

# **FINANCE DIGEST 2015/16**

**Financial Monitoring at**

**Period 10**

**December 2016**

**Prepared By : Finance Shared Service**

**Date : 12 February 2016**

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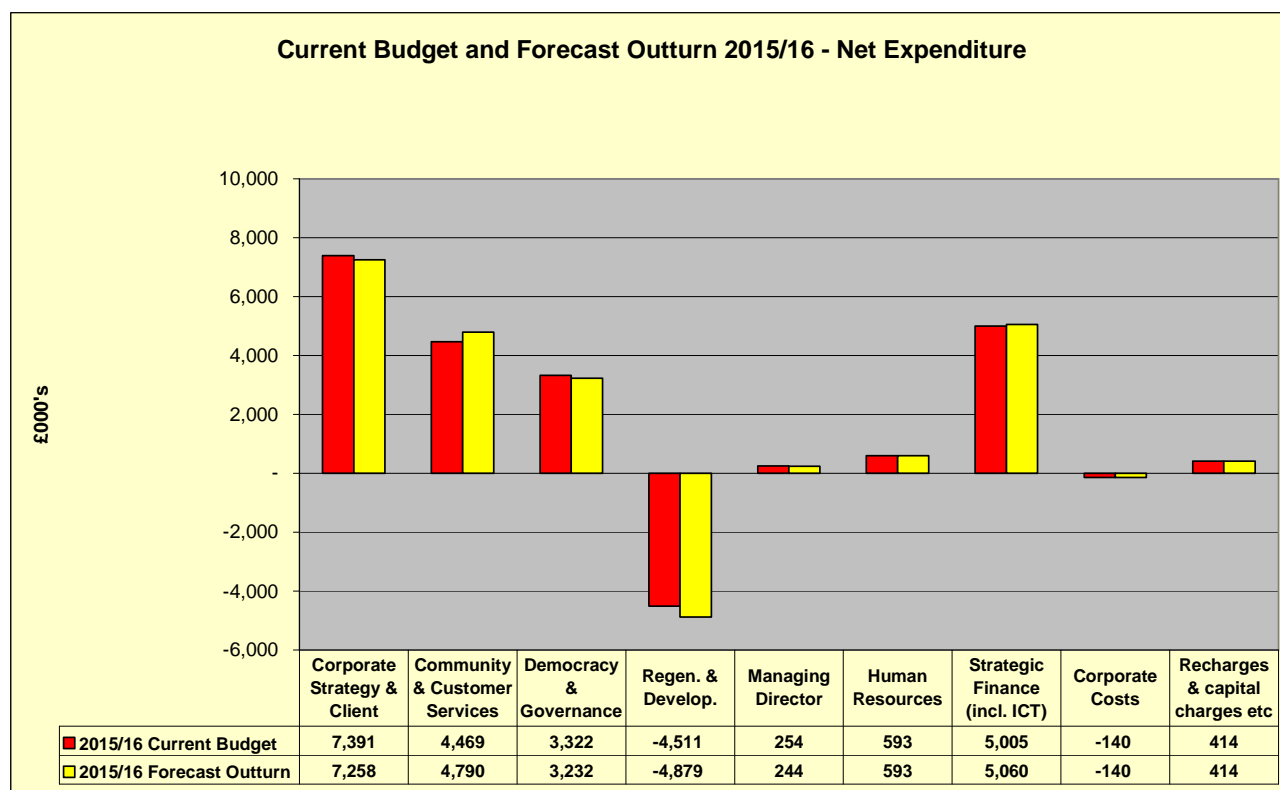
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## 1 Introduction

- 1.1 The monthly Finance Digest is the Council's key tool for monitoring the financial performance of the organisation. It is designed to be used by Members, officers and to provide an overview to our customers and residents.
- 1.2 It is essential that the Council monitors its budgets throughout the year to ensure that it is meeting its strategic objectives and that corrective action is taken where necessary.
- 1.3 This document shows the expected financial position at the end of the financial year, based on the actual performance at the end of January (Period 10).
- 1.4 This document brings together a range of information which ultimately impacts on the Council's financial performance. This includes budget monitoring and also financial performance indicators which will help the Council predict its position at the end of the financial year.

## 2 Revenue Budget – Net Expenditure

- 2.1 This section outlines the expected year end position for the Council's revenue budget. This takes into account both the expenditure incurred and the income received for the running of the day to day services e.g. waste collection, leisure and housing services.
- 2.2 The original 2015/16 budget of £15,176,500 was agreed at Council on 28<sup>th</sup> January 2015. On 27<sup>th</sup> January 2016, Council approved the recommendation from Cabinet for a revised budget of £16,797,035 for 2015/16. This is now the current budget.
- 2.3 The forecast outturn for the end of the year, as at the end of January 2016, is predicted to be £16,572,000. This leaves an overall favourable variance of £225,000.
- 2.4 The forecast outturn compared with the current budget is shown in the graph below and further details can be found in **Appendices 1 and 2**. These figures exclude indirect expenditure and income i.e. internal support recharges and capital charges.



2.5 Further details on the variance are shown in the table below:

	2015/16 Current Budget	2015/16 Forecast Outturn	Variance
	£000's	£000's	£000's
Corporate Strategy & Client Services	7,391	7,258	(132)
Community & Customer Services	4,469	4,790	321
Democracy & Governance	3,322	3,232	(91)
Regeneration & Development	(4,511)	(4,879)	(368)
Managing Director	254	244	(10)
Human Resources	593	593	0
Strategic Finance (including ICT)	5,005	5,060	55
Corporate Costs (interest earned less interest paid)	(140)	(140)	0
Recharges, capital charges and accounting adjustments	414	414	0
<b>Total</b>	<b>16,797</b>	<b>16,572</b>	<b>(225)</b>

2.6 The period 10 favourable variance is £225,000. Those key variances over £20,000 are shown below.

*Favourable variances*

- £218,000 Multi-Storey Car Parks – Top Up received.
- £190,000 Multi-Storey Car Parks – Final Intu Dilapidations.
- £100,000 Reduced contribution to bad debt provision for Commercial Projects.
- £57,000 Increased Commercial Property rents.
- £36,000 Increased recycling credits for Kerbside Recycling.
- £35,000 Reduced cost of work to Annex for NHS occupation.
- £30,000 Reduced expenditure on Domestic Refuse.
- £25,000 Reduced expenditure on Kerbside recycling.
- £23,000 Reduced expenditure on Routine Property Maintenance.
- £20,000 Additional licensing income.

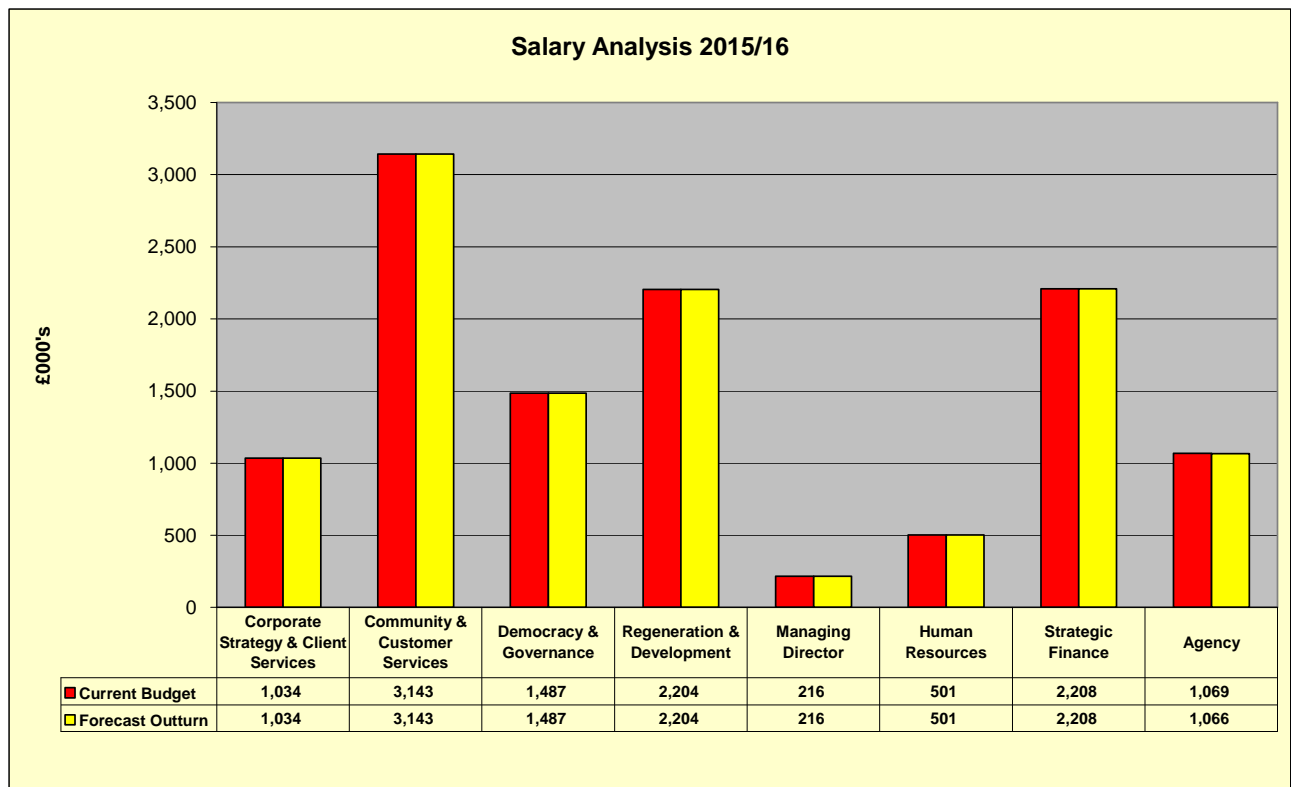
*Unfavourable variances*

- £285,000 Increased cost of nightly paid accommodation.
- £52,000 Multi-Storey Car Parks – Professional Fees (Consultancy).
- £50,000 Reduction in Planning Fee Income.
- £46,000 Pension strain payment.
- £42,000 Restructuring costs for Licensing Team.
- £26,000 Restructuring costs for Development Section.
- £25,000 Legal settlement for Licensing case.
- £25,000 Reduction in miscellaneous fees and charges for Commercial Projects.
- £25,000 Increase in consultancy costs for Development Section.

*Variances funded from reserves (excluding the Economic Impact reserve)*

- £80,000 Economic Development projects funded from the LA Business Growth Incentive reserve.
- (£25,000) Reduced expenditure on Local Plan funded from the Exam in Public –LDF reserve.
- (£25,000) Reduced expenditure on studies for Watford Junction funded from the Projects and Programme Management reserve.

- 2.7 Overall staff costs remain close to budget as permanent vacancies are being covered in the short term through agency staff in order to deliver the required level of service. Further information can be found in **Appendix 3**, where salaries for employees and agency staff for cover have been reported separately for each service.



### 3 Funding and Reserves

#### *Funding*

- 3.1 Overall the Council's funding position compared to the current budget remains unchanged. Full details of the current funding position can be seen in **Appendix 4**.

