



**WATFORD  
BOROUGH  
COUNCIL**



# **FINANCE SCRUTINY COMMITTEE**

**9 January 2023**

**7.00 pm**

**Annexe, Town Hall, Watford**

**Contact**

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**Publication date: 30 December 2022**

# Committee Membership

Councillor M Turmaine (Chair)

Councillor P Kloss (Vice-Chair)

Councillors K Clarke-Taylor, A Khan, R Martins, L Nembhard, B Stanton, D Walford and R Wenham

## Agenda

### Part A - Open to the Public

1. **Apologies for absence**

2. **Disclosure of interests**

3. **Minutes**

The [minutes](#) of the meeting held on 21 November 2022 to be submitted and signed.

4. **Financial Planning: Draft Revenue and Capital Budgets for 2023/24 and Medium Term Financial strategy to 2025/26 (Pages 3 - 111)**

5. **Financial Monitoring Report to Period 8 2022/23 (30 November 2022) (Pages 112 - 139)**

**Report to:** Finance Scrutiny Committee  
**Date of meeting:** 9 January 2023  
**Report of:** Director of Finance  
**Title:** Financial Planning

## 1.0 SUMMARY

- 1.1 The purpose of this report is to enable the Budget Panel to consider service level expenditure, funding and council tax levels for the medium term 2023/24 to 2025/26, including the use of reserves and the 2023/24 Council Tax calculations.
- 1.2 The report sets out:
- the revenue budgets for the period 2023/24 to 2025/26 and a revised budget for 2022/23
  - the capital programme for the period 2022/23 to 2025/26
  - the Council's income charging policy (including the individual Service fees and charges)
  - the Capital Strategy 2023/24 including the Treasury Management Strategy Statement and Prudential Indicators
- all of which are subject to Council approval.
- 1.3 The report includes advice from the Director of Finance on the adequacy of general reserves and balances in the context of the three year planning horizon 2023/24 to 2025/26.

## 2.0 RECOMMENDATIONS

### **That the Finance Scrutiny Committee:**

- 2.1 Considers the budget (**Attachment 1**) as laid out in the report, including:
- the base budget for 2023/24
  - the Capital Investment Programme 2023/24 to 2025/26
- 2.2 Considers the schedule of fees and charges & income charging policy (**Attachment 2**)
- 2.3 Considers the capital strategy for 2023/24, including the Treasury Management Strategy Statement and Prudential Indicators. (**Attachment 3**)
- 2.4 Notes the advice provided by the Director of Finance on the robustness of estimates and the adequacy of reserves
- 2.5 Notes the indicative budgets for 2024/25 and 2025/26.
- 2.6 Makes any recommendations to Cabinet

## 3.0 IMPLICATIONS

### 3.1 Financial Implications

3.1.1 These are covered within the report.

## 3.2 Legal Implications

3.2.1 The Local Government Act 1992 requires billing authorities to complete and approve their budgets and set a council tax before 11 March each year, prior to the start of the financial year on 1 April. The budget and Council Tax Requirement for 2023/24 must therefore be agreed by Council by 11 March 2023.

3.2.2 It is a statutory requirement that the Capital Strategy is reviewed annually. The report meets the requirement of CIPFA's Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities and complies with the Local Government Act 2003.

3.2.3 It is a statutory requirement that the Chief Financial Officers provides a report under Section 25 of the Local Government Act 2003 on the robustness of estimates used in the budget and the sufficiency of the Council's reserves. This is included in the report.

## 4.0 Equalities

4.1 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 that the Council is not discriminating unlawfully when carrying out any of its functions.

4.2 This report provides an over view of Budget proposals and equalities issues will need to be specifically considered before any changes to existing service levels are introduced.

### Contact Officers:

For further information on this report please contact:-

Hannah Doney – Head of Finance  
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Pritesh Shah – Finance Manager  
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Report approved by Alison Scott, Director of Finance.

**Attachments:**

1. Budget Setting report
- 2a. Income Charging Policy
- 2b. Fees & charges schedule
3. Capital Strategy (including the Treasury Management policy and Prudential Indicators)





# **BUDGET SETTING**

**2023/24 to 2025/26**

## **Medium Term Financial Strategy**



**WATFORD  
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## 1. Executive Summary

- 1.1. The Medium Term Financial Strategy (MTFS) provides Members with information on the overall financial position of the Council over the next three years, and brings together the previous budget set by Council in January 2022, the budget monitoring activities carried out during the current year and the latest developments in funding, legislation and cost of service delivery.
- 1.2. Regular budget monitoring reports are presented to Cabinet, Finance Scrutiny Committee and the Corporate Management Board throughout the year. The latest budget monitoring report is available as at the end of November (Period 8).
- 1.3. Each year the Council is required to set a realistic, achievable and balanced budget for the forthcoming year and indicative budgets for the following two years.
- 1.4. The reductions in central government funding over the last decade against a backdrop of increasing demand for services has created a challenging financial environment for local authorities. The Council has a good track record of delivering services to budget, achieving efficiency savings, generating additional income and minimising service growth in order to continue to provide value for money services to the public.
- 1.5. The proposed MTFS for 2023/24 to 2025/26 is set out below and in detail at Appendix 1.

