



BUDGET PANEL

Wednesday, 9th July, 2014

7.00 pm

Town Hall, Watford

Publication date: 8 July 2014

CONTACT

If you require further information or you would like a copy of this agenda in another format, e.g. large print, please contact Sandra Hancock in Democracy and Governance on 01923 278377 or by email to legalanddemocratic@watford.gov.uk .

Welcome to this meeting. We hope you find these notes useful.

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RECORDING OF MEETINGS

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COMMITTEE MEMBERSHIP

Councillor A Khan (Chair)

Councillor A Joynes (Vice-Chair)

Councillors J Aron, S Counter, G Derbyshire, J Dhindsa, S Greenslade, R Martins and P Taylor

AGENDA

PART A - OPEN TO THE PUBLIC

1. **APOLOGIES FOR ABSENCE/COMMITTEE MEMBERSHIP**
2. **DISCLOSURE OF INTERESTS (IF ANY)**
3. **MINUTES**

The minutes of the meeting held on 26 February 2014 to be submitted and signed. *(All minutes are available on the Council's website – www.watford.gov.uk/budgetscrutiny)*

4. **FINANCIAL OUTTURN FOR 2013/14** (Pages 1 - 18)

Report of Director of Finance

This report informs Budget Panel of the revenue and capital outturns for 2013/14.

5. **WORK PROGRAMME**

The Panel is asked to consider the items it would like included for discussion throughout the year.

6. **DATES OF NEXT MEETINGS**

- Tuesday 9 September 2014
- Tuesday 28 October 2014
- Tuesday 2 December 2014

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Report to: Budget Panel
Date of meeting: 9th July 2014
Report of: Director of Finance
Title: Summary of the Financial Outturn 2013/14

1.0 SUMMARY

1.1 This report informs Cabinet of the revenue and capital outturns for 2013/14.

2.0 RECOMMENDATIONS

- 2.1 To consider the revenue outturn as summarised at Appendix 1A, and supplementary notes at Appendices 1B to 1F and to note the year end position, which includes the carry forwards as shown in paragraph 2.2 below.
- 2.2 To approve the unspent service budgets from 2013/14 to be carried forward into 2014/15 totalling £338, 950 as detailed at Appendix 1E.
- 2.3 To consider the Reserves statement at Appendix 1F and note that the overall level of reserves has increased by £7.263m. However it is anticipated that the majority of this will be used to fund expenditure in 2014/15. This includes approx. £4.000m in relation to business rates and New Homes Bonus funding to support capital expenditure in future years.
- 2.4 To consider the capital outturn as summarised in Appendix 2. This shows the original budget of £21.586m (which includes £8.087m rephased from 2012/13) and the outturn of £12.552m. The majority of the variance has occurred from the rephasing of large scale projects to 2014/15.

Contact Officer:

For further information on this report please contact Joanne Wagstaffe, Director of Finance, telephone extension 8189, email joanne.wagstaffe@watford.gov.uk

3.0 INTRODUCTION

3.1 A key feature of reporting the outturn for the financial year is to compare it against the original budget which provides an indication of the accuracy and robustness of financial control within the Council.

3.2 This report provides an analysis of the revenue and capital outturns for 2013/14. Further detail can be found in the draft Statement of Accounts that will be reported to the Audit Committee on 29th September 2014.

4.0 REVENUE OUTTURN 2013/14

4.1 **Appendix 1A** shows the net expenditure by service area which compares the original 2013/14 budget (as approved by Council on 30th January 2013) to the outturn. The net effect is an underspend on the cost of services of £1.972m. This is made up of underspends, service changes and additional income in some areas that are higher than the budgeted figure.

4.2 **Appendix 1B** details the variances when comparing original budget to the outturn.

The significant variances which have been included in Budget Panel updates during the year are:

£342,000 previously identified additional expenditure on the ICT Shared Service

£260,000 savings from the outsourcing of the Veolia Contract

£209,000 savings from the Charter Place transfer

£563,000 underspend on the repairs and maintenance of operational buildings

£218,000 increase in rental income from the property portfolio

£380,000 previously identified overspend on Revenues & Benefits

£475,000 underspend on provisions & contingencies i.e. pay & price inflation, superannuation and bad debt provision.

