	59,160	0	0	
Cultural Quarter Phase 1	111,851	109,457	(2,394)	2,394	0	(0)	29,000	31,394	0	0	Service request for rephasing into 2018/19.
Little Cassiobury Match Funding	50,000	0	(50,000)	50,000	0	0	0	50,000	0	0	
Environmental Health											
ICT-Env Health	5,500	7,000	1,500	0	0	1,500	0	0	0	0	Additional spend incurred on IDOX document management system
Idox (GDPR)	0	0	0	0	0	0	10,000	10,000	0	0	
Decent Homes Assistance	124,367	71,163	(53,204)	53,204	0	(0)	145,000	198,204	100,000	100,000	Service request for rephasing into 2018/19.
DEMOCRACY & GOVERNANCE											
Buildings & Projects											
MP19-6 Town Hall Redevelopment	130,000	141,660	11,660	0	0	11,660	2,310,000	2,310,000	10,861,000	382,000	Further net investment required at the Town Hall including Watford Colosseum.
Building Investment Programme	625,000	452,624	(172,376)	160,716	0	(11,660)	750,243	910,959	675,000	400,000	
PLACE SHAPING & PERFORMANCE											
Watford Business Park											
Watford Business Park	5,295,399	4,644,166	(651,233)	651,233	0	0	4,412,809	5,064,042	0	0	Service request for rephasing into 2018/19 as project is ongoing.
Watford Riverwell											
Campus-Client Side & Land Assembly	140,565	146,873	6,308	0	0	0	780,713	780,713	100,000	100,000	Service request for total net rephasing of £2,806,340 into 2018/19. Project has a regeneration timeline of 15-20 years to complete.
Campus-Equity-Infrastructure	0	38,942	38,942	0	0	0	0	0	0	0	
Riverwell-Ind Zone South	1,287,463	1,287,463	0	0	0	0	0	0	0	0	
Riverwell-Ind Zone South Loan	2,042,057	2,042,057	0	0	0	0	0	0	0	0	
Riverwell-Woodlands	863,777	946,896	83,119	0	0	0	445,000	445,000	0	0	
Riverwell-Waterside Phase 1	1,000,175	724,403	(275,772)	275,772	0	0	2,730,000	3,005,772	1,080,000	0	
Riverwell-Waterside Phase 2	713,950	4,929	(709,021)	709,021	0	0	938,000	1,647,021	1,551,000	1,999,000	
Riverwell-Mayfield	1,072,516	57,562	(1,014,954)	1,014,954	0	0	413,000	1,427,954	0	0	
Riverwell-Island Site	0	0	0	0	0	0	0	0	550,000	8,800,000	
Riverwell-Waterside Phase 3	539,322	0	(539,322)	539,322	0	0	369,000	908,322	0	3,260,000	
Riverwell-Cardiff Rd North	0	46,440	46,440	0	0	0	0	0	0	0	
Riverwell-Car Park	453,247	11,167	(442,080)	267,271	0	0	5,255,000	5,522,271	0	0	
Housing											
Private Sector Stock Condition	88,800	22,950	(65,850)	65,850	0	0	0	65,850	0	0	
Retained Housing Stock	192,104	116,730	(75,374)	75,374	0	0	50,000	125,374	50,000	50,000	
Mandatory Disabled Facilities Grant	600,485	344,917	(255,568)	0	0	(255,568)	0	0	0	0	Service transferred to Herts Home Improvement Agency during 2017/18.
York House Boiler Replacement	0	0	0	0	0	0	75,000	75,000	0	0	