	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
<b>Net Expenditure</b>	<b>15,171</b>	<b>14,962</b>	<b>15,512</b>	<b>15,657</b>
Funded by:				
Planned Contribution to / (from) Reserves	(1,397)	(632)	(783)	(253)
Business Rates	(2,473)	(2,724)	(3,002)	(3,002)
Additional Government Funding	(1,641)	(1,216)	(661)	(661)
Deficit on Collection Fund	0	15	0	0
Budget Deficit funded from Reserve	(89)	(70)	(81)	(510)
<b>Council Tax Requirement</b>	<b>9,571</b>	<b>10,335</b>	<b>10,984</b>	<b>11,231</b>
<b>Council Tax Calculation:</b>				
Council Tax Base	33,891.3	35,532.1	36,669.1	36,760.8
Council Tax Charge for Band D	£282.41	£290.85	£299.55	£305.51

- 1.6. The proposed MTFS has been updated to include the latest information on government funding as set out in the Provisional Local Government Settlement, published by the Department for Levelling Up, Communities and Housing (DLUCH) on 19 December 2022. It also incorporates proposals for investment in services, service efficiencies and income generation and sets aside funding to meet anticipated pay awards over the MTFS period.
- 1.7. Table 1 (on the next page) summarises the changes from the current MTFS set in January 2022. Explanations of the changes are set out in the main body of the report and in the detailed appendices.
- 1.8. As set out in the MTFS, there is a budget deficit in 2023/24 of £0.070m which increases to £0.510m over the MTFS period. This budget gap will be managed through planned use of the

Economic Impact Reserve in 2023/24. Plans will be brought forward to address the gap from 2024/25 onwards as part of the budget setting process for 2024/25.

## 2. Revenue

2.1. The table below sets out the changes between the MTFS agreed in January 2022 and the proposed MTFS at Appendix 1 and the resulting budget gap. Explanations of the changes are set out in the paragraphs below.

**Table 1 Budget Gap**

MTFS Changes Summary	2023/24 £000	2024/25 £000	2025/26 £000	Total Gap Over MTFS £000
Gap in MTFS at 1 April (approved in January 2022)	149	228	228	605
<b>Changes to Net Expenditure:</b>				
Growth, Savings & Efficiencies	533	(218)	(525)	(210)
Contingency	65	493	816	1,373
Specific Grants rolled into Revenue Support Grant	92	92	92	276
Capital Financing Charges	1,254	1,852	1,981	5,086
Net changes	1,944	2,218	2,363	6,525
<b>Revised gap</b>	<b>2,093</b>	<b>2,446</b>	<b>2,591</b>	<b>7,130</b>
<b>Funding Changes:</b>				
Council tax	(571)	(1,025)	(1,270)	(2,866)
Business Rates	278	0	0	278
Collection Fund	15	0	0	15
Additional Government Funding	(767)	(211)	(211)	(1,189)
Total Funding Changes	(1,045)	(1,236)	(1,481)	(3,762)
Change in planned use of reserves	(978)	(1,130)	(600)	(2,707)
<b>Final gap</b>	<b>70</b>	<b>81</b>	<b>510</b>	<b>660</b>

2.2. Base budget changes. These are adjustments to the base budget through:

- In year changes. These are changes to the base budgets that have been identified and reported in the Finance Digest throughout the 2022/23 financial year. These changes amount to a variance of **£0.044m** in 2022/23. These are shown at **Appendix 2**
- Pay & Salary changes. The net result is a total increase of **£0.064m** over the three-year period. The pay budgets do not include an allowance for a pay award as this is yet to be agreed for future years. However, as set out below, the contingency budget includes a provision for a pay award in each year of the MTFS and this can be allocated to individual budgets once a pay award is confirmed.

2.3. Fees and charges

Each year the Council reviews its fees and charges in conjunction with its agreed income charging policy and adjusts the anticipated income accordingly. The biggest cost driver for chargeable services is officer time. In order to maintain full cost recovery or the current level of subsidy, fees and charges must increase by at least 6% to take account of the higher than

budgeted pay ward for 2022/23 (6%, 4% above 2% budget) and budgeted pay award for 2023/24 (2%).