£251,000 Additional Business Rates grant

4.3 **Appendix 1C** shows the difference in funding when comparing original budget to the outturn. This totals £7.495m and is attributable to additional grants for Weekly Collection Support Grant (£2.001m), New Homes Bonus (£1.021m) and Business Rates funding (£4.224m) which the Council will be required to release during 2014-15 due to the way in which business rates are accounted for. The Weekly collection grant was largely spent during the year, the increase in NHB is to be used to fund capital expenditure but was not required during 2013/14 following reviews.

4.4 **Appendix 1D** compares the outturn for employee costs to the original budget and shows a favourable variance of £4.065m. The main reason for the variance is due to the outsourcing of Waste, Parks and Street Cleansing to Veolia and the transfer of Charter Place security staff to Intu. This variance was reported to Budget Panel during the year and included in the year end forecast.

4.5 **Appendix 1E** details those unspent balances that Leadership Team recommend should be carried forward to 2014/15.

4.6 **Appendix 1F** details the end of year position regarding the Council's holding of reserves. This shows an increase in reserves of £7.263m during 2013/14. The majority of this is due to additional business rates of £4.661m and is expected to be spent in 2014/15 and future years.

5.0 CAPITAL OUTTURN 2013/14

5.1 A summary analysis of the council's capital programme has been attached at **Appendix 2**. The overall position shows a net decrease in capital spend of £9.034m. The majority of the variance has occurred from the rephasing of the following projects to 2014/15:-

- Watford Health Campus £1.604m
- Cultural Quarter Phase 1 £1.445m
- New Market £2.362m
- Allotment Upgrades £0.975m
- Play Areas £1.146m
- Farm Terrace Allotments £0.298m
- Hurling Club Relocation £0.908m
- Building Investment Programme £0.300m

5.2 During the year there was a review of capital projects which included a realignment of budgets; this was reported to Budget Panel during the year.

5.3 Investment within Watford is seen as a key priority and has been financed from capital receipts and government grant. Capital expenditure totalling £23.598m is planned for the period 2014/17 (2014/15 £15.020m) and built into the medium term financial strategy.

6.0 CONCLUSION

6.1 The general fund underspend totals £1.972m. Some of this underspend relates to final decisions being made after setting the original budget. These include the Veolia outsourcing, the transfer of staff and facilities of Charter Place and final pay and price inflation. There was also a grant received in late March for Small Business Rate relief that was not included in the budget due to the timing of the announcement and the implementation of local business rates. Due to increased activity in the property market there was additional rental income and planning fees.

From 2014/15, Finance are proposing to implement a new budget monitoring process that will be designed for budget holders to monitor and scrutinise their budgets more closely and report variances as they arise. Additionally, at the budget setting stage, Finance will work closely with budget holders to identify potential on going savings in the base budget.

6.2 Earmarked reserves have increased by £7.263m (although it was originally anticipated that this would decrease by £0.584m). Much of this increase relates to business rate funding and the Government having to pay a grant to the Council for their business rates being lower than the 'Safety Net' level for 2013-14. This grant will be required during 2014/15 to balance the Collection Fund.

6.3 With regard to the capital outturn, although the 2013/14 showed an underspend of £9.033m this was mainly due to the rephasing of projects, which most are scheduled to be completed in 2014/15. The Council continues to have an ambitious programme which includes ensuring its infrastructure/assets are well maintained as well as seeking to move forward through investment in key projects where the aim is to secure the future prosperity of the Watford area.

7.0 FINANCIAL IMPLICATIONS

7.1 These have been included within the report.

8.0 LEGAL IMPLICATIONS

8.1 There are no legal implications in the report.

9.0 POTENTIAL RISKS

Potential Risk	Likelihood	Impact	Overall Score
That the External Auditor finds material errors within the Final Accounts process	2	4	8

10.0 EQUALITIES

10.1 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.