#### *Reserves*

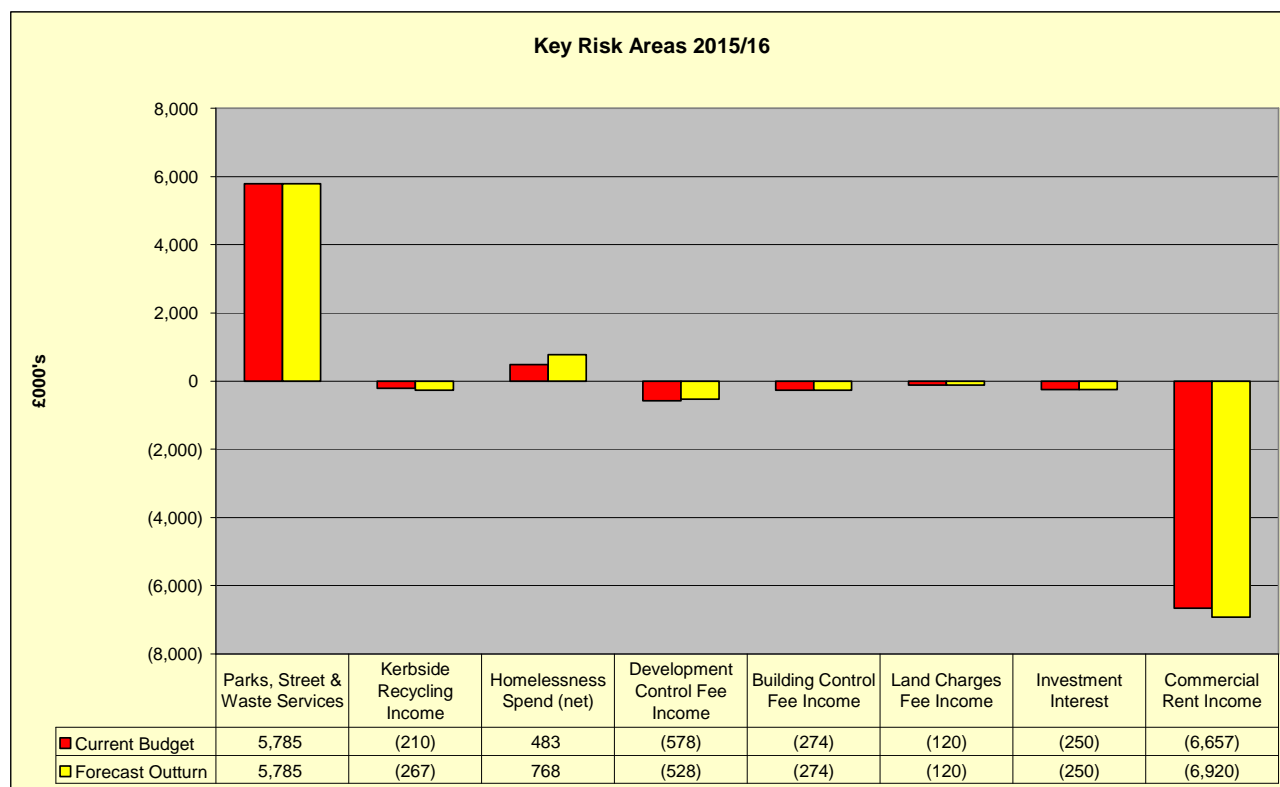
- 3.2 The Council's reserves position can be seen in the table below, and further details can be found in **Appendix 5**.

Description	Bal B/F as @ 1-Apr-2015	Agreed use of reserves	Previously Reported Movement	Movement Period 10	Total Movement	Forecast Bal. as @ 31-Mar-2016
General Fund Working Balance	-1,350,000	0	0	0	0	-1,350,000
Capital Financing Reserve	-5,541,013	0	1,042,200	0	1,042,200	-4,498,813
Earmarked Reserves	-8,084,580	961,580	152,000	0	1,113,580	-6,971,000
General Reserves	-8,265,400	0	327,785	-225,030	102,755	-8,162,645
<b>Total Reserves (including GFWB)</b>	<b>-23,240,993</b>	<b>961,580</b>	<b>1,521,985</b>	<b>-225,030</b>	<b>2,258,535</b>	<b>-20,982,458</b>

## 4 Key Financial Risk Areas

4.1 The Council's budget is exposed to some key risk areas; these are generally areas of expenditure where the Council is not in control of the demand for that service, or where there have been income assumptions built into the budget. These risks are regularly monitored and the difference between the latest position and the current budget is shown in the chart below. Further details can be found in **Appendix 6**.

4.2 This chart shows how the risk areas are currently performing.



## 5 Debtors

5.1 The table shows the total outstanding debt as at 31<sup>st</sup> January 2016 was £1,629,499 of which 82.97% is less than one month old and it is anticipated that this will be recovered. The table also identifies that 28.09% of the outstanding debt is over three months old. See Appendix 8 for extended version of table.

5.2 The “over 12 months” category is significant because these amounts are not easily recovered. Further investigation into these balances is being undertaken.

Invoices Outstanding from 1st April 2015 to 31st January 2016										
Service Area	Invoices outstanding by age of debt									
	No. of Invoices	0 - 1 month	2 - 3 months	4 - 6 months	7 - 9 months	10 - 12 months	over 12 months	Instalment Plan	Unallocated Payments	Grand Total
		£	£	£	£	£	£	£	£	£
Corporate Strategy & Client Service	17	9,199	1,205	0	0	0	0	0	0	10,404
Community & Customer Service	1003	47,719	51,227	47,615	18,916	12,611	36,131	1,489	0	215,708
Democracy and Governance	0	0	0	0	0	0	0	0	0	0
Regeneration and Development	208	700,077	35,713	67,451	99,207	33,692	135,300	200	0	1,071,640
Managing Director	2	0	0	2,280	0	0	0	0	0	2,280
Human Resources	0	0	0	0	0	0	0	0	0	0
Strategic Finance (including ICT)	2	0	0	3,509	0	0	0	0	0	3,509
Other - recovery Charges & Unallocated Items	855	594,960	(732)	300	275	334	2	46	(269,227)	325,958
<b>Grand Total</b>	<b>2,087</b>	<b>1,351,955</b>	<b>87,413</b>	<b>121,155</b>	<b>118,398</b>	<b>46,637</b>	<b>171,433</b>	<b>1,735</b>	<b>(269,227)</b>	<b>1,629,499</b>
<b>Percentage of Amount Outstanding</b>		<b>82.97%</b>	<b>5.36%</b>	<b>7.44%</b>	<b>7.27%</b>	<b>2.86%</b>	<b>10.52%</b>	<b>0.11%</b>	<b>-16.52%</b>	<b>100.00%</b>

### Commercial Property Rents

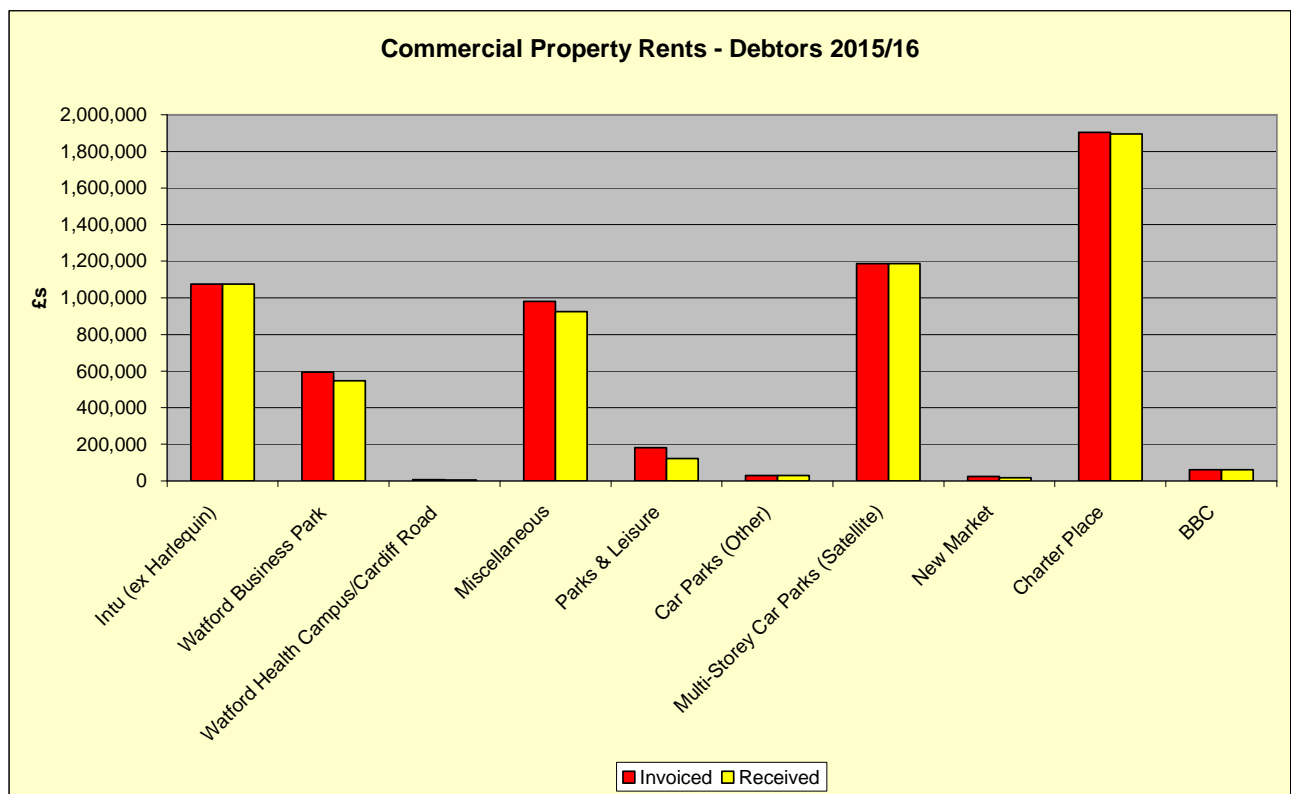
- 5.3 The commercial rent portfolio forms a large part of the Council's total income and it is important that the Council closely monitors this income stream. A detailed breakdown is included in the table below.

#### Commercial Property Rents

AREA/Zone/Site	Current Budget for 2015/16	Invoiced to 31/01/2016	Received to 31/01/2016	Forecast rent for 2015/16	Previously Reported Variances	Forecast Variances Period 10
	£	£	£	£	£	£
Intu (ex Harlequin)	(910,000)	(1,076,021)	(1,076,021)	(1,100,000)	(190,000)	0
Watford Business Park	(676,210)	(594,452)	(546,984)	(757,760)	(50,110)	(34,440)
Watford Health Campus/Cardiff Road	(56,400)	(5,454)	(4,091)	(155,450)	(99,050)	0
Miscellaneous	(1,131,460)	(981,210)	(924,561)	(1,070,590)	85,860	(24,990)
Parks & Leisure	(182,260)	(181,711)	(122,499)	(183,360)	(1,100)	0
Car Parks (Other)	(13,400)	(29,537)	(29,001)	(21,950)	(7,700)	(850)
Multi-Storey Car Parks (Satellite)	(868,000)	(1,186,665)	(1,186,665)	(1,128,000)	(42,000)	(218,000)
New Market	(45,000)	(24,214)	(17,500)	(16,100)	17,500	11,400
Charter Place	(2,380,000)	(1,903,245)	(1,894,870)	(2,426,250)	(46,250)	0
BBC	(61,000)	(61,000)	(61,000)	(61,000)	0	0
<b>Total</b>	<b>(6,323,730)</b>	<b>(6,043,508)</b>	<b>(5,863,192)</b>	<b>(6,920,460)</b>	<b>(332,850)</b>	<b>(266,880)</b>

For the period 1<sup>st</sup> April 2015 to 31<sup>st</sup> January 2016 the Council has invoiced £6,043,508 with £180,316 of that outstanding. Forecast variances include (£218,000) Multi-Storey Car Park Top Up received and other rent increases.

The chart below shows the value of the rent invoiced compared to the rent received for commercial properties. This shows that 97.02% of the rent that has been invoiced in 2015/16 has been received.