2.4. The Council's income charging policy is at Attachment 2a with individual charges listed by service area at Attachment 2b. The proposed variations to projected fees and charges amount to an increase in expected income of £0.768m over the MTFS. Appendix 3 shows a summary of the implications of the 2023/24 fees & charges proposals. The Council's income charging policy is at Attachment 2 with individual charges listed by service area.

2.5. Council is asked to approve the revised fees and charges to commence on 1 April 2023 with the exception of the fees and charges for Building Control which are recommended to be approved as effective from 1 February to enable fee alignment for the new shared service.

2.6. Contingency

A contingency budget has been set aside to provide for likely additional expenditure over the MTFS period. A formal pay award has not been agreed for future years. However, it is prudent to assume that there will be pay awards in light of current inflation rates. A budget equating to a 2% annual increase in pay over the MTFS has been set aside. A further allowance has also been made for additional costs in 2023/24 and 2024/25 in relation to capital financing, which includes the risk of increased interest rates for external borrowing, and for inflation within the Council's Veolia contract.

2.7. Growth and Efficiencies

**Appendix 4** contains detail of the growth items which reflect current priorities and pressures offset by efficiency savings and additional income generation.

2.8. Planned Use of Reserves

During 2020/21 a Renewal Fund was established to help Watford recover from the impacts of COVID-19. Based on the latest monitoring report, the balance on the reserve is forecast to be £0.500m at 31 March 2023. The balance of the fund will be utilised in full by 2024/25 and will be drawn down to offset the income shortfall arising from the SLM contract in 2023/24 and 2024/25. Planned reserve movements are set in paragraph 4.4 below.

2.9. Impact of funding changes

The Council receives its income from various sources to fund its revenue expenditure on the services it provides. These are subject to fluctuation. The table below shows the adjustments to the budgets for the funding streams over the MTFS. These adjustments amount to a total increase in resources of **(£3.762m)** over the MTFS.

**Table 2 Changes in Funding Against Budget**

Funding Changes	2023/24 £000	2024/25 £000	2025/26 £000	Over MTFS £000
Business rates	278	0	0	278
Council tax	(571)	(1,025)	(1,271)	(2,867)
Collection Fund (Surplus) / Deficit	15	0	0	15
New Homes Bonus	(556)	0	0	(556)
Revenue Support Grant	(100)	(100)	(100)	(301)
Services Grant	(110)	(110)	(110)	(331)
<b>Total</b>	<b>(1,045)</b>	<b>(1,235)</b>	<b>(1,482)</b>	<b>(3,762)</b>

- 2.10. On 12 December 2022 the Department for Levelling Up, Housing and Communities (DLUHC) issued the 'Local government finance policy statement 2023/24 to 2024/25'. The statement was intended to provide councils with 'greater certainty on key aspects of their funding' recognising that 'it is incredibly important for their budget setting process and their ability to plan for the future.'
- 2.11. The policy statement confirmed the increased flexibility for Council Tax outlined in the Chancellor's Autumn Statement on 17 November 2022 which increased the referenda limit by 1% to 3% or more than £5 (whichever is the greater).
- 2.12. The statement set out that there would also be changes to settlement grants. The Services Grant will be reduced from 2022/23 allocations to remove the compensation for the increase in National Insurance Contributions which was reversed from 6 November 2022 following the mini budget on 23 September 2022. The Lower Tier Services Grant has also been repurposed to create a new one-off funding guarantee to ensure that all authorities achieve a 3% increase in their Core Spending Power before Council tax increases. This is intended to help authorities manage inflationary pressures.
- 2.13. It was also confirmed that there would be a new round of New Homes Bonus (NHB) payments in 2023/24 but that this is a one off allocation and will not attract legacy payments for future years.
- 2.14. For 2024/25, the policy statement confirmed that the core settlement will 'continue in a similar manner' with the continuation of major grants, business rates pooling and council tax referendum principles. However, there is no confirmation about the future of the Services Grant, Funding Guarantee Grant or NHB. The MTFs assumes that the Services Grant will continue across the MTFs at the 2023/24 allocation and that an allocation of £0.450m for NHB will be received in 2024/25 and 2025/26.
- 2.15. In addition, the government has committed to reviewing the position of funding for lower tier authorities ahead of the 2024/25 settlement taking into account the impact of the Extended Producer Responsibility for packaging (pEPR) scheme. The scheme is expected to be introduced in 2024/25 and will bring a significant new funding stream for lower tier authorities. His Majesty's Treasury (HMT) and Department for Environment, Food and Rural Affairs (DEFRA) will be assessing the impact of the income of the relative needs and resources of local authorities in the coming year to factor into the 2024/25 settlement. At this stage, with limited information available, it is not possible to assess the impact of the scheme on the Council's funding position, including other funding grants, and no assumptions have been factored into the proposed MTFs.
- 2.16. The statement confirms that the 'Fair Funding Review', which was originally planned for implementation in 2019/20, will not take place within the period of the current parliament but the implementation of proposed reforms remain a real prospect for 2025/26. The proposals include plans for Councils to increase the percentage of business rates they keep from 50% to 75% and would establish new baseline funding levels for each local authority that takes account of both the needs of local authorities and the resources available to local authorities.