Capital Scheme	Revised Budget 2017/18	Actual	Variance	Amount to Rephase to 2018/19 (from 2017/18)	Amount to Rephase from 2018/19 (to 2017/18)	Overspend / (Underspend)	Latest Budget 2018/19	Latest Budget 2018/19 including rephasing	Latest Budget 2019/20	Latest Budget 2020/21	Scheme Update
	£	£	£	£	£	£	£	£	£	£	
Transport & Infrastructure											
Clarendon Road Streetscape Improvements	0	0		0	0	0	18,000	18,000	0	0	
Intro Electric Vehicle Charging	7,400	6,124	(1,276)	1,276	0	0	23,782	25,058	0	0	Service request for rephasing into 2018/19.
Public Realm (High Street)	250,000	643,280	393,280	0	(393,280)	0	1,050,000	656,720	0	0	Rephasing from 2018/19 to 2017/18 to coincide with the planned Intu redevelopment opening.
Public Realm (Cl'dn Rd-Palace)	0	42,960	42,960	0	(42,960)	0	1,600,000	1,557,040	0	0	
Watford Junction Masterplan	0	0	0	0	0	0	30,000	30,000	0	0	
Watford 3D Planning Model	0	0	0	0	0	0	41,500	41,500	15,000	15,000	
Public Realm (Watford Junct'n)	0	0	0	0	0	0	100,000	100,000	100,000	0	
High St Phase 2 (St Mary's)	0	0	0	0	0	0	0	0	300,000	300,000	
Upgrading/Resurfacing Car Parks	14,573	10,000	(4,573)	4,573	0	0	0	4,573	0	0	Funds to be used at Timberlake, The Avenue and Longspring car parks.
Match Funding Capital Projects	73,116	73,456	340	0	0	340	0	0	0	0	
Goodwood Parade Enhancement Project	9,000	9,000	0	0	0	0	0	0	0	0	
Watford Junction Cycle Pk Hub	38,626	26,264	(12,362)	12,362	0	0	0	12,362	0	0	Funds to be used to enhance the frontage of Watford Junction in conjunction with London Northwestern Railways.
Watford Cycle Hire Study	20,000	0	(20,000)	20,000	0	0	0	20,000	0	0	Feasibility study due for completion in the next 4-6 weeks.
Development Control											
CIL Review	30,000	0	(30,000)	30,000	0	0	50,000	80,000	0	0	Service request for rephasing into 2018/19.
Property Investment Board											
PIB Investment Strategy	24,076,413	24,209,890	133,477	0	0	133,477	0	0	0	0	See Memorandum Item below.
Property Management											
New Market	17,021	12,656	(4,365)	4,365	0	0	0	4,365	0	0	
120-122 Exchange Road	16,700	16,667	(33)	0	0	(33)	0	0	0	0	
Charter Place	0	1,839	1,839	0	0	1,839	0	0	0	0	Funded via contributions received.
Modular Housing Accommodation	1,528,531	274,467	(1,254,064)	1,254,064	0	0	2,000,000	3,254,064	2,000,000	0	Service request for rephasing into 2018/19 due to protracted contract negotiations.
Loan to HHW	6,000,000	4,500,000	(1,500,000)	1,500,000	0	0	0	1,500,000	0	0	Service request for rephasing into 2018/19 as final £1.5m instalment yet to be paid.
Temp Housing Accommodation	1,465,467	1,113,367	(352,100)	352,100	0	0	0	352,100	0	0	Service request for rephasing into 2018/19 for purchase of final 3 bed property.
STRATEGIC FINANCE											
Capital Support Services											
Support Services	552,470	552,470	0	0	0	0	552,470	552,470	552,470	552,470	
Major Projects - FBP and QS	123,000	106,932	(16,068)	0	0	(16,068)	125,000	125,000	127,000	127,000	
Business Systems											
Financial Systems Upgrade	87,000	83,232	(3,768)	0	0	(3,768)	0	0	0	0	
TOTAL CAPITAL PROGRAMME	53,902,364	46,232,574	(7,669,790)	8,044,640	(497,343)	(122,493)	32,765,859	40,313,156	21,448,280	17,302,280	