## 6 Creditors

6.1 In period 10, the Council paid 98.88% of undisputed invoices within 30 days and for the year to date is 98.10%.

6.2 A breakdown of payments by department at period 10 is shown in the table below.

Service Area	Monthly Undisputed Invoices Paid	Late Payments	Payments On Time	% Payments On Time Period 10	% Payments On Time YTD
Corporate Strategy & Client Services	59	1	58	98.31	97.04
Community & Customer Services	107	1	106	99.07	99.00
Democracy & Governance	174	2	172	98.85	97.97
Regeneration & Development	68	1	67	98.53	97.95
Managing Director	7	0	7	100.00	97.50
Shared Services (including ICT)	31	0	31	100.00	97.70
<b>Total</b>	<b>446</b>	<b>5</b>	<b>441</b>	<b>98.88</b>	<b>98.10</b>

6.3 The number of payments made by BACS for the month was 100.00% and for the year to date is 99.75% (against a target of 98%).

## 7 Treasury Management

7.1 Treasury Management is kept under close review and currently the return on the Council's investments shows an average annualised return of 0.68% against a benchmark rate of 0.62%. Further information can be found in **Appendix 7**.

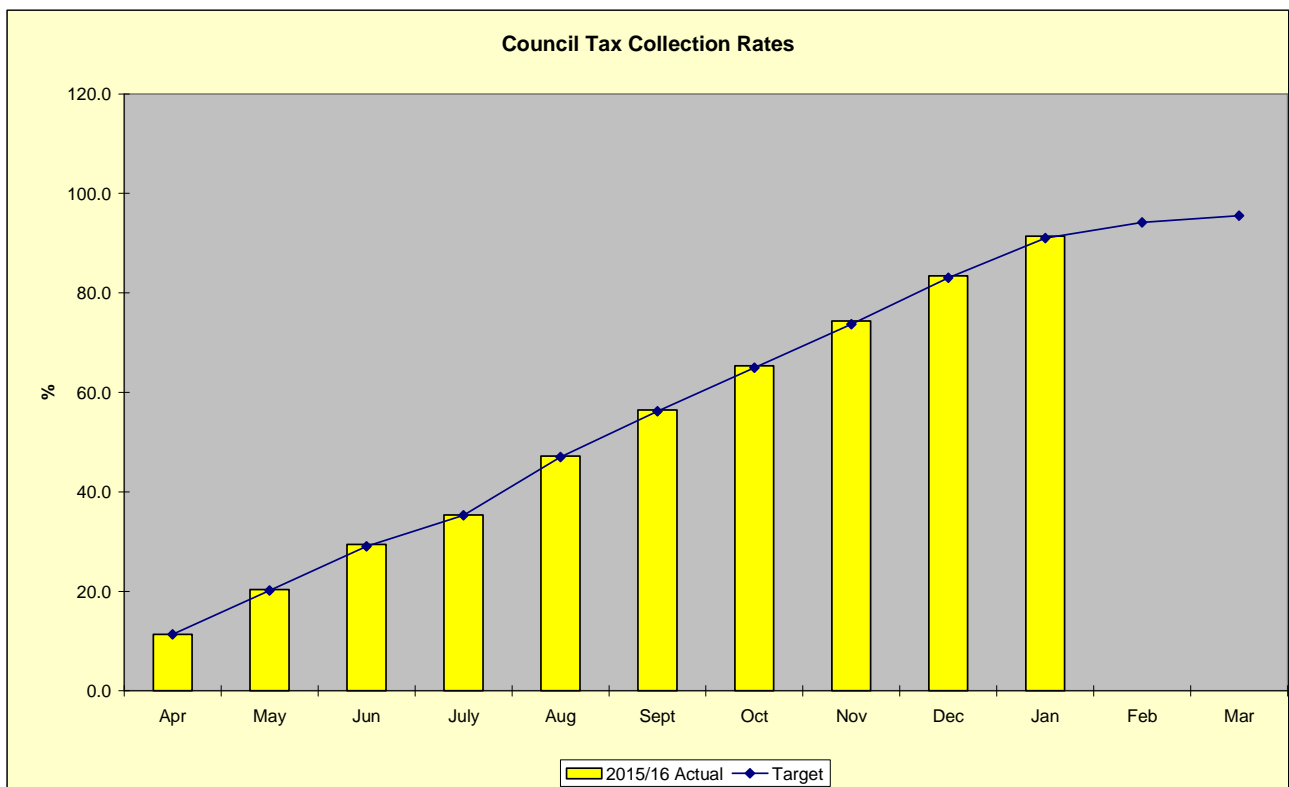


## 8 Council Tax and Business Rates Collection

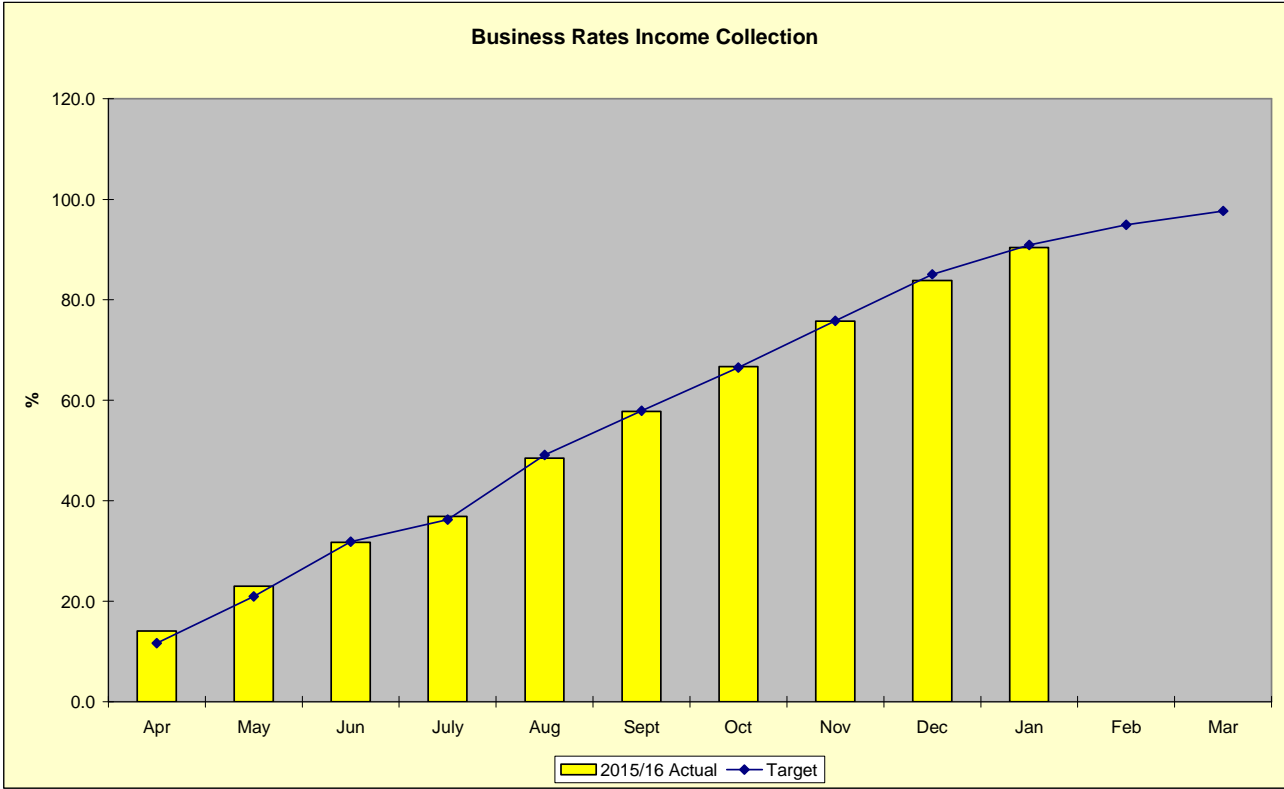
8.1 The Council's collection of Council Tax is summarised in the transactions table shown below.

January 2016	Transactions		
WBC Council Tax	£	Number	%
Cash	-	-	-
Cheques	65,788	423	1.34
Debit Card	119,430	654	2.08
Credit Card	29,397	105	0.33
Auto - Phone/Internet	585,509	3,764	11.95
Auto - Phone/Internet	129,467	682	2.16
Swipe Cards	184,098	1,862	5.91
Transcash	1,771	11	0.03
Bank Transfer	342,524	2,629	8.34
Direct Debits	3,157,810	21,375	67.85
<b>Totals</b>	<b>4,615,794</b>	<b>31,505</b>	<b>100.00</b>

8.2 The Council's performance in the collection of Council Tax can be seen in the following graph. The actual income collected as at 31<sup>st</sup> January 2016 is 91.4% which is just above the target of 91.0%. This shows that the collection rates for the year are slightly better than the profiled target. Further information can be found in **Appendix 9**.



8.3 The Council's performance in relation to business rates is shown in the following graph. The actual income collected as at 31<sup>st</sup> January 2016 is 90.4% which is just below the target of 90.9%. This shows that the collection rates for the year are slightly worse than the profiled target. Further information can be found in **Appendix 9**.



## 9. Capital Investment Programme

### Capital Investment Programme

Capital is defined as spend relating to the acquisition, creation of or subsequent expenditure on assets which are expected to be used for more than one financial year. The Council has a capital programme which includes improving, maintaining or enhancing their properties (eg the Building Investment Programme). Other examples of capital spend include the purchase of refuse freighters and bins, play equipment, ICT equipment and Grants (eg Disabled Facility Grants). Capital spend can only be funded by capital funds such as Section 106 Contributions, Government Grants and Capital Receipts.

Appendix 10 shows the capital programme by Service Area and Appendix 11 shows each individual capital scheme.

Appendices 10 & 11 show :-

- original budgets
- current budgets
- actual spend
- variances previously reported
- variances reported this period
- forecast outturn

The original 2015/16 budget for the capital programme was £9,917,570. Services requested capital rephasings from 2014/15 totalling £5,694,591 which has been supplemented by an additional £1,157,061 of budget changes including previously reported variances that were agreed by Council on 27th January 2016. This has therefore resulted in the latest approved budget for the current year totalling £16,769,222.

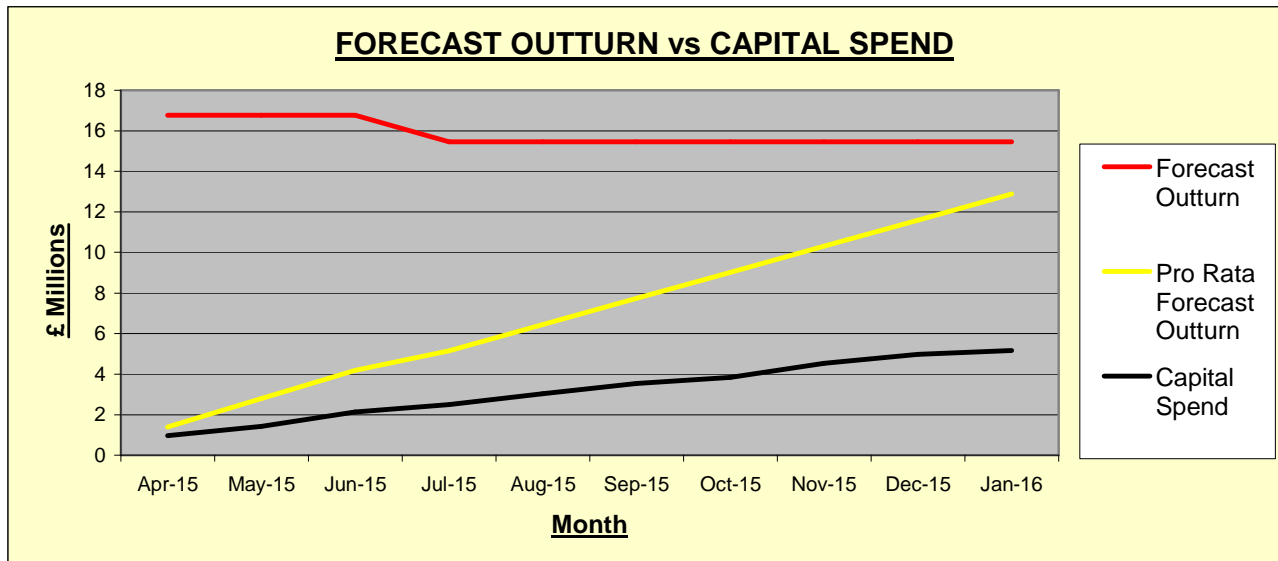
Appendix 12 shows the forecast outturn variances reported for this period and the reasons for such variances.