- 2.17. The Provisional Local Government Finance Settlement 2023/24 was published on 19 December 2022. This confirmed the approach outlined in the policy statement and provided detailed grant allocations for 2023/24:
- New Homes Bonus £1.006m
  - Revenue Support Grant £0.100m
  - Services Grant £0.110m
- 2.18. The Revenue Support Grant (RSG) includes an element in relation to Local Council Tax Support which was previously received as a ringfenced grant and has now been rolled into RSG. The Council has not been allocated any Funding Guarantee Grant as the Council has already achieved a 3% increase in core funding primarily as a result of the significant New Homes Bonus allocation.
- 2.19. The Provisional Settlement is subject to consultation which closes on 16 January 2023 with the final settlement expected in February 2023.
- 2.20. The detailed MTFS is provided at Appendix 1. The proposed Net Expenditure budget for the Council in 2023/24 is **£14.962m**.
- 2.21. The number of properties (known as the Council Tax Base) is calculated by adjusting for banding (so that a total number of Band D properties are known) and the effects of the Local Council Tax Reduction Scheme. The analysis of dwellings in **Appendix 5** for the 2023/24 Council Tax Base results in a figure of **35,532.1** after allowing for the Council Tax Reduction Scheme and a collection rate of 97%. This is an increase of 4.84% which is primarily due to growth in housing development. It is currently assumed that the tax base will continue to grow in 2024/25 by a further 3.2% before growth slows to 0.25% in 2025/26.
- 2.22. The average Band D Council Tax charge for 2023/24 is proposed to be **£290.85**, a 2.99% increase from 2022/23. The MTFS includes an assumption that Council Tax will increase by 2.99% in 2024/25 and 1.99% in 2025/26 although this is indicative and subject to review through the budget setting process for 2024/25.
- 2.23. This Council's Council Tax Requirement for 2023/24 is **£10.335m**.

### **3. Capital Investment Programme**

- 3.1. The Capital Investment Strategy is set out in Attachment 3. The purpose of the capital strategy is to tell a story that gives a clear and concise view of how the council determines its priorities for capital investment, decides how much it can afford to borrow and sets its risk appetite. The Capital Investment Programme details the schemes that will be delivered to deliver against the capital investment priorities.
- 3.2. The Capital Investment Programme includes three different types of scheme – business as usual (regular improvements and replacement of key Council assets such as buildings, vehicles and ICT), major projects, and loans to subsidiaries and joint ventures. Much of the capital expenditure which relates to major projects and loans will be returned to the Council in future years as capital receipts. **Appendix 6** sets out the proposed Capital Programme. **Appendix 7** provides detail on new growth bids.

**Table 3 MTFS - Capital Investment Programme**

MTFS - Capital	Forecast	Draft	Draft	Draft	Total
	Outturn	Budget	Budget	Budget	
	2022/23	2023/24	2024/25	2025/26	
	£000	£000	£000	£000	£000
Original Capital Programme as Approved at Council (January 2022)	79,210	21,740	4,947	0	105,897
Approved rephasings and budget approvals	37,669	0	0	0	37,669
<b>Latest Budget</b>	<b>116,879</b>	<b>21,740</b>	<b>4,947</b>	<b>0</b>	<b>143,566</b>
Changes through budget monitoring to P8	(70,799)	24,196	8,929	5,399	(32,275)
<b>Forecast</b>	<b>46,080</b>	<b>45,936</b>	<b>13,876</b>	<b>5,399</b>	<b>111,291</b>
<b>Growth Items</b>					
Corporate, Housing & Wellbeing Place		0	0	780	780
Strategic Finance		433	1,114	806	2,353
		0	0	677	677
<b>Total Growth</b>		<b>433</b>	<b>1,114</b>	<b>2,263</b>	<b>3,810</b>
<b>Total Potential Capital Programme</b>	<b>46,080</b>	<b>46,369</b>	<b>14,990</b>	<b>7,662</b>	<b>115,101</b>

- 3.3. Over the course of 2022/23 a detailed review of the Capital Programme has been undertaken to ensure that the projections for capital spend are robust, realistic and affordable. This has included reviewing carry forwards from prior years to ensure that the budget is still required, tidying residual budgets as projects are ending, and matching budgets to achievable delivery timescales. This has resulted in a reduction of the capital programme within the MTFS period of £32.275m with some spend now moved to beyond the current MTFS period.
- 3.4. This approach has protected the key programmes within the Capital Programme which include Woodside Sports Village, investment in Parks and Open Spaces, Transport and Infrastructure, development of Watford Business Park and the Town Hall Quarter.