10.2 The reporting of the Final Outturn for 2013/14 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 1A Revenue Account General Fund Summary 2013/14
- Appendix 1B Major Variances 2013/14
- Appendix 1C Funding Variances 2013/14
- Appendix 1D Employees Costs - Variances 2013/14
- Appendix 1E Carry Forward requests into 2014/15
- Appendix 1F Summary of Reserves 2013/14
- Appendix 2 Capital Outturn 2013/14

2013/14 Revenue Account General Fund Summary

Service Area	Original £000	Outturn £000	Outturn Less Original £000
Community and Customer Services	3,562	3,377	(185)
Corporate Strategy and Client Services	8,521	8,844	323
Democracy and Governance	3,771	3,012	(759)
Human Resources	745	631	(114)
Managing Director	285	234	(51)
Regeneration and Development	(4,437)	(4,915)	(478)
Strategic Finance	2,574	1,866	(708)
Net General Fund	15,021	13,049	(1,972)

Note : The above table includes only direct costs and incomes. Technical accounting adjustments for internal recharges including support services and capital have been excluded as these have no affect on the Council's net General Fund position.

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2013/14 Major Variances - Original Budget v Revenue Outturn

<u>Service Area</u>	<u>Cost Centre</u>	<u>Variance (£000's)</u>	<u>Variance (£000's)</u>	<u>Comments</u>
	Play Management-Employees	-56		Underspend on salaries
	Customer Service Centre	-73		Underspend on salaries
	WBC Properties (hostels)	-87		Savings on management fees & electricity costs
	Housing Standards	41		Agency staff required to fulfil service need
	Watford Museum	-23		Underspend on salaries & utility costs
Community & Customer Services - Sub Total			-199	
	Veolia Outsourcing	-260		Savings realised from outsourcing Parks, Waste & Street Cleansing
	Communications	73		Maternity leave & structural changes. Service review to be carried out in 2014/15
	ICT Shared Service	342		Year 1 Capita contract costs funded by reserve. Future savings expected to offset
	Partnership Working & Watford for You	51		Overspend funded by use of reserves (PRG & LABGI)
	Uni-Form	40		Additional client spend on Uni-Form business system
	Waste Services	46		Additional agency staff required to provide service prior to outsourcing
Corp Strategy & Client Services - Sub Total			293	
	Elections	-64		Underspend of £41k carried over into 2014/15 as a budget carry forward request
	Non Operational Building Maint-B0000	-443		General maintenance underspend across various sites including facilities now operated by external providers
	Buildings And Projects (A0000-E0000)	-120		Savings attributable to transfer to Intu Watford
	Town Hall Off & Council Suite	-103		Lower utility costs notably electricity and gas
Democracy & Governance - Sub Total			-730	
	Corporate Employee Exp-Client	-71		Favourable variance largely due to savings on corporate training
	HR Shared Services	-32		Budget carry forward request to fund 2 HR apprenticeships in 2014/15
Human Resources - Sub Total			-103	
	Corporate Strategy Team	-45		Underspend on salaries and contingency budgets
Managing Director - Sub Total			-45	
	Charter Place Market	-209		Underspend on salaries & cleaning costs plus additional income stream via arrangement with Intu Watford
	Harlequin Shopping Centre	182		Vacant properties and downturn in rental income @ Intu Watford
	Development Control planning income	-173		Large increase in planning and pre-application fees
	Land Charges-10000 income	-60		Search fee income higher than expected
	Building Control- Income	-78		Increases in inspection and building regs application fees
	Implementation Team	91		Structural changes including £30k funding from CPZ reserve
	Misc Properties	-218		Income higher than originally budgeted
Regeneration & Development - Sub Total			-465	
	HB client-shared service charge	151		Shared services client recharge higher than budget due to recruitment of agency staff
	CTax client-shared service charge	229		Shared services client recharge higher than budget due to recruitment of agency staff
	Taxation & Non Specific Grant	-251		Small business rate relief not budgeted
	Budget Strategy	-475		Underspend on provisions and vacant posts as well as a one off receipt from consumable sales to Veolia
	Finance Misc Expenditure	-103		Lower external audit fees
	Finance Services	-43		Employee costs lower than budgeted
	Accountancy Services	-37		Additional savings materialising within finance shared services
	Adjustments Under Statute	-71		Minimum revenue provision lower than budgeted
	Other Operating Income / Exp	-60		Favourable variance largely due to contribution from West Herts Crematorium
Strategic Finance - Sub Total			-660	
	Other Variances	-62		
All Services - Sub Total			-62	
TOTAL		-1,972	-1,972	

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2013/14 General Fund Funding - Variances