The table below summarises the changes to the capital programme over the medium term.

	2015/16 £	2016/17 £	2017/18 £	2018/19 £
Original Budget	9,917,570	13,279,597	6,661,020	5,155,480
Approved Rephasings from 2014/15	5,694,591	0	0	0
<b>Original Budget including Rephasings</b>	<b>15,612,161</b>	<b>13,279,597</b>	<b>6,661,020</b>	<b>5,155,480</b>
Approved Budget Changes In Year	1,157,061	0	0	0
<b>Latest Approved Budget</b>	<b>16,769,222</b>	<b>13,279,597</b>	<b>6,661,020</b>	<b>5,155,480</b>
Previously Reported Outturn Variances	0	0	0	0
Outturn Variances Reported This Period	(1,305,897)	1,395,000	0	0
<b>Forecast Outturn</b>	<b>15,463,325</b>	<b>14,674,597</b>	<b>6,661,020</b>	<b>5,155,480</b>
Actual Spend	5,167,636	0	0	0

The 2015/16 forecast outturn at period 10 is £15.463m (current capital spend to date is £5.168m). Two large capital schemes in value, notably Watford Health Campus (latest forecast of £1.0m) and Cassiobury Park (latest budget of £3.116m) have very little spend to date due to the timing of cash calls and issues connected to contractor appointment.

Below is a chart which shows the current forecast outturn for 2015/16 compared to the actual spend to date.



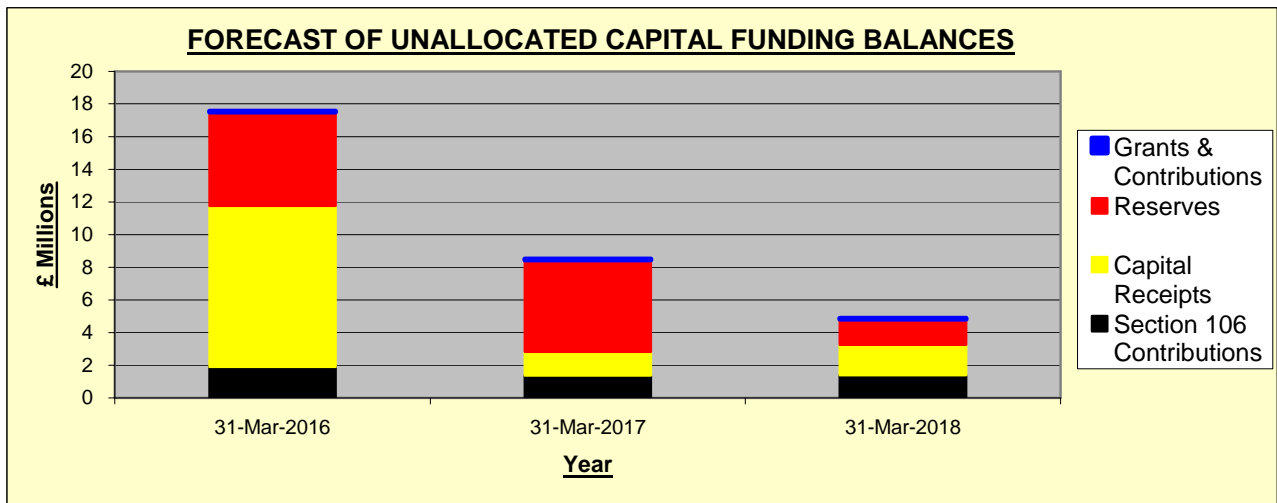
### CAPITAL FUNDING

Appendix 13 shows how the Capital Programme is funded. The capital programme is fully funded over the medium term.

The sources of income and funding balances can be summarised in the table below :-

Income Source	Estimated Balance @ 1/4/16	Estimated Balance @ 31/3/19	What generates the income?
Capital Receipts	£9.855m	£9.517m	Asset sales such as land and buildings as well as right to buy sales via Watford Community Housing Trust (WCHT)
Grants & Contributions	£0.051m	£0.051m	Capital grants received including lottery funding as well as 3rd party contributions
Section 106 contributions (incl community infrastructure)	£1.908m	£1.291m	Receipts generated from property developers towards community facilities
Earmarked Reserves	£5.748m	£1.563m	Reserves including New Homes Bonus to be used for capital purposes
<b>Total</b>	<b>£17.562m</b>	<b>£12.422m</b>	

A graphical view of the level of balances over the medium term available is shown below :-



<b>Summary Revenue Account</b>									
The tables below show, at sub service level, the variances between the current budget and the forecast outturn as at period 10 (January). The figures in this table for each sub service exclude recharges, capital charges and accounting adjustments; these are all shown on the line above the NET EXPENDITURE total.									
Service Area	2015/16 Original Budget	2015/16 Current Budget	2015/16 Actuals to Date	2015/16 Profiled Forecast to Period 10	2015/16 Variance Actuals - Profiled Forecast Period 10	2015/16 Forecast Outturn	2015/16 Variance Current Budget to Forecast Outturn	2015/16 Previously Reported Variances	2015/16 Forecast Variance Period 10
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Corporate Strategy & Client Services	6,949	7,391	5,292	6,491	(1,199)	7,258	(132)	0	(132)
Community & Customer Services	3,677	4,469	4,156	3,975	181	4,790	321	0	321
Democracy & Governance	3,215	3,322	2,648	2,805	(158)	3,232	(91)	0	(91)
Regeneration & Development	(4,797)	(4,511)	(5,064)	(3,665)	(1,399)	(4,879)	(368)	0	(368)
Managing Director	252	254	232	209	22	244	(10)	0	(10)
Human Resources	574	593	674	510	164	593	0	0	0
Strategic Finance (including ICT)	5,002	5,005	2,513	4,394	(1,881)	5,060	55	0	55
<b>Net Cost of Services</b>	<b>14,872</b>	<b>16,522</b>	<b>10,450</b>	<b>14,720</b>	<b>(4,270)</b>	<b>16,297</b>	<b>(225)</b>	<b>0</b>	<b>(225)</b>
Corporate Costs (interest earned less interest paid)	(110)	(140)	(224)	(113)	(111)	(140)	0	0	0
Recharges, capital charges and accounting adjustments under statute	414	414	0	310	(310)	414	0	0	0
<b>NET EXPENDITURE</b>	<b>15,177</b>	<b>16,797</b>	<b>10,226</b>	<b>14,918</b>	<b>(4,691)</b>	<b>16,572</b>	<b>(225)</b>	<b>0</b>	<b>(225)</b>
<b>Funded By :-</b>									
Council tax and Government Grants (see appendix 4)	(15,156)	(15,406)	(13,835)	(12,934)		(15,406)	0	0	0
Surplus / (Deficit) - Transfer to / (from) reserves	(21)	(1,391)	0			(1,166)	225	0	225
<b>NET BUDGET REQUIREMENT</b>	<b>(15,177)</b>	<b>(16,797)</b>				<b>(16,572)</b>	<b>225</b>	<b>0</b>	<b>225</b>

Detailed revenue variances by service area

The table below shows at summary service level the original 2015/16 budget, current 2015/16 budget and variances that have occurred in the year to provide a forecast outturn at 31st January. The reasons for these variances are shown below. The budgets are for direct expenditure and income only and exclude internal support charges and capital charges.

Corporate Strategy and Client	2015/16 Original Budget	2015/16 Current Budget	2015/16 Actuals to Date	2015/16 Profiled Forecast to Period 10	2015/16 Variance Actuals - Profiled Forecast Period 10	2015/16 Forecast Outturn	2015/16 Variance Current Budget to Forecast Outturn	2015/16 Previously Reported Variances	2015/16 Forecast Variance Period 10	Comments
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Management & Support	117	109	83	89	(6)	106	(3)	0	(3)	Forecast variance - (£2,000) Employee Expenses and (£1,000) Equipment, Furniture & Materials savings.
Contract Monitoring	303	294	235	544	(309)	290	(4)	0	(4)	Forecast variance - (£4,000) Subscriptions underspent. Actuals - Veolia invoices processed up to November only. Variance Actuals Less Profiled Forecast - as actuals, profile to be updated.
Parks And Open Spaces	1,089	1,095	853	916	(63)	1,095	0	0	0	Actuals - Veolia invoices processed up to November only. Variance Actuals Less Profiled Forecast - as actuals.
Leisure	370	402	486	358	128	402	0	0	0	Variance Actuals less Profiled Forecast - SLM Management Fee for 2015/16 not due until year end, profile to be updated.
Grants	744	750	680	713	(33)	750	0	0	0	Actuals - CAB - Premises recharge processed at year end. Variance Actuals Less Profiled Forecast - as actuals, update profile.
Street Cleansing	1,838	1,838	1,238	1,457	(219)	1,828	(10)	0	(10)	Forecast variance - (£10,000) Veolia Contract Unspecified underspent. Actuals - Veolia invoices processed up to November only. Variance Actuals Less Profiled Forecast - as actuals, profile to be updated.
Waste And Recycling	1,967	2,173	1,257	1,818	(561)	2,060	(112)	0	(112)	Forecast variance - (£36,000) Recycling Kerbside - increased recycling credits, (£30,000) Refuse Domestic and (£25,000) Recycling Kerbside - underspend on Veolia Contract Unspecified, (£15,000) Clinical Waste - underspend due to service efficiencies, (£4,490) Recycling Cans - no spend on public can bank sites, (£3,400) Fees Recycling Textiles - increased income for textile banks and £1,400 Sales Paper - decreased income from paper banks. Note: increased processing spend on kerbside collected material offset by increased recycling credits. Actuals - Veolia invoices processed up to November only. Variance Actuals Less Profiled Forecast - as actuals, profile to be updated.
Partnerships & Performance	522	731	460	596	(136)	728	(3)	0	(3)	Forecast variance - Partnerships & Performance - (£1,000) Best Value Plan and (£900) Subscriptions savings, Communications - (£1,000) Photography saving. Variance Actuals Less Profiled Forecast - Partnerships & Performance - projects underspent, update profile.
<b>Total</b>	<b>6,949</b>	<b>7,391</b>	<b>5,292</b>	<b>6,491</b>	<b>(1,199)</b>	<b>7,258</b>	<b>(132)</b>	<b>0</b>	<b>(132)</b>	

Community and Customer Services	2015/16 Original Budget	2015/16 Current Budget	2015/16 Actuals to Date	2015/16 Profiled Forecast to Period 10	2015/16 Variance Actuals - Profiled Forecast Period 10	2015/16 Forecast Outturn	2015/16 Variance Current Budget to Forecast Outturn	2015/16 Previously Reported Variances	2015/16 Forecast Variance Period 10	Comments
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Customer Services	815	778	668	628	40	778	0	0	0	Variance Actuals less Profiled Forecast - Income from other departments for printing and copying not yet received.
Housing	588	1,129	1,532	1,228	305	1,414	285	0	285	£285,000 Increased cost of accommodation for the Homeless Variance Actuals less Profiled Forecast - increased income from additional units for the Homeless anticipated in the last two months.
Environmental Health & Licensing	1,159	1,307	892	1,101	(209)	1,343	36	0	36	Forecast variance - £42,000 Licensing restructuring cost. £25,000 legal settlement re Sex Establishment Licensing. £12,000 Increased agency costs for Licensing pending permanent appointments. (£20,000) Increased premises licence income re Licensing Act 2003. (£19,000) Net increase in Taxi Licensing income. (£4,000) Other miscellaneous variances. Variance Actuals less Profiled Forecast - Unspent funding for Building Safer Communities and Housing Standards at year end will be rolled forward. Expenditure on Public Health projects and Climate Change expected to occur in the last two months.
Culture & Play	1,115	1,255	1,064	1,019	44	1,255	0	0	0	Variance Actuals less Profiled Forecast - Most of the Special Events budget was spent earlier in the year.
<b>Total</b>	<b>3,677</b>	<b>4,469</b>	<b>4,156</b>	<b>3,975</b>	<b>181</b>	<b>4,790</b>	<b>321</b>	<b>0</b>	<b>321</b>	