#### **Funding the Capital Investment Programme**

- 3.5. The Council funds its capital programme from its reserves, capital receipts, and capital grants and contributions. Subject to prudential and affordable limits, the Council may also borrow to support capital investment. This is subject to the affordability and prudential limits set out at a high level by the Government and in detail by the Council in its Capital Strategy (Attachment 3). This borrowing requirement may be raised from external providers, or temporarily met internally from cash the Council holds day to day.

**Table 4 Funding the Capital Programme**

FUNDING TYPE	Forecast	Proposed	Proposed	Proposed
	Outturn	Budget	Budget	Budget
	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
Grants & Contributions	7,877	1,026	185	55
Reserves	24	251	94	0
Capital Receipts	2,298	19,870	0	0
Section 106 & CIL Contributions	581	545	605	45
Local Enterprise Partnership Loan	1,250	0	0	0
Land Transfer		5,025	0	0



Borrowing (Internal & External)	34,051	19,652	14,106	7,562
<b>TOTAL CAPITAL FUNDING APPLIED</b>	<b>46,080</b>	<b>46,369</b>	<b>14,990</b>	<b>7,662</b>

- 3.6. The cost of borrowing associated with the delivery of the capital investment programme is included within the revenue budget.
- 3.7. The Council's proposed Prudential Indicators for Capital Finance are set out in Attachment 3. The Prudential Indicators provide a framework to ensure that the Council's capital investment plans are prudent and affordable.

#### 4. Reserves

- 4.1. The Council has set aside specific amounts as reserves for future policy purposes and to provide contingency to manage financial risks.
- 4.2. The Council has two reserves to manage general financial risks. These are the General Fund and the Economic Impact Reserve. It is assumed that the budget gap identified in the MTFS will be met from the Economic Impact Reserve. The following table sets out the expected movement over the MTFS:

**Table 5 General Fund and Economic Impact Reserve Forecast**

	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000
General Fund	(2,000)	(2,000)	(2,000)	(2,000)
Economic Impact Reserve Opening Balance	(1,744)	(1,590)	(1,520)	(1,439)
Budget deficit funded from reserves		70	81	510
Planned Contributions (to) / from reserves	154			
Economic Impact Reserve Closing Balance	(1,590)	(1,520)	(1,439)	(929)
<b>Closing Balances</b>	<b>(3,590)</b>	<b>(3,520)</b>	<b>(3,439)</b>	<b>(2,929)</b>

- 4.3. The Council also holds Earmarked Reserves which are designated to manage specific risks, future one off expenditure or timing differences between grant funding and expenditure. The table below provides a summary of Earmarked Reserve movements over the MTFS.

**Table 6 Earmarked Reserves Summary**

	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000
Opening Balances	(41,612)	(40,280)	(39,647)	(38,864)
Planned Contributions (to) / from reserves	1,332	633	783	253
<b>Closing Balances</b>	<b>(40,280)</b>	<b>(39,647)</b>	<b>(38,864)</b>	<b>(38,611)</b>

- 4.4. The full schedule of reserves and the anticipated position is attached at **Appendix 8**. The proposed use of reserves for revenue in 2023/24 to 2025/26 is as follows:

- The Council has set aside funds to cover the costs of future pension payments. Some of these funds are to be applied to the additional payments required by the scheme actuary for 2023/24 and 2025/26 totalling £0.600m.
- There is a sufficient balance within the Economic Impact Reserve to fund the budget deficit across the MTFs although it is anticipated that the budget gap for 2024/25 onwards will be addressed through the budget setting process for 2024/25.
- The general fund working balance has been maintained at a prudent and risk assessed level of **£2.000m**.
- The balance of £0.500m relating to the renewal recovery fund will be drawn down in full during 2023/24 (£0.300m) and 2024/25 (£0.200m) to offset the shortfall in income from the leisure contract as a result of the impact of COVID-19.
- The Riverwell Reserve will be utilised in 2023/24 and 2024/25 to meet the additional costs of capital finance.
- The Sustainability Reserve is forecast to be £0.421m at 31 March 2023. The Sustainability Strategy is currently out for consultation, the Sustainability Reserve will be used to implement the Strategy during the period of the MTFs. Once the programme is approved, the drawdown on the reserve will be reflected within Budget Monitoring.

## 5. Key Risk Areas

5.1. The Council's budget is exposed to risks that can potentially impact on service level provision and financial stability. Officers have identified some key risks pertinent to the information and forecasts in this paper.