Funding From	Original £000	Outturn £000	Outturn Less Original £000	Comment
Council Tax	(7,350)	(7,350)	0	
Council Tax Support Grant	(958)	(958)	0	
Council Tax Transition Grant	(26)	(26)	0	
Council Tax Freeze Grant	(289)	(287)	2	
Revenue Support Grant	(2,862)	(2,862)	0	
Business Rate Relief	0	(251)	(251)	Additional Grant received in March 2014. This was received as part of the change in business rate retention.
NNDR	(1,904)	(6,128)	(4,224)	As part of the new business rate regime the Council has received additional funding from the Government. It will be used to support revenue expenditure in 2014/15 in addition the Council is making a provision to protect itself from future business rate reductions.
Weekly Collection Support Grant	0	(2,001)	(2,001)	Additional grant received as a result of a successful bid to the DCLG. The sum of £1.445m has been used to fund capital expenditure for the purchase of vehicles & wheeled bins. £0.398m was used to support revenue expenditure.
New Homes Bonus	(1,048)	(2,069)	(1,021)	It was anticipated that the new homes bonus funding would support the capital programme during 2013/14. Due to the rephasing it is expected that this will be incurred in future years.
Total Taxation and Non-Specific Grants	(14,437)	(21,932)	(7,495)	

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2013/14 Employees Costs - Variances

Service Area	Original Budget £000's	Outturn £000's	Outturn Less Original £000's	Comments
Corporate Strategy & Client Service	6,362	2,511	(3,851)	Variance due to TUPE transfer of Waste, Street & Parks staff to Veolia as at 1st July 2013. Reported to Budget Panel in the year.
Community & Customer Service	3,609	3,665	56	
Democracy & Governance	1,852	1,883	31	
Regeneration & Development	3,007	2,550	(457)	Variance largely attributable to TUPE transfer of Charter Place security staff to Intu Watford
Managing Director	241	215	(26)	
Human Resources	720	581	(139)	Salary savings achieved and reported via the Shared Services Joint Committee
Strategic Finance	2,205	2,526	321	Additional agency staff costs required in Revs & Bens to deal with case loads
Total	17,996	13,931	(4,065)	

Note - Variances above relating to shared services are split by the metrics agreed between both Watford and Three Rivers District Council.

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Service Budget Carry Forward Requests form 2013/14 to 2014/15

BUDGET CARRY FORWARD REQUEST (RESERVE CODE - VLU000)