Democracy and Governance	2015/16 Original Budget	2015/16 Current Budget	2015/16 Actuals to Date	2015/16 Profiled Forecast to Period 10	2015/16 Variance Actuals - Profiled Forecast Period 10	2015/16 Forecast Outturn	2015/16 Variance Current Budget to Forecast Outturn	2015/16 Previously Reported Variances	2015/16 Forecast Variance Period 10	Comments
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Legal And Democratic	1,831	1,741	1,358	1,374	(16)	1,731	(10)	0	(10)	Forecast Variance - (£6,000) Register of Electors and (£4,000) Borough Council Election savings.
Buildings And Projects	1,359	1,554	1,268	1,412	(144)	1,473	(81)	0	(81)	Forecast Variance - (£35,000) NHS occupation of Annex 1st floor - costs lower than estimated, (£23,000) Property Maintenance Routine - due to lower than average repairs, (£10,000) Property Maintenance Planned - due to lower than average repairs, (£6,000) Statues & Monuments - undespent, (£5,500) Contract Security Services - saving, (£5,000) Furniture & Equipment saving, (£3,000) Security Services saving, (£2,000) Professional Fees & Consultancy - budget not required, (£2,000) Public Conveniences - hygiene services saving, £7,000 Recruitment overlap/advertising costs and £4,000 Overtime for events & projects. Variance Actuals less Profiled Forecast - Annex conversion for NHS underspent, Property Maintenance - Routine and Planned underspent.
Procurement	25	27	22	20	2	27	0	0	0	
<b>Total</b>	<b>3,215</b>	<b>3,322</b>	<b>2,648</b>	<b>2,805</b>	<b>(158)</b>	<b>3,232</b>	<b>(91)</b>	<b>0</b>	<b>(91)</b>	



Regeneration And Development	2015/16 Original Budget	2015/16 Current Budget	2015/16 Actuals to Date	2015/16 Profiled Forecast to Period 10	2015/16 Variance Actuals - Profiled Forecast Period 10	2015/16 Forecast Outturn	2015/16 Variance Current Budget to Forecast Outturn	2015/16 Previously Reported Variances	2015/16 Forecast Variance Period 10	Comments
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Commercial Projects	(5,815)	(5,992)	(5,755)	(5,044)	(711)	(6,464)	(472)	0	(472)	Forecast variance - £25,000 Reduced income from Miscellaneous Fees and Charges, £13,600 New Market revised budget including reduced rent, (£353,000) Multi-Storey Car Parks revised budget (Final Intu Dilapidation received, Intu Top Up greater than expected), (£100,000) Reduction in Contribution to Bad Debt Provision, (£57,280) Commercial Property rent increases. Variance Actuals Less Profiled Forecast - profiles to be updated.
Development Section	181	214	(660)	174	(835)	315	101	0	101	Forecast variance - £50,000 Reduction in Planning Fee income. £26,000 Restructuring costs. £25,000 Increased consultancy costs Variance Actuals less Profiled Forecast - Actuals include (£902,000) of Section 106 contributions that will be moved to the balance sheet.
Transport And Infrastructure	206	339	686	405	282	338	0	0	0	Variance Actuals less Profiled Forecast - Any deficit on parking at year end will be funded from the Car Parking Zone Reserve.
Policy Team	481	612	357	530	(173)	547	(65)	0	(65)	Forecast variance - (£15,000) Reduction in Agency Staff. (£25,000) Reduced expenditure on Local Plan, funded from the Exam in Public LDF reserve. (£25,000) Reduced expenditure on studies for Watford Junction, funded from the Projects and Programmed Management (revenue) reserve.. Variance Actuals less Profiled Forecast - Current underspend of (£125,000) on studies for Clarendon Road and Watford Junction.
Economic Development	150	317	307	269	38	385	68	0	68	Forecast variance - £80,000 Increase expenditure on projects funded by LA Business Growth Incentive Reserve. (£12,000) reduction in Agency staff.
<b>Total</b>	<b>(4,797)</b>	<b>(4,511)</b>	<b>(5,064)</b>	<b>(3,665)</b>	<b>(1,399)</b>	<b>(4,879)</b>	<b>(368)</b>	<b>0</b>	<b>(368)</b>	

Managing Director	2015/16 Original Budget	2015/16 Current Budget	2015/16 Actuals to Date	2015/16 Profiled Forecast to Period 10	2015/16 Variance Actuals - Profiled Forecast Period 10	2015/16 Forecast Outturn	2015/16 Variance Current Budget to Forecast Outturn	2015/16 Previously Reported Variances	2015/16 Forecast Variance Period 10	Comments
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Managing Director	252	254	232	209	22	244	(10)	0	(10)	Forecast variance - (£10,000) Contingency budget underspent. Variance Actuals less Profiled Forecast costs for Professional Fees - Consultancy on project work £37,000 and contingency underspent.
<b>Total</b>	<b>252</b>	<b>254</b>	<b>232</b>	<b>209</b>	<b>22</b>	<b>244</b>	<b>(10)</b>	<b>0</b>	<b>(10)</b>	

Human Resources	2015/16 Original Budget	2015/16 Current Budget	2015/16 Actuals to Date	2015/16 Profiled Forecast to Period 10	2015/16 Variance Actuals - Profiled Forecast Period 10	2015/16 Forecast Outturn	2015/16 Variance Current Budget to Forecast Outturn	2015/16 Previously Reported Variances	2015/16 Forecast Variance Period 10	Comments
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
HR Client	153	153	147	124	23	149	(4)	0	(4)	Forecast variance - (£4,000) Employee Expenses to HR Shared Service. Variance Actuals less Profiled Forecast - £17,000 Training and £4,000 Absence Management - profiles to be updated.
HR Shared Services	421	440	528	387	141	444	4	0	4	Forecast variance - £4,000 Employee Expenses from HR Client. Actuals do not include Three Rivers contribution which is invoiced at the year end. Variance Actuals less Profiled Forecast as actuals - profiles to be updated.
<b>Total</b>	<b>574</b>	<b>593</b>	<b>674</b>	<b>510</b>	<b>164</b>	<b>593</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Strategic Finance	2015/16 Original Budget	2015/16 Current Budget	2015/16 Actuals to Date	2015/16 Profiled Forecast to Period 10	2015/16 Variance Actuals - Profiled Forecast Period 10	2015/16 Forecast Outturn	2015/16 Variance Current Budget to Forecast Outturn	2015/16 Previously Reported Variances	2015/16 Forecast Variance Period 10	Comments
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Finance & Resources	2,262	2,380	2,223	2,365	(142)	2,426	46	0	46	Forecast variance - £46,000 Pension Strain costs. Variance Actuals less Profiled Forecast - Shared Services payment for Director of Finance invoiced at year end.
Finance Services Client	867	889	64	692	(628)	889	0	0	0	Actuals do not show contract payment to Three Rivers which is not paid until year end. Variance Actuals less Profiled Forecast as actuals - profile to be updated.
Revenues And Benefits Client	966	789	(931)	512	(1,443)	798	9	0	9	Forecast variance - £7,000 Council Tax and £2,000 Council Tax Benefits - Postage costs. Note: Discretionary Housing Payments - expenditure and income budgets reduced to match reduced funding received. Actuals do not show contract payment to Three Rivers which is not paid until year end. Variance Actuals less Profiled Forecast - as actuals - profiles to be updated.
Revenues And Benefits Shared Service	0	7	9	7	2	7	0	0	0	
ICT Service	907	940	1,148	818	330	940	0	0	0	Actuals include software licences that have been paid for the whole year and do not include the contribution from Three Rivers which is received at the year end and Capita payments are up to November. Variance Actuals less Profiled Forecast - as actuals - profiles to be updated.
<b>Total</b>	<b>5,002</b>	<b>5,005</b>	<b>2,513</b>	<b>4,394</b>	<b>(1,881)</b>	<b>5,060</b>	<b>55</b>	<b>0</b>	<b>55</b>	

Corporate Costs	2015/16 Original Budget	2015/16 Current Budget	2015/16 Actuals to Date	2015/16 Profiled Forecast to Period 10	2015/16 Variance Actuals - Profiled Forecast Period 10	2015/16 Forecast Outturn	2015/16 Variance Current Budget to Forecast Outturn	2015/16 Previously Reported Variances	2015/16 Forecast Variance Period 10	Comments
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Interest Earned	(220)	(250)	(224)	(196)	(28)	(250)	0	0	0	Variance Actuals less Profiled Forecast - profile to be updated.
Interest Paid	110	110	0	83	(83)	110	0	0	0	Actuals include S106 Earmarked Reserves and Finance Leases where interest is charged at the financial year end. Variance Actuals less Profiled Forecast - profiles to be updated.
<b>Total</b>	<b>(110)</b>	<b>(140)</b>	<b>(224)</b>	<b>(113)</b>	<b>(111)</b>	<b>(140)</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Salary Analysis - Direct Employee Costs**

Employees represent one of the highest revenue expenditure items for the Council. The table below shows the total direct employee costs (includes salaries, superannuation, national insurance etc but excludes IAS19 adjustments) at service level and variances between the current budget and the forecast outturn at period 10 (January).

Service Area	2015/16 Original Budget £000's	2015/16 Current Budget £000's	2015/16 Actuals to Date £000's	2015/16 Profiled Forecast to Period 10 £000's	2015/16 Forecast Outturn £000's	2015/16 Variance Current Budget to Forecast Outturn £000's	2015/16 Previously Reported Variances £000's	2015/16 Forecast Variance Period 10 £000's	Comments
Corporate Strategy & Client Services	933	1,034	771	851	1,034	0	0	0	Actuals will increase as project costs are incurred.
Community & Customer Services	3,494	3,143	2,593	2,542	3,143	0	0	0	
Democracy & Governance	1,569	1,487	1,329	1,220	1,487	0	0	0	Actuals include 1 employee to be recharged to the Atrium project.
Regeneration & Development	2,577	2,204	1,798	1,804	2,204	0	0	0	
Managing Director	213	216	179	180	216	0	0	0	
Human Resources	541	501	379	405	501	0	0	0	
Strategic Finance	2,227	2,208	2,200	2,186	2,208	0	0	0	
<b>Total</b>	<b>11,553</b>	<b>10,791</b>	<b>9,249</b>	<b>9,186</b>	<b>10,791</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Other Costs - Agency Staff**

The table below shows the cost of agency staff at service level and variances between the current budget and the forecast outturn at period 10 (January).