5.2. Macroeconomic risks:

- **COVID-19 Legacy impact**

Britain is the only G7 economy with gross domestic product (GDP) below its pre-pandemic level with some areas of the economy slower to recover than others. This is visible within the Council's own services such as parking and the leisure contract where activity levels are below the pre-pandemic forecasts which had assumed growth over the period 2019 to 2022.

- **Inflation**

It is generally expected that inflation will fall during 2023/24 because of a variety of factors including a slowdown in demand for goods and services that should put a downward pressure on prices and production difficulties for businesses starting to ease. Annual pay growth is approaching 6% across the economy but is significantly lower than inflation meaning a real terms pay cut for most workers.

A slowing in inflation will reduce future price rises but will not return prices to previous levels meaning that higher prices are baked into expenditure in future years.

- **Interest rates**

The Bank of England (BoE) base rate was raised by 0.5% to 3.5% on 15 December 2022 as the bank's Monetary Policy Committee (MPC) attempts to return inflation to its 2% target. The Council's Treasury Management advisors, Link Asset Management currently forecast that the base rate will peak at 4.5% in May 2023 before starting to fall again in 2024 with a projection of 2.5% by September 2025.

- **Recession**

The Independent Office of Budget Responsibility (OBR) has stated that the UK is likely to be

in recession based on the latest data from the Office for National Statistics (ONS) showing that the economy shrank by 0.3% between August and October. The BoE expects the recession to last for at least the whole of 2023 and the first half of 2024 with a gradual recovery thereafter. Continuing high energy prices and higher borrowing costs for businesses and households will hold back growth. It is expected that business investment will remain weak and that there will be an increase in unemployment. Although unemployment levels are at the lowest since the 1970s this is largely due to rising economic inactivity as a result of growth in early retirement and rates of long-term sickness. Actual levels of employment remain below pre-COVID levels.

### 5.3. Local Risks:

- **Croxley Park**

The report to Council on the purchase of Croxley Business Park outlined the risks the Council was taking on as part of the lease arrangement. There is a substantial cash pot that the Council has received to mitigate risks around rental shortfalls and planned programmed maintenance. The retention of this pot against these risks was taken into account in the Council decision. The Council holds two reserves in relation to Croxley Park. The first is the revenue earmarked reserve to manage fluctuations in rental income as a result of voids which was £17.181m at 31 March 2022. The second is the capital reserve to support ongoing capital improvements to the park. This was £62.917m at 31 March 2022.

- **Commercial Income**

With all rental properties, there is risk of the property becoming empty and a void period occurring. The length and depth of the expected recession is unknown but presents a risk to the Council's commercial income as tenants and the market are adversely impacted. The budget includes additional income from commercial lettings as the Watford Business Park redevelopment takes place. However, a delay in the timing of the development or challenges to securing tenants during a recession could result in a shortfall against the budget.

- **Development risk (changes in the market)**

If the market changes, then some of the development projects planned may not materialise and offer the benefits envisaged and would also impact adversely on some the Council's partners. The Council holds the Riverwell reserve to mitigate against the risk of reduced income to the Council's revenue budget.

- **Housing**

The housing service is demand led and is likely to see an increase in residents seeking support from the Council if the cost of living crisis persist into 2023/24. Homelessness Prevention Grant allocations have now been confirmed for 2023/24 (£0.646m) and 2024/25 (£0.656m). The grant allocations are based on a new formula; however transition arrangements have been enhanced to ensure that no authority has a reduction from their core allocation in 2022/23. DLUHC remain committed to further review of the allocation methodology and there is a risk that funding will reduce from 2025/26 when current transition arrangements end.

- **New Shared Services**

During 2022/23 the Council has entered into new shared service arrangements with St Albans City and District Council. These arrangements are expected to improve resilience and deliver efficiencies over the medium to long term, however there is a risk that whilst

the new arrangements become established there are increased or unplanned costs.

- 5.4. The detailed risk matrix is at **Appendix 9**. The Council has a risk management framework and strong governance arrangements in place including the Property Investment Board, Shareholder Board, Audit Committee and Finance Scrutiny Committee which monitor these risks.

## **6. Chief Finance Officer's Statutory Report**

- 6.1. Under Section 25 of the Local Government Act 2003, the Council's Chief Finance Officer (designated officer under section 151 of the Local Government Act 1972) must report to Council on the following matters:

- a. the robustness of the estimates made for the purposes of the calculations, and
- b. the adequacy of the proposed financial reserves

- 6.2. The Director of Finance confirms the estimates have been correctly calculated under the assumptions used. The council would have sufficient balances to fund the 2023/24 budget, including the gap for the final year of the MTFs, recognising that work will continue during 2023/24 and 2024/25 to close the gap in future years.