Ref No	Service	Budget Code From	Current Budget (A)	Actual (B)	Budget Remaining (A)-(B)	Carry Forward Request (£)	Budget Code To	Reason for Carry Forward Request
1	Community & Customer Services	AKA000-D0103	£3,550	£2,026.68	£1,523.32	£1,750	AKA000-D0103	Procurement of a new folder and envelope following implementation of new managed print services in 2013/14
2	Community & Customer Services	AKA000-D0101	£750	£0.00	£750.00	£500	AKA000-D0101	Procurement of a new folder and envelope following implementation of new managed print services in 2013/14
3	Community & Customer Services	ADW000-D0901	£27,500	(£1,856.40)	£29,356.40	£10,000	ADW000-D0901	Purchase Aerial photography from Arup and System Upgrade - projects could not be completed in 2013/14
4	Community & Customer Services	EDD000-D0901	£5,000	£250.00	£4,750.00	£3,500	EDD000-D0901	Air quality monitoring contract normally paid a year in advance but retendering contract for start in April 2014 so payment will not be due until 2014/15
5	Community & Customer Services	EBA000-A0101	£725,250	£638,543.12	£86,706.88	£15,000	EBA000-A0101	Understaffing in 2013/14 has led to the need to employ temporary resources to deliver transformation and service delivery plans. Continuing understaffing E.G. vacant manager post that the EH&L Section Head is covering short term, this funding will be used to recruit project support
		EBL000-A0101	£195,730	£163,099.95	£32,630.05	£5,000	EBL000-A0101	
6	Regeneration & Development	FPA000-D1107	£340	(£1,101.31)	£1,441.31	£23,000	FPA000-D1107	New Market opening in 2014/15 requiring additional advertising spend
7	Regeneration & Development	FKC000-D0501	£13,000	£14,926.03	(£1,926.03)	£85,000	FKC000-D0501	Lambert Smith Hampton employed to review various parts of the Council's property portfolio
8	Corporate Strategy & Client Services	ADP000-D0902 WJ0023	£16,070	£2,101.36	£13,968.64	£12,000	ADP000-D0902 WJ0023	Carry forward request to support the One Watford Local Strategic Partnership
9	Corporate Strategy & Client Services	JCE000-D1138	£6,000	£0.00	£6,000.00	£4,000	JCE000-D1138	Carry over contingency to cover associated costs for bring operational management back to the Council including re-tendering
10	Corporate Strategy & Client Services	ADH000-D0625	£8,500	£2,832.04	£5,667.96	£5,670	ADH000-D0625	Budget required to support further development due to outcome of the Communications review
11	Corporate Strategy & Client Services	AWA900-E0101	£846,600	£1,174,188.07	(£327,588.07)	£3,840	AWA900-E0101	WBC's share of ICT Shared Service costs relating to recruitment of temporary staff whilst recruitment is in hand
12	Corporate Strategy & Client Services	ADP002-D0902	£15,110	£3,000.00	£12,110.00	£12,110	ADP002-D0902	Carry over partnership funding relating to Watford Health Inequality
13	Corporate Strategy & Client Services	BLL001-D0902	£22,770	£0.00	£22,770.00	£22,770	BLL001-D0902	Carry over partnership funding relating to Watford Learning Partnership
14	Community & Customer Services	DCP000-D0401	£2,000	£1,671.63	£328.37	£1,000	DCP000-D0401	Carry forward to support the impact expected from the new Big Events Programme
15	Community & Customer Services	DCP000-D0624	£2,000	£0.00	£2,000.00	£2,000	DCP000-D0624	Carry forward to support the impact expected from the new Big Events Programme
16	Community & Customer Services	DCP000-D0802	£1,000	£0.00	£1,000.00	£1,000	DCP000-D0802	Carry forward to support the impact expected from the new Big Events Programme
17	Community & Customer Services	ABE000-D0902 WJ0024	£30,590	£12,380.41	£18,209.59	£14,000	ABE000-D0902 WJ0024	Budget connected to the ongoing Domestic Homicide Review
18	Community & Customer Services	JWP000-B0101 WJ0084	£61,000	£28,271.15	£32,728.85	£35,000	JWP000-B0101 WJ0084	Budget pressure expected on WCHT managed properties contract
19	Democracy & Governance	AHX000-D1107	£1,000	£400.00	£600.00	£440	AHX000-D1107	Recruitment costs connected to Electoral Assistant post
20	Democracy & Governance	AGB000-VARIOUS	£83,550	£42,468.11	£41,081.89	£41,370	AGB000-D1101	Expected budget pressure in part due to IER registration
21	Human Resources	AMC000-A0204 VARIOUS	£195,270	£113,063.80	£82,206.20	£40,000	ALA000-A0101	Employment of 2 Apprentices in HR
TOTAL						£338,950		