Service Area	2015/16 Original Budget £000's	2015/16 Current Budget £000's	2015/16 Actuals to Date £000's	2015/16 Profiled Forecast to Period 10 £000's	2015/16 Forecast Outturn £000's	2015/16 Variance Current Budget to Forecast Outturn £000's	2015/16 Previously Reported Variances £000's	2015/16 Forecast Variance Period 10 £000's	Comments
Corporate Strategy & Client Services	0	43	39	43	43	0	0	0	
Community & Customer Services	21	332	268	326	344	12	0	12	£12,000 increased agency costs for Environmental Health and Licensing pending permanent appointments following restructuring.
Democracy & Governance	0	40	34	40	40	0	0	0	
Regeneration & Development	35	501	335	454	486	(15)	0	(15)	(£15,000) reduced requirement for agency staff in Policy Team
Managing Director	0	0	0	0	0	0	0	0	
Human Resources	0	61	79	61	61	0	0	0	
Strategic Finance - ICT	63	92	74	81	92	0	0	0	
<b>Total</b>	<b>118</b>	<b>1,069</b>	<b>828</b>	<b>1,005</b>	<b>1,066</b>	<b>(3)</b>	<b>0</b>	<b>(3)</b>	

**Funding Analysis**

This table shows the individual funding streams that support the Council's revenue budget.

Funding Stream	2015/16 Original Budget	2015/16 Current Budget	2015/16 Actuals to Date	2015/16 Profiled Forecast to Period 10	2015/16 Forecast Outturn	2015/16 Variance Current Budget to Forecast Outturn	2015/16 Previously Reported Variances	2015/16 Forecast Variance Period 10	Comments
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
<b>Government Grants</b>									
Revenue Support Grant	(2,166)	(2,166)	(1,903)	(1,903)	(2,166)	0	0	0	
Redistributed Business Rates	(2,577)	(2,577)	(2,147)	(2,147)	(2,577)	0	0	0	
<b>Council Tax Receipts</b>	(7,696)	(7,696)	(6,414)	(6,414)	(7,696)	0	0	0	
<b>Collection Fund Surplus</b>	0	(250)	0	0	(250)	0	0	0	Actuals will be posted at year end when the accounts are closed.
<b>Other Government Funding</b>									
Council Tax Freeze Grant	(83)	(83)	(83)	(83)	(83)	0	0	0	
Funding-New Homes Bonus	(2,822)	(2,822)	(3,288)	(2,529)	(2,822)	0	0	0	
Funding-Business Rate Reduction/(Growth)	189	189	0	142	189	0	0	0	Actuals will be posted at year end when the accounts are closed.
<b>Total</b>	<b>(15,156)</b>	<b>(15,406)</b>	<b>(13,835)</b>	<b>(12,934)</b>	<b>(15,406)</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**FORECAST RESERVE BALANCES AT PERIOD 10 (January)****2015/16**

Description	Bal B/F as @ 1-Apr-2015	Agreed use of reserves	Previously Reported Movement	Movement Period 10	Total Movement	Forecast Bal as @ 31-Mar-2016
<b>CAPITAL FUNDING</b>						
<b>Capital Reserves</b>						
Vehicle Replacement Reserve	-725,000		442,200		442,200	-282,800
Weekly Collection Support Grant	-158,000		0	0	0	-158,000
<b>General Reserves used for Capital</b>						
Development Sites - Decontamination Reserve	-646,363		200,000		200,000	-446,363
New Homes Bonus Reserve	-3,611,650		0	0	0	-3,611,650
Projects and Programmed Management (Capital)	-400,000		400,000	0	400,000	0
<b>Total Capital Reserves</b>	<b>-5,541,013</b>	<b>0</b>	<b>1,042,200</b>	<b>0</b>	<b>1,042,200</b>	<b>-4,498,813</b>
<b>REVENUE RESERVES</b>						
<b>Earmarked Reserves</b>						
Budget Carry Forwards Reserve	-1,611,580	1,611,580			1,611,580	0
Contribution from Budget Carry Forward Reserve for Watford Business Park	0	-650,000			-650,000	-650,000
Leisure Structured Maintenance Reserve	-423,000				0	-423,000
Multi-Storey Car Pk Rep Reserve	-181,000				0	-181,000
Car Parking Zones Reserve	-707,000				0	-707,000
Charter Place Tenants Reserve	-160,000				0	-160,000
Climate Change Reserve	-56,000		40,000		40,000	-16,000
Homeless Prevention Reserve	-112,000		112,000		112,000	0
Le Marie Centre Repair Reserve	-13,000				0	-13,000
NNDR Collection Fund Reserve	-4,661,000				0	-4,661,000
Parks Waste & Street Strategy	-60,000				0	-60,000
Rent Deposit Guarantee Scheme	-100,000				0	-100,000
<b>General Reserves</b>						
Area Based Grant Reserve	-86,000				0	-86,000
Economic Impact Reserve	-2,087,400		-141,215	-255,030	-396,245	-2,483,645
Exam In Public - LDF Reserve	-178,000		80,000	-25,000	55,000	-123,000
Future Pension Funding Reserve	-2,248,000				0	-2,248,000
High Street Innovation Reserve	-90,000				0	-90,000
Housing & PDG Reserve	-266,000				0	-266,000
Housing Benefit Subsidy Reserve	-997,000				0	-997,000
Invest To Save Reserve	-839,000				0	-839,000
LA Business Growth Incentive Reserve	-570,000		19,000	80,000	99,000	-471,000
Performance Reward Grant Reserve	-28,000				0	-28,000
PRG Capital Grants-One Watford Reserve	-191,000		50,000		50,000	-141,000
Projects and Programmed Management (Revenue)	-600,000		320,000	-25,000	295,000	-305,000
Weekly Collection Support - DCLG	-35,000				0	-35,000
West Herts Crematorium	-50,000				0	-50,000
<b>Total Revenue Reserves</b>	<b>-16,349,980</b>	<b>961,580</b>	<b>479,785</b>	<b>-225,030</b>	<b>1,216,335</b>	<b>-15,133,645</b>
General Fund Working Balance	-1,350,000					-1,350,000
<b>Total Revenue Reserves incl GFWB</b>	<b>-17,699,980</b>	<b>961,580</b>	<b>479,785</b>	<b>-225,030</b>	<b>1,216,335</b>	<b>-16,483,645</b>
<b>Total Reserves</b>	<b>-23,240,993</b>	<b>961,580</b>	<b>1,521,985</b>	<b>-225,030</b>	<b>2,258,535</b>	<b>-20,982,458</b>

**Key Financial Risk Areas**

The Council is exposed to risks in certain key areas. These risks include economic conditions, demographics and dependency on demand. The table below shows those risks that are closely monitored each month and the variances between the current budget and the forecast outturn at period 10 (January).

Service Area	2015/16 Original Budget	2015/16 Current Budget	2015/16 Actuals to Date	2015/16 Profiled Forecast to Period 10	2015/16 Forecast Outturn	2015/16 Variance Current Budget to Forecast Outturn	2015/16 Previously Reported Variances	2015/16 Forecast Variance Period 10	Comments
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Parks, Street & Waste Services	5,785	5,785	3,607	4,673	5,785	0	0	0	Actuals include the Veolia invoices paid up to November and recharged from Contract Monitoring to the relevant cost centres. Variance Actuals less Profiled Forecast as actuals - profile forecast to be updated.
Kerbside Recycling Expenditure and Income	(506)	(210)	(136)	(106)	(267)	(57)	(57)	0	Actuals - The Herts CC (Alternative Financial Model) income for Kerbside Recycling across the County is not received until the end of the year. Variance Actuals less Profiled Forecast as actuals - profile forecast to be updated.
Homelessness Spend (net)	160	483	774	403	768	285	0	285	Increased cost of accommodation for the Homeless. Variance Actuals less Profiled Forecast - increased income from additional units for the Homeless anticipated in the last two months.
Development Control Fee Income	(682)	(578)	(463)	(476)	(528)	50	0	50	Forecast variance - Reduction in fee income.
Building Control Fee Income	(198)	(274)	(251)	(231)	(274)	0	0	0	Income is expected to meet forecast.
Land Charges Fee Income	(50)	(120)	(98)	(101)	(120)	0	0	0	Income is expected to meet forecast.
Investment Interest	(220)	(250)	(205)	(196)	(250)	0	0	0	Actual (£205,000). See Appendix 7 - Treasury Management Performance: the interest including accruals is (£259,330).
Commercial rent income	(6,324)	(6,657)	(5,863)	(5,731)	(6,920)	(264)	0	(264)	Forecast variance - £11,400 New Market reduced rent, (£218,000) Multi-Storey Car parks - Into Top Up greater than expected, (£57,280) increased rents. Variance Actuals less Profiled Forecast - profile to be updated.



**Treasury Management Performance**

The Council held £59.6M of investments as at 31 January (see table below). This information is reported in the monthly Members Information Bulletin.

<b>Institution</b>	<b>Principal</b>
<b>Banks</b>	<b>£</b>
Clydesdale	2,990,000
Lloyds	17,650,000
Nat West	
Santander	5,000,000
<b>Total Banks</b>	<b>25,640,000</b>
<b>Building Societies</b>	
Coventry	6,000,000
Leeds	2,000,000
Nationwide	9,000,000
Principality	8,500,000
Skipton	8,500,000
<b>Total Building Societies</b>	<b>34,000,000</b>
<b>Total</b>	<b>59,640,000</b>

The return on the Council's investments up to 31 January 2016 shows an average annualised return of 0.68% against a benchmark rate of 0.62%. Interest received at 31 December was £259,330. The forecast was changed in period 08 to £250,000 for 2015/16.

Invoices Outstanding from 1st April 2015 to 31st January 2016										
Service Area	Description	Invoices outstanding by age of debt								
		0 - 1 month	2 - 3 months	4 - 6 months	7 - 9 months	10 - 12 months	over 12 months	Instalment Plan	Unallocated Payments	Grand Total
Corporate Strategy & Client Service	Communications	10,099	-	-	-	-	-	-	-	10,099
Corporate Strategy & Client Service	Corporate Service - Standard	9,199	1,205	-	-	-	-	-	-	10,404
Community & Customer Service	Community and Customer Service	1,016	2,939	291	-	-	-	-	-	4,246
Community & Customer Service	Community Services - Pitch Hire	-	-	150	-	-	-	-	-	150
Community & Customer Service	Community Standard	40,233	38,493	43,026	18,916	12,431	23,577	-	-	176,676
Community & Customer Service	Environmental Services - Standard	-	-	4,000	-	-	3,465	-	-	7,465
Community & Customer Service	Environmental Services - Premises Licence	5,943	9,795	20	-	180	5,300	-	-	21,238
Community & Customer Service	Environmental Services - Trade Refuse Collections	-	-	-	-	-	40	-	-	40
Community & Customer Service	Environmental Health	527	-	278	-	-	400	-	-	1,205
Community & Customer Service	Housing - Former Tenants Arrears	-	-	-	-	-	3,349	-	-	3,349
Regeneration & Development	Legal and Property - Commercial Rents	549,404	25,279	37,863	16,680	33,360	144,079	-	-	806,665
Regeneration & Development	Legal and Property - Estate Garages	60	235	195	49	-	257	-	-	797
Regeneration & Development	Legal and Property - Markets	-	-	-	-	-	1,083	-	-	1,083
Regeneration & Development	Legal and Property - Parking Spaces	431	20	153	-	224	-	-	-	829
Regeneration & Development	Legal and Property - Service Charges	-	-	28,620	82,478	-	10,910	-	-	100,188
Regeneration & Development	Legal and Property - Wayleaves	-	-	-	-	56	53	-	-	109
Regeneration & Development	Planning - Inspection Fee	11,988	2,609	-	-	-	738	640	-	15,975
Regeneration & Development	Planning - Standard	132,277	7,571	620	-	-	-	-	-	140,467
Regeneration & Development	Section 106	600,000	-	-	-	-	-	-	-	600,000
Regeneration & Development	Blank	-	9,943	-	1,032	-	52	-	1,901	1,095
Managing Director	Corporate Management - Standard	-	-	-	2,280	-	-	-	-	2,280
Strategic Finance (including ICT)	Finance - Insurance	-	-	3,509	-	-	-	-	-	3,509
Strategic Finance (including ICT)	Finance - Standard	250	-	-	-	-	-	-	-	250
Other - Recovery Charges & Unallocated Items	Recovery Charges	470	300	150	275	334	1,902	-	-	269,227
	<b>Grand Total</b>	<b>1,351,955</b>	<b>87,413</b>	<b>121,155</b>	<b>118,398</b>	<b>46,637</b>	<b>171,433</b>	<b>1,735</b>	<b>-</b>	<b>269,227</b>
										<b>1,629,499</b>