- 6.3. There remains considerable uncertainty around the macro-economic climate and its impact on the Council's MTFs, especially in future years. Key uncertainty includes:

- The ongoing level of inflation and the impact of inflation on underlying budgets, including next years local government pay award and the impact of inflation on our key contracts. Continued high inflation is also likely to increase demand for some key services and impact on council tax revenues;
- The Council has a significant level of commercial income and income from its joint ventures, risks around income from Croxley Park and joint ventures are managed through specific earmarked reserves.
- The Council remains at the floor in respect of Business Rate Income so whilst a fall in business rate income would affect the timing of resources, over time the impact is recovered.
- Future interest rate levels which impacts on the Council's cost of borrowing;
- The impact of national changes to waste collection and waste disposal, including the introduction of the 'producer pays' charges and associated additional funding source.

- 6.4. The Council will continue to manage the risks within its budget through active budget monitoring, taking steps in year to address any pressures, and through the use of the Economic Impact Reserve and ultimately General Balances.

- 6.5. Resources beyond 2023/24 remain uncertain. Whilst the Government's policy statement on local government finance gave some detail on 2024/25, it also committed to a review of lower tier funding in light of the additional resources coming to district councils through 'producer pays' funding in waste. Fair funding and the reset of the business rates base will not take place in 2024/25 with changes due to be introduced in the next Parliament.

**REPORT PREPARED BY:** Pritesh Shah - Finance Manager  
Hannah Doney – Head of Finance


**BACKGROUND PAPERS:**

2022/23 Financial Monitoring Reports  
Cabinet Reports  
2022-25 Financial Planning Report

**APPENDICES:**

Appendix 1	Medium Term Financial Strategy 2022/23 to 2025/26
Appendix 2	In Year Base budget changes 2022/23
Appendix 3	Summary Fees & Charges 2023/24
Appendix 4	Growth, Savings and Efficiencies 2023/24 to 2025/26
Appendix 5	Council Tax base and calculation 2023/24
Appendix 6	Capital programme 2023/24 to 2025/26
Appendix 7	New Capital Schemes
Appendix 8	Earmarked Reserves and General balances
Appendix 9	Risk Matrix

## Medium Term Financial Strategy (MTFS) 2022/23 to 2025/2026

 <b>WATFORD BOROUGH COUNCIL</b> BE BOLD	2022/23	2022/23	2023/24	2024/25	2025/26
	Original	Revised at Period 8	Draft	Draft	Draft
	£000	£000	£000	£000	£000
Corporate, Housing & Wellbeing	5,538	5,139	5,682	5,693	5,693
Place	(51)	2,200	(879)	(876)	(876)
Democracy & Governance	1,998	2,029	2,017	2,028	2,028
Corporate Strategy & Comms	1,438	1,469	1,652	1,655	1,655
Human Resources	525	512	481	482	482
Strategic Finance	4,287	3,822	4,065	4,312	4,312
<b>Net cost of services</b>	<b>13,734</b>	<b>15,171</b>	<b>13,018</b>	<b>13,293</b>	<b>13,293</b>
<b>Financial Planning</b>					
Growth & Savings and Income Generation			533	(218)	(525)
Specific Grants rolled into Revenue Support Grant			92	92	92
Contingency			65	493	816
Capital Financing Charges			1,254	1,852	1,981
<b>Total Financial Planning</b>			<b>1,944</b>	<b>2,218</b>	<b>2,363</b>
<b>Total Net Expenditure</b>	<b>13,734</b>	<b>15,171</b>	<b>14,962</b>	<b>15,512</b>	<b>15,657</b>
<b>Planned Use of Reserves</b>					
Contributions to reserves	1,288	1,288	200	240	280
Contributions from reserves	(1,248)	(2,685)	(832)	(1,023)	(533)
<b>Total Planned Use of Reserves</b>	<b>40</b>	<b>(1,397)</b>	<b>(632)</b>	<b>(783)</b>	<b>(253)</b>
<b>Funding</b>					
Council Tax	(9,571)	(9,571)	(10,335)	(10,984)	(11,231)
Collection Fund (surplus) or deficit	0	0	15	0	0
Business Rates	(2,473)	(2,473)	(2,724)	(3,002)	(3,002)
New Homes Bonus	(718)	(718)	(1,006)	(450)	(450)
Additional Government Funding	(923)	(923)	(211)	(211)	(211)
<b>Sub-Total</b>	<b>(13,685)</b>	<b>(13,685)</b>	<b>(14,260)</b>	<b>(14,647)</b>	<b>(14,894)</b>
<b>Total Funding &amp; Use of Reserves</b>	<b>(13,645)</b>	<b>(15,082)</b>	<b>(14,892)</b>	<b>(15,431)</b>	<b>(15,147)</b>
<b>Gap</b>	<b>89</b>	<b>89</b>	<b>70</b>	<b>81</b>	<b>510</b>
<b>Reserves - opening balances</b>					
Planned use of reserves	257	1,397	632	783	253
Gap funded from reserves	513	89	70	81	510
<b>Reserves - closing balances</b>	<b>(15,266)</b>	<b>(43,870)</b>	<b>(43,168)</b>	<b>(42,303)</b>	<b>(41,541)</b>
<b>Council Tax Rate Calculation</b>					
Council tax base	33,891	33,891	35,532	36,669	36,761
Council tax charge for band D	£282.41	£282.41	£290.85	£299.55	£305.51
<b>£'000</b>	<b>9,571</b>	<b>9,571</b>	<b>10,335</b>	<b>10,984</b>	<b>11,231</b>