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Summary of Reserves

Reserve	Balance at 31 Mar 13 £000	Transfers to Reserve £000	Transfers from Reserve £000	Balance at 31 Mar 14 £000	Comments
Area Based Grant Reserve	85	0	0	85	
Budget Carry Forward Reserve	234	340	(235)	339	
Capital Fund Reserve	1,813	0	(171)	1,642	To be used for capital projects
Car Parking Zones Reserve	597	33	0	630	Used to fund the operational costs of the CPZ
Charter Place Tenants Reserve	380	0	(220)	160	
Climate Change Reserve	37	20	0	57	
Development Sites Decontamination Reserve	1,310	0	(35)	1,275	To be used for capital projects
Economic Impact Reserve	1,823	104	0	1,927	This offsets unexpected over/underspends during the course of the year
High Street Innovation	100	0	(10)	90	
Homelessness Prevention Reserve	113	0	0	113	
Housing Benefit Subsidy Reserve	996	0	0	996	
Housing Planning Delivery Grant Reserve	301	0	(35)	266	
Invest to Save Reserve	1,255	0	(416)	839	Used in 2013/14 for the Outsourcing of the Veolia and ICT (Capita) contracts
LA Business Growth Incentive Reserve (LABGI)	613	0	(43)	570	To be used in 2014/15 for 'Imagine Watford'
Le Marie Centre Repairs Reserve	12	0	0	12	
Leisure Structured Maintenance Reserve	423	0	0	423	
Local Development Framework Reserve	233	0	0	233	
Multi-Storey Car Park Repair Reserve	181	0	0	181	
New Homes Bonus Reserve	542	2,069	0	2,611	To be used to fund the capital programme
NNDR Collection Fund Reserve	0	4,661	0	4,661	As part of the new business rate regime the Council has received additional funding from the Government. It will be used to support revenue expenditure in 2014/15 in addition the Council is making a provision to protect itself from future business rate reductions.
Parks, Waste & Street Strategy Reserve	0	60	0	60	
Pension Funding Reserve	1,375	874	0	2,249	To be used to offset future liabilities on the Pension Fund based on periodic actuarial forecasts
Performance Reward Grant Reserve (Capital)	191	0	0	191	
Performance Reward Grant Reserve (Revenue)	60	0	(28)	32	
Recycling Reserve	13	0	(13)	0	
Rent Deposit Guarantee Scheme Reserve	100	0	0	100	
Vehicle Replacement Reserve	575	150	0	725	To fund the replacement of vehicles as they become due.
Weekly Collection Support Grant Reserve	0	2,001	(1,843)	158	
Total Reserves	13,362	10,312	(3,049)	20,625	
Net Change			7,263		

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CAPITAL SCHEME DESCRIPTION	ORIGINAL BUDGET 2013/14	OUTTURN 2013/14	VARIANCE
Cardiff Road Health Campus	1,727,180	123,210	(1,603,970)
Colosseum Refurbishment	-	22,665	22,665
Contribution to Croxley Rail Link	2,532,014	2,000,000	(532,014)
Cultural Quarter Phase 1	3,515,395	2,070,229	(1,445,166)
New Market	1,387,420	170,831	(1,216,589)
Carbon Management / Climate Change	77,000	46	(76,954)
Decent Homes Assistance	200,000	90,985	(109,015)
30,000 Wheelie Bins	600,000	548,628	(51,372)
1,100 Eurobins	320,000	182,167	(137,833)
JCB Excavator	-	57,520	57,520
Parks Equipment	-	148,024	148,024
Johnson Sweepers	-	204,969	204,969
Cages	-	174,341	174,341
Empty Properties	-	20,000	20,000
Allotments Upgrades	410,000	35,280	(374,720)
Cassiobury Park HLF Project	602,838	479,015	(123,823)
Farm Terrace Allotments relocation	400,000	102,165	(297,835)
Hurling Club Relocation	550,000	41,854	(508,146)
Affordable Housing	550,464	1,718	(548,746)
Bringing Standalone Properties to Decent Homes Standard	74,605	15,609	(58,996)
Disabled Facility Grants	826,119	350,448	(475,671)
Upgrading / Resurfacing of Car Parks	75,589	16,478	(59,111)
Ascot Road Regearing Valuation Support	-	61,703	61,703

EXPLANATION OF VARIANCE					COMMENTS
VIREMENTS	IN YEAR BUDGET INCREASE	IN YEAR BUDGET DECREASE	REPHASED TO 2014/15	(UNDERSPEND) / OVERSPEND	
		(180)	(1,603,790)		Budget rephased to 2014/15 due to delays in the Planning Application and the Compulsory Purchase Order's (CPO's). The Council is currently negotiating with the preferred contractor and contracts should be signed in September 2014.
				22,665	Additional unexpected invoices in 2013/14 from HQ Theatres
		(532,014)			Reduction in budget in year as there was a £594k budget within S106 schemes and therefore only £2m required from Usable Capital Receipts.
			(1,445,166)		Budget rephased to 2014/15 and scheme completed in June 2014
	1,150,000		(2,362,364)	(4,225)	Increase in budget as previously reported to Members and budget rephased to 2014/15. Design work and negotiations with the existing tenant has taken longer than expected.
		(50,000)	(26,954)		Reduction in budget as previously reported to Members and budget rephased to 2014/15
(90,000)			(19,015)		Budget rephased to 2014/15 and Virement to Other Minor Variances
		(51,372)			Decrease in budget as previously reported to Members
		(137,833)			
	57,520				Increase in budget as previously reported to Members
	148,024				
	205,629	(660)			
	174,341				Balance of CPO payment
	20,000				
	600,000		(974,720)		Increase in budget as previously reported to Members and budget rephased to 2014/15
			(183,950)	60,127	Budget rephased to 2014/15 and overspend which will be clawed back from the 2014/15 budget
			(297,835)		Budget rephased to 2014/15
	400,000		(908,146)		Increase in budget as previously reported to Members and budget rephased
		(524,418)	(24,328)		Reduction in budget as previously reported to Members as housing strategy needs to be reassessed and budget rephased to 2014/15
		(47,074)	(11,922)		Reduction in budget as previously reported to Members and budget rephased to 2014/15. There are some commitments carried forward in to 2014/15.
		(276,119)	(199,552)		Reduction in budget as previously reported to Members and budget rephased to 2014/15. There are some commitments carried forward in to 2014/15.
			(59,111)		Budget rephased to 2014/15 due to delays in scheme
50,000	20,000			(8,297)	Increase in budget as previously reported to Members, virement from Feasibility and Disposal Upfront costs