<b>Council Tax and NNDR Collection Rates</b>														
The Council monitors these performance indicators as part of Managing the Business.														
Reference	Description													
<b>RB 1</b>	<b>Council Tax Collection</b>													
Indicator Definition	Percentage of current year council tax collected in year													
Watford		Annual	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
	Target	95.5	11.3	20.2	29.0	35.3	47.0	56.2	65.0	73.7	83.0	91.0	94.2	95.5
	2014/15 Actual	96.2	11.0	20.2	29.0	38.3	47.0	56.2	65.0	73.7	83.0	91.0	94.2	96.2
	2015/16 Actual		11.4	20.3	29.4	35.4	47.2	56.4	65.3	74.4	83.5	91.4		
	Target Achieved?		😊	😊	😊	😊	😊	😊	😊	😊	😊	😊	😊	
Direction of Travel		↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑		
Reference	Description													
<b>RB 2</b>	<b>NNDR Collection</b>													
Indicator Definition	Percentage of current year national non-domestic rates collected in year													
Watford		Annual	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
	Target	97.7	11.7	21.0	31.9	36.3	49.1	57.9	66.5	75.8	85.1	90.9	94.9	97.7
	2014/15 Actual	97.7	10.6	21.1	32.0	41.5	49.3	57.9	66.5	75.8	85.1	90.9	94.9	97.7
	2015/16 Actual		14.1	23.0	31.7	36.9	48.5	57.8	66.7	75.8	83.9	90.4		
	Target Achieved?		😊	😊	😞	😊	😞	😞	😊	😞	😞	😞	😞	
Direction of Travel		↑	↑	↓	↑	↓	↓	↑	↓	↓	↓	↓		

CAPITAL SPEND SUMMARY

APPENDIX 10

Cost Centre	Capital Scheme	2015/16									2016/17	2017/18	2018/19
		Original Budget	Approved Rephasings from 2014/15	Approved Budget Changes	(A)	(B)	(B) - (A)						
					Latest Budget	Actual Spend @ Period 10 2015/16	Forecast Outturn @ Period 10	Previously Reported Variances	Variances for Period 10 only	Cumulative Variance @ Period 10			
£	£	£	£	£	£	£	£	£	£	£	£	£	
WA6920	Key Projects	3,739,710	787,526	(590,270)	3,936,966	963,989	2,836,966	0	(1,100,000)	(1,100,000)	3,044,270	250,000	250,000
WA6921	Environmental Services	258,000	359,862	126,340	744,202	364,692	938,305	0	194,103	194,103	225,125	110,000	325,000
WA6922	Community & Leisure Services	3,742,760	2,062,651	(658,320)	5,147,091	885,931	4,947,091	0	(200,000)	(200,000)	5,680,994	0	600,000
WA6923	Housing Services	450,000	279,065	0	729,065	276,835	729,065	0	0	0	450,000	450,000	450,000
WA6924	Parking Services	0	59,111	0	59,111	39,604	59,111	0	0	0	0	0	0
WA6925	Asset Management	677,100	493,968	1,876,829	3,047,897	1,129,234	2,847,897	0	(200,000)	(200,000)	4,198,738	4,768,550	2,343,010
WA6926	ICT	325,000	365,928	199,894	890,822	496,600	890,822	0	0	0	280,000	320,000	320,000
WA6927	ICT Shared Services	225,000	919,923	0	1,144,923	566,285	1,144,923	0	0	0	243,000	210,000	210,000
WAA601	Corp Serv / Project Mgt	500,000	0	52,470	552,470	28,845	552,470	0	0	0	552,470	552,470	552,470
WA6928	Section 106 Funded Schemes	0	366,557	150,118	516,675	415,621	516,675	0	0	0	0	0	105,000
WA4900	TOTAL CAPITAL PROGRAMME	9,917,570	5,694,591	1,157,061	16,769,222	5,167,636	15,463,325	0	(1,305,897)	(1,305,897)	14,674,597	6,661,020	5,155,480

Cost Centre	Capital Scheme	2015/16									2016/17 Latest Budget	2017/18 Latest Budget	2018/19 Latest Budget
		Original Budget	Approved Rephasings from 2014/15	Approved Budget Changes	(A)		(B)		(B) - (A)				
					Latest Budget	Actual Spend @ Period 10 2015/16	Forecast Outturn @ Period 10	Previously Reported Variances	Variances for Period 10 only	Cumulative Variance @ Period 10			
£	£	£	£	£	£	£	£	£	£	£	£	£	
WA6920	<b>Key Projects</b>												
WAA211	New Market	0	0	180,000	180,000	(35,844)	180,000	0	0	0	0	0	0
WAA236	CSI Project	0	0	250,000	250,000	2,503	250,000	0	0	0	0	0	0
WAA920	Health Campus	500,000	417,100	(270,270)	646,830	460,417	546,830	0	(100,000)	(100,000)	370,270	0	0
WAA923	Health Campus-Contribution to LABV	3,000,000	0	(1,000,000)	2,000,000	0	1,000,000	0	(1,000,000)	(1,000,000)	2,600,000	0	0
WAA954	Green Spaces Strategy	150,000	0	100,000	250,000	160,383	250,000	0	0	0	74,000	250,000	250,000
WAA958	Website Enhancement	0	0	150,000	150,000	121,220	150,000	0	0	0	0	0	0
WAA983	Cultural Quarter Phase 1	89,710	370,426	0	460,136	255,309	460,136	0	0	0	0	0	0
WA6921	<b>Environmental Services</b>												
WAA161	Replacement Domestic Bins	20,000	0	(20,000)	0	0	0	0	0	0	42,185	0	0
WAA194	Introduction of Electric Vehicle Rapid Charging Units	20,000	0	0	20,000	1,558	20,000	0	0	0	10,000	10,000	0
WAA197	Veolia Contract Fleet Requirement	0	124,750	0	124,750	135,923	135,923	0	11,173	11,173	0	0	225,000
WAA226	Yanmar Excavator & Trailer	0	0	20,177	20,177	20,178	20,177	0	0	0	0	0	0
WAA227	AS940 Brush Cutter	0	0	8,205	8,205	8,205	8,205	0	0	0	0	0	0
WAA228	2 x Dennis Cylinder Mowers	0	0	17,880	17,880	17,880	17,880	0	0	0	0	0	0
WAA229	Kubota Tractor & Flail	0	0	19,100	19,100	19,100	19,100	0	0	0	0	0	0
WAA230	Trimax Pegasus Gang Mower	0	0	23,200	23,200	23,200	23,200	0	0	0	0	0	0
WAA231	Scag V Ride Mower	0	0	6,478	6,478	6,478	6,478	0	0	0	0	0	0
WAA232	Kubota Utility Vehicle	0	0	13,800	13,800	13,800	13,800	0	0	0	0	0	0
WAA233	Large Mechanical Road Sweeper	0	0	103,000	103,000	103,000	103,000	0	0	0	0	0	0
WAA234	Transit Vans x 2	0	0	48,000	48,000	0	48,000	0	0	0	0	0	0
WAA235	Small Box Van	0	0	9,500	9,500	9,230	9,320	0	(180)	(180)	0	0	0
WAA237	Box Van	0	0	0	0	0	9,125	0	9,125	9,125	0	0	0
WAA238	Compact Sweeper	0	0	0	0	0	38,985	0	38,985	38,985	0	0	0
WAA975	Recycling Boxes	0	0	0	0	0	0	0	0	0	36,940	0	0
WAA992	Additional Green Waste Bins	18,000	0	(18,000)	0	0	0	0	0	0	36,000	0	0
WAJ300	Decent Homes Assistance	200,000	159,966	(105,000)	254,966	7,452	456,573	0	201,607	201,607	100,000	100,000	100,000
WAJ600	Environmental Services Schemes	0	2,556	0	2,556	8,539	8,539	0	5,983	5,983	0	0	0
WAJ602	Energy Grants	0	0	0	0	(9,850)	0	0	0	0	0	0	0
WAJ800	Environmental Services Schemes	0	72,590	0	72,590	0	0	0	(72,590)	(72,590)	0	0	0
WA6922	<b>Community &amp; Leisure Services</b>												
WAA192	Town Hall Subway CCTV	37,000	0	0	37,000	252	37,000	0	0	0	0	0	0
WAA193	Clarendon Road Street Improvements-Relocation of CCTV	18,000	0	0	18,000	0	18,000	0	0	0	0	0	0
WAA195	Watford Museum HLF Matchfunding	0	0	0	0	0	0	0	0	0	125,000	0	350,000
WAA198	Meriden Community Centre Redevelopments	150,000	120,000	50,000	320,000	0	120,000	0	(200,000)	(200,000)	350,000	0	0
WAA199	Play Review	0	0	0	0	0	0	0	0	0	1,250,000	0	0
WAA201	Allotments Upgrades	0	753,950	(60,000)	693,950	142,054	693,950	0	0	0	0	0	0
WAA202	Farm Terrace Allotments	0	612,874	(552,874)	60,000	28,402	60,000	0	0	0	552,874	0	0
WAA214	Museum CCTV Intruder Alarm System	0	25,760	4,554	30,314	30,314	30,314	0	0	0	0	0	0
WAA215	Town Centre CCTV Camera Replacement	21,000	0	0	21,000	19,289	21,000	0	0	0	21,000	0	0
WAA219	Gaelic Football Relocation	600,000	241,282	0	841,282	466,851	841,282	0	0	0	0	0	0
WAA912	Improvements Community Centres	100,000	59,160	(150,000)	9,160	65	9,160	0	0	0	150,000	0	0
WAB966	Cassiobury Park HLF Project	2,816,760	249,625	50,000	3,116,385	198,704	3,116,385	0	0	0	3,032,120	0	0
WAB967	Cassiobury Dev't (Fullerians)	0	0	0	0	0	0	0	0	0	200,000	0	0
WAB968	Cemetery Improvements	0	0	0	0	0	0	0	0	0	0	0	250,000
WA6923	<b>Housing Services</b>												
WAA987	Stand Alone Prop to Decent Std	50,000	60,275	0	110,275	19,737	110,275	0	0	0	50,000	50,000	50,000
WAJ203	Affordable Housing	0	24,328	0	24,328	0	24,328	0	0	0	0	0	0
WAJ100	Mand Disabled Facilities Grant	400,000	194,462	0	594,462	257,098	594,462	0	0	0	400,000	400,000	400,000
WA6924	<b>Parking Services</b>												
WAA950	Upgrading/Resurfacing CarParks	0	59,111	0	59,111	39,604	59,111	0	0	0	0	0	0
WA6925	<b>Asset Management</b>												
WAA173	CCTV Control Room Relocation	0	8,978	817	9,795	9,795	9,795	0	0	0	0	0	0
WAA185	Watford Business Park Redevelopment	0	60,500	2,255,000	2,315,500	840,573	2,315,500	0	0	0	2,988,580	4,154,300	1,847,630
WAA196	Private Sector Stock Condition Survey	150,000	0	(100,000)	50,000	0	50,000	0	0	0	100,000	0	0
WAA203	Atrium / GIS	0	34,000	(16,988)	17,012	17,012	17,012	0	0	0	16,988	0	0
WAA210	Car Parks Structure Surv	0	0	0	0	(403)	0	0	0	0	0	0	0
WAA213	Pop Up Toilets Refurbishment	0	0	0	0	0	0	0	0	0	35,000	0	0
WAA224	Strategy & Programme Disposal	0	0	83,000	83,000	39,338	83,000	0	0	0	0	100,000	0
WAA225	Property Review	0	0	0	0	(10,944)	0	0	0	0	0	0	0
WAA925	Charter Place	0	0	0	0	(33,083)	0	0	0	0	0	0	0
WAA952	Match Funding Capital Projects	35,000	15,890	0	50,890	89	50,890	0	0	0	20,000	20,000	0
WAA991	Veolia Capital Improvements	92,100	0	0	92,100	60,872	92,100	0	0	0	93,170	94,250	95,380
WAA995	Building Investment Programme	400,000	374,600	(345,000)	429,600	205,986	229,600	0	(200,000)	(200,000)	945,000	400,000	400,000