RESERVE BALANCES

Description	Balance at 1 April 2017 £000	Movement in Year £000	Balance at 31 March 2018 £000	Purpose
Capital Receipts reserves	(11,966)	10,467	(1,499)	Funding the capital investment programme
Capital Grants Unapplied				
Community Infrastructure levy	(550)	(725)	(1,275)	Developers contributions towards infrastructure
Grants and contributions	(441)	152	(289)	Other contributions e.g. Disabled Facilities Grant
S106 contributions	(681)	87	(594)	Developers contributions towards facilities
Capital Grants Unapplied	(1,672)	(486)	(2,158)	
Earmarked Capital Reserves				
Capital Fund	(650)	0	(650)	Funding key capital projects
Development Sites Decontamination	(446)	311	(135)	Decontamination costs where the Council is liable
New Homes Bonus	(4,069)	3,533	(536)	Additional grant set aside for capital
Performance Reward Grant (Capital)	(141)	0	(141)	Grant allocated by Local Strategic Partnership
Vehicle Replacement	(182)	0	(182)	Funding replacement of vehicles
Weekly Collection Grant (Capital)	(53)	0	(53)	Supporting weekly collections of waste
Total Earmarked Capital reserves	(5,541)	3,844	(1,697)	
Earmarked Revenue Reserves				
Area Based Grant	(85)	(1)	(86)	Extremism and anti-social behaviour prevention
Budget Carry Forward	(761)	(297)	(1,058)	Budgets carried forward to subsequent years
Car Parking Zones	(907)	574	(333)	Statutory, ring fenced for parking costs
Charter Place Tenants	(160)	67	(93)	Tenants' contributions to major works
Climate Change	(57)	1	(56)	Energy saving initiatives
Crematorium	(334)	234	(100)	Funding repairs and maintenance
Economic Impact	(750)	(723)	(1,473)	Provide resources to offset economic downturn
High Street Innovation	(90)	90	0	High Street Improvements
Homelessness Prevention	(113)	113	0	Homelessness
Housing Benefit Subsidy	(996)	(1)	(997)	Equalisation fund to meet potential DWP clawback
Housing Planning Delivery Grant	(266)	0	(266)	Improve planning outcomes and delivery of housing
Invest to Save	(839)	0	(839)	Supporting expenditure producing savings
LABGI - LA Business	(570)	570	0	Business Improvement Projects
Le Marie Centre Repairs	(12)	(1)	(13)	Funding Council obligations as landlord
Leisure Structured Maintenance	(423)	0	(423)	Funding maintenance not in contract
Local Development Framework	(178)	0	(178)	Supporting Local Plan production and inspection
Multi-Storey Car Park Repair	(181)	0	(181)	Funding repairs
Collection Fund	0	(2,486)	(2,486)	Equalisation fund to smooth impact of surpluses/deficits
Parks, Waste & Street Strategy	(60)	0	(60)	Supporting Street Projects
Pension Funding	(2,249)	1	(2,248)	Reduction of pension deficit
Performance Reward Grant (Revenue)	(29)	1	(28)	Grant allocated by Local Strategic Partnership
Project and Programme Management	(486)	127	(359)	Supporting major project work
Rent Deposit Guarantee Scheme	(100)	0	(100)	Assist in providing homelessness accommodation
Riverwell Project	0	(3,249)	(3,249)	Supporting project
Weekly Collection Grant (Revenue)	(30)	0	(30)	Supporting weekly collections of waste
Total Revenue Earmarked Reserves	(9,676)	(4,980)	(14,656)	
Total Earmarked Reserves	(15,217)	(1,136)	(16,353)	
General Fund Working Balance	(1,412)	0	(1,412)	
Total Usable Reserves	(30,267)	8,845	(21,422)	

**Budget Panel
2018/19 Work Programme**

Agenda Item 6

Meeting date	Item for agenda	Officer
Tuesday 26 June 2018	Training: the role of Budget Panel	Head of Finance
	Financial Outturn 2017/18 (Q4)	Head of Finance
	2018-19 Work Programme	Committee & Scrutiny Support Officer
Tuesday 11 September 2018	Finance Digest 2018/19 (Q1)	Head of Finance
	Update on Property Investment Board's activities	Regeneration & Property Section Head
Tuesday 27 November 2018	Finance Digest 2018/19 (Q2)	Head of Finance
	Training: Council Finances	Head of Finance
Tuesday 15 January 2019	Financial Planning: Draft Revenue and Capital Estimates 2019/22	Director of Finance / Head of Finance
	Treasury Management Strategy 2019/22	Director of Finance / Head of Finance
	Finance Digest 2018/19: Period 8 (end-Nov to revise and confirm the 2018/19 budget)	Director of Finance / Head of Finance
Tuesday 12 March 2019	Finance Digest 2018/19: Period 10	Head of Finance