CAPITAL SCHEME DESCRIPTION	ORIGINAL BUDGET 2013/14	OUTTURN 2013/14	VARIANCE
Building Investment Programme	743,969	215,631	(528,338)
Veolia Capital Improvements	-	67,500	67,500
Feasibility and Disposal Upfront costs	300,000	-	(300,000)
Watford Business Park Redevelopment	-	68,283	68,283
Town Centre CCTV Relocation	485,131	286,912	(198,219)
Environmental Health System	147,939	3,800	(144,139)
ICT-Hardware Replacement Prog	70,000	8,384	(61,616)
ICT-Project Management Provision	120,000	63,618	(56,382)
ShS-Transition Costs	270,000	413,708	143,708
Berry Avenue Play Area	60,000	-	(60,000)
Colne River Project	454,644	293,268	(161,376)
Cow Lane Improvements	23,000	-	(23,000)
East Drive Play Area	120,000	-	(120,000)
Himalayan Way Play Area	98,942	-	(98,942)
Multi-use Games at Meriden	120,000	-	(120,000)
Ridgehurst Avenue Play Area	50,000	-	(50,000)
Riverside Recreation Ground	323,499	13,190	(310,309)
Southwold Road Play Area	50,000	-	(50,000)
Waterfields Rec Play Area	73,460	1,288	(72,172)
Watford Museum	12,500	5,185	(7,315)
Other Minor Variances	4,214,353	4,193,582	(20,771)
TOTAL	21,586,061	12,552,234	(9,033,827)

EXPLANATION OF VARIANCE					COMMENTS
VIREMENTS	IN YEAR BUDGET INCREASE	IN YEAR BUDGET DECREASE	REPHASED TO 2014/15	(UNDERSPEND) / OVERSPEND	
		(228,000)	(300,338)		Reduction in budget as previously reported to Members and budget rephased. The rephasing was due to corporate priorities changing.
	67,500				Increase in budget as previously reported to Members and included within contract with Veolia
(50,000)		(250,000)			Reduction in budget as previously reported to Members and virement to Ascot Road Regearing Valuation Support
	200,000		(125,000)	(6,717)	Increase in budget as previously reported to Members and budget rephased to 2014/15
				(198,219)	Underspend
			(144,139)		Budget rephased to 2014/15
				(61,616)	
				(56,382)	Underspend, to be rephased to 2014/15
	213,708	(70,000)			Reduction in budget as previously reported to Members and overspend in WBC but compensated by contribution from TRDC of £165,483 for their 40% share of the spend.
			(60,000)		Budget rephased to 2014/15
	53,527		(214,903)		Budget rephased to 2014/15 and increase in budget as previously reported to Members
				(23,000)	Underspend
			(120,000)		
			(98,942)		
			(120,000)		
			(50,000)		Budgets rephased to 2014/15
		(9)	(310,300)		
			(50,000)		
	50,000		(122,172)		Increase in budget as previously reported to Members and budget rephased
				(7,315)	Underspend
90,000	-	(10,556)	(331,105)	230,890	Budgets rephased to 2014/15, Virements from Decent Homes Assistance and Budgets increased as previously reported to
0.00	3,360,249	(2,178,235)	(10,163,752)	(52,089)	