Cost Centre	Capital Scheme	2015/16									2016/17	2017/18	2018/19
		Original Budget	Approved Rephasings from 2014/15	Approved Budget Changes	(A) Latest Budget	(B) Actual Spend @ Period 10 2015/16	(B) Forecast Outturn @ Period 10	(B) - (A) Previously Reported Variances	(B) - (A) Variances for Period 10 only	(B) - (A) Cumulative Variance @ Period 10			
		£	£	£	£	£	£	£	£	£	£	£	£
WAA6926	ICT												
WAA109	ICT-Hardware Replacement Prog	160,000	78,537	0	238,537	7,867	238,537	0	0	0	160,000	200,000	200,000
WAA132	ICT - Document Management Proc	0	15,000	0	15,000	10,964	15,000	0	0	0	0	0	0
WAA134	ICT-Env Health	45,000	175,106	199,894	420,000	402,504	420,000	0	0	0	0	0	0
WAA212	Telephony-Cost of Server Replacement	0	10,300	0	10,300	0	10,300	0	0	0	0	0	0
WAA221	ICT-Project Management Provision	120,000	86,985	0	206,985	75,265	206,985	0	0	0	120,000	120,000	120,000
WAA6927	ICT Shared Services												
WAA191	ShS-Business Application Upgra	195,000	0	0	195,000	52,145	195,000	0	0	0	165,000	165,000	165,000
WAA945	ShS-IT Modernisation	0	898,323	0	898,323	135,296	898,323	0	0	0	0	0	0
WAA982	ShS-Hardware Replace Prog	30,000	18,000	0	48,000	374,345	48,000	0	0	0	78,000	45,000	45,000
WAB925	ShS-HR Appraisal Module	0	3,600	0	3,600	4,500	3,600	0	0	0	0	0	0
WAA601	Corporate Services / Project Management												
WAA601	Support Services	500,000	0	52,470	552,470	28,845	552,470	0	0	0	552,470	552,470	552,470
WAA6928	Section 106 Funded Schemes												
WAB931	Himalayan Way Play Area	0	62,820	0	62,820	55,720	62,820	0	0	0	0	0	60,000
WAB944	Berry Avenue Play Area	0	60,000	60,000	120,000	113,975	120,000	0	0	0	0	0	0
WAB945	Southwold Road Play Area	0	1,371	0	1,371	1,371	1,371	0	0	0	0	0	20,000
WAB946	Ridgehurst Avenue Play Area	0	23,500	550	24,050	19,784	24,050	0	0	0	0	0	25,000
WAB948	Riverside Recreation Ground	0	139,257	26,000	165,257	142,906	165,257	0	0	0	0	0	0
WAB951	Colne River Project	0	60,387	0	60,387	48,937	60,387	0	0	0	0	0	0
WAB958	Local Park Improvements	0	2,244	0	2,244	2,300	2,244	0	0	0	0	0	0
WAB962	Local Nature Reserves	0	16,978	0	16,978	10,628	16,978	0	0	0	0	0	0
WNC038	Lower High St Cycle Scheme	0	0	35,393	35,393	20,000	35,393	0	0	0	0	0	0
WNC039	Abbey Way Cycle Scheme	0	0	28,175	28,175	0	28,175	0	0	0	0	0	0
WAA900	TOTAL CAPITAL PROGRAMME	9,917,570	5,694,591	1,157,061	16,769,222	5,167,636	15,463,325	0	(1,305,897)	(1,305,897)	14,674,597	6,661,020	5,155,480

## CAPITAL VARIANCES FOR THIS PERIOD

## APPENDIX 12

Cost Centre	Capital Scheme	Variances For Period 10				Reason for Variance
		2015/16 £	2016/17 £	2017/18 £	2018/19 £	
<b>Variances £100k and over</b>						
WAA923	Health Campus-Contribution to LABV	(1,000,000)	1,000,000	0	0	Rephasing due to timing of cash call from LABV with regard road construction
WAA198	Meriden Community Centre Redevelopment	(200,000)	200,000	0	0	Rephasing due to refurbishment including artificial pitch expected to complete in early May 2016
WAA995	Building Investment Programme	(200,000)	200,000	0	0	Rephasing due to staff working on other prioritised corporate projects. Asset Management Group updated
WAA920	Health Campus-Provision	(100,000)	100,000	0	0	Rephasing due to compulsory purchase order delays and awaited judicial review concerning Farm Terrace allotments
WAJ300	Decent Homes Assistance	201,607	(105,000)	0	0	Main budget variations due to the following :- a) Works connected to Harebreaks solid wall insulation previously expected in 2016/17 carried out in this financial year b) In year virement request of £72,590 from cost centre WAJ800 (see below) c) Expenditure incurred totalling £30k that will be offset by additional external funding
<b>Variances between £50k and £100k</b>						
WAJ800	Environmental Services Schemes	(72,590)	0	0	0	Variation due to in year virement request of £72,590 to cost centre WAJ300 (see above)
<b>Variances between £10k and £50k</b>						
WAA238	Compact Sweeper	38,985	0	0	0	New sweeping vehicle purchased funded by the vehicle replacement reserve
WAA197	Veolia Contract Fleet Requirements	11,173	0	0	0	Bespoke vehicle works including tipper for Peugeot Boxer 2.2 HDI Chassis Cab
<b>Variances under £10k</b>						
WAA237	Box Van	9,125	0	0	0	New vehicle purchased - funded by the vehicle replacement reserve
WAJ600	Environmental Services Schemes	5,983	0	0	0	Internal transfer of budget within existing Environmental Services Schemes
WAA235	Small Box Van	(180)	0	0	0	Final vehicle purchase price lower than expected
	<b>TOTAL VARIANCES</b>	<b>(1,305,897)</b>	<b>1,395,000</b>	<b>0</b>	<b>0</b>	

## FUNDING REQUIRED FOR CAPITAL PROGRAMME

	Latest Forecast 2015/16	Latest Budget 2016/17	Latest Budget 2017/18	Latest Budget 2018/19	Total
	£	£	£	£	£
Grants & Contributions	2,945,851	2,489,000	239,000	239,000	5,912,851
Reserves	1,092,200	115,125	4,069,150	0	5,276,475
Capital Receipts	8,915,996	11,538,352	2,352,870	4,811,480	27,618,698
Section 106 Contributions	1,009,278	532,120	0	105,000	1,646,398
Local Enterprise Partnership (LEP) Loan	1,500,000	0	0	0	1,500,000
<b>TOTAL CAPITAL FUNDING USED</b>	<b>15,463,325</b>	<b>14,674,597</b>	<b>6,661,020</b>	<b>5,155,480</b>	<b>41,954,422</b>

**N.B.** The Council applied for a loan from the Local Enterprise Partnership of £1.5m which it intends to use on the redevelopment of Watford Business Park. This loan was received in December 2015 and is expected to be repaid during financial year 2019/20

## CAPITAL FUNDING UNALLOCATED

	Latest Forecast 2015/16	Latest Budget 2016/17	Latest Budget 2017/18	Latest Budget 2018/19	Total
	£	£	£	£	£
<b>GRANTS &amp; CONTRIBUTIONS</b>					
Balance Brought Forward	394,179	50,888	50,888	50,888	394,179
In Year Receipts	2,602,560	2,489,000	239,000	239,000	5,569,560
Used for Financing (as above)	(2,945,851)	(2,489,000)	(239,000)	(239,000)	(5,912,851)
<b>BALANCE CARRIED FORWARD</b>	<b>50,888</b>	<b>50,888</b>	<b>50,888</b>	<b>50,888</b>	<b>50,888</b>

<b>RESERVES (INCLUDING NEW HOMES BONUS)</b>					
	Latest Forecast 2015/16	Latest Budget 2016/17	Latest Budget 2017/18	Latest Budget 2018/19	Total
	£	£	£	£	£
Balance Brought Forward	6,382,416	5,747,716	5,632,591	1,563,441	6,382,416
In Year Receipts	457,500	0	0	0	457,500
Used for Financing (as above)	(1,092,200)	(115,125)	(4,069,150)	0	(5,276,475)
<b>BALANCE CARRIED FORWARD</b>	<b>5,747,716</b>	<b>5,632,591</b>	<b>1,563,441</b>	<b>1,563,441</b>	<b>1,563,441</b>

<b>USEABLE CAPITAL RECEIPTS RESERVE</b>					
	Latest Forecast 2015/16	Latest Budget 2016/17	Latest Budget 2017/18	Latest Budget 2018/19	Total
	£	£	£	£	£
Balance Brought Forward	12,375,539	9,854,813	1,431,461	1,878,591	12,375,539
In Year General Receipts	5,179,270	3,115,000	2,800,000	12,450,000	23,544,270
In Year PIB Receipts	1,216,000	0	0	0	1,216,000
Used for Financing (as above)	(8,915,996)	(11,538,352)	(2,352,870)	(4,811,480)	(27,618,698)
<b>BALANCE CARRIED FORWARD</b>	<b>9,854,813</b>	<b>1,431,461</b>	<b>1,878,591</b>	<b>9,517,111</b>	<b>9,517,111</b>

<b>SECTION 106 CONTRIBUTIONS</b>					
	Latest Forecast 2015/16	Latest Budget 2016/17	Latest Budget 2017/18	Latest Budget 2018/19	Total
	£	£	£	£	£
Balance Brought Forward	2,017,006	1,907,728	1,385,608	1,390,608	2,017,006
In Year Receipts + Interest	900,000	10,000	5,000	5,000	920,000
Used for Financing (as above)	(1,009,278)	(532,120)	0	(105,000)	(1,646,398)
<b>BALANCE CARRIED FORWARD</b>	<b>1,907,728</b>	<b>1,385,608</b>	<b>1,390,608</b>	<b>1,290,608</b>	<b>1,290,608</b>

<b>LOCAL ENTERPRISE PARTNERSHIP (LEP) LOAN</b>					
	Latest Forecast 2015/16	Latest Budget 2016/17	Latest Budget 2017/18	Latest Budget 2018/19	Total
	£	£	£	£	£
Balance Brought Forward	0	0	0	0	0
In Year Receipts	1,500,000	0	0	0	1,500,000
Used for Financing (as above)	(1,500,000)	0	0	0	(1,500,000)
<b>BALANCE CARRIED FORWARD</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>TOTAL CAPITAL FUNDING AVAILABLE</b>					
	Latest Forecast 2015/16	Latest Budget 2016/17	Latest Budget 2017/18	Latest Budget 2018/19	Total
	£	£	£	£	£
Balance Brought Forward	21,169,140	17,561,145	8,500,548	4,883,528	21,169,140
In Year Receipts + Interest	11,855,330	5,614,000	3,044,000	12,694,000	33,207,330
Used for Financing (as above)	(15,463,325)	(14,674,597)	(6,661,020)	(5,155,480)	(41,954,422)
<b>BALANCE CARRIED FORWARD</b>	<b>17,561,145</b>	<b>8,500,548</b>	<b>4,883,528</b>	<b>12,422,048</b>	<b>12,422,048</b>