Note: The Reserves opening balances for 2022/23 have been restated at Period 8 to include audit adjustments relating to the Croxley Park and Riverwell reserves.

## In Year Base Budget Changes

Place		
Description	Details of Variances	£
Building Control	Professional fees - consultancy to cover additional business needs	20,000
	Decrease in building reg. application fees due to downturn in market and lower demand on inspections	61,000
Development Control	Lower than expected income from Planning Application Fees due to current economic climate	50,000
Policy Team	Saving on employee costs due to vacant post	(50,000)
Land Charges	Search fee income not expected to meet budget target due to current market conditions	50,000
Economic Development	Resource funding agree from renewal funding held Strategic Finance	75,000
CCTV	Additional income from third parties for use of security cameras	(18,200)
Implementation Team	Reduction in Engineering Services undertaken on behalf of partners resulting in a reduction to income.	25,000
Green Travel Plan	Income received from Third Parties for services provided on projects	(140,000)
Investments - Core	Loss of rental income for the year on Intu Watford due to cost recovery	360,000
Valuations & Estates Group	Additional staffing costs for agency appointments	80,000
	Additional costs for the Watford Junction Project - Allocation from agreed budgets in Strategic Finance	120,000
	Saving on employee costs due to vacant post	(25,000)
	External contract management costs for rental income portfolio	135,000
Highways	Funding from HCC for highways	(45,000)
Town Hall Carpark	Loss of income due to suspended charging for parking	33,000
Town Hall offices & Council Suites	Increase in expenditure on utilities due to price increases and varying market conditions	43,000
	Reduction in rental income from the Annex	80,000
SLM (Central & Woodside)	Loss of income from service provider due to the impact of COVID-19 on business recovery	463,000
Recycling - Kerbside	Call handling costs for garden waste and recycling. Income credited to customer & Corporate services	23,350
New Market	Increase electricity costs due to economic climate and increase in number of units being occupied	96,000
	Christmas decorations - Allocation from agreed budgets in Strategic Finance	16,278
Parking	Additional costs on the enforcement contract, costs to be funded as part of the Car Parking Reserve	112,000
Employee Costs	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	61,495
	Other Variances	(13,604)
<b>TOTAL</b>		<b>1,612,319</b>

<b>Corporate Housing and Wellbeing</b>		
<b>Description</b>	<b>Details of Variances</b>	<b>£</b>
Customer Services Centre	Call handling costs for garden waste and recycling. Income allocation from Recycling Kerbside	(23,350)
ICT Services	Efficiency saving target for 2022/23 will not be met	61,568
Project Resource	Approved funding allocation for sustainable strategy - from budgets in Strategic Finance	37,698
Housing	Anticipated demand on housing following Covid19 has not reached levels as first projected.	(894,300)
Environmental Health Team	Income from costs awarded following successful prosecution of a fatal accident at work.	(475,000)
Commercial Contract Costs	Contract costs income budgets updated with current agreed charges	45,000
Climate Change	Approved funding from Strategic Finance and Sustainability reserve to fund projects and additional resources	119,400
Printing Section	Decrease in spend on print materials and in-house printing costs	(43,000)
WBC Properties	Net decrease on the cost of maintenance	(71,900)
Employee costs	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	61,869
	Other Variances	22,702
<b>TOTAL</b>		<b>(1,159,313)</b>

<b>Corporate Strategy &amp; Communications</b>		
<b>Description</b>	<b>Details of Variances</b>	<b>£</b>
Civic Events	Net increase on costs funding the Centenary event	21,041
Projects	Allocation of agreed budgets to fund projects/resources across the services	70,000
Employee	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	(11,657)
<b>TOTAL</b>		<b>79,384</b>



<b>Democracy &amp; Governance</b>		
<b>Description</b>	<b>Details of Variances</b>	<b>£</b>
Legal Services	Contribution to the new Iken case management system as part of shared services	4,000
Employee	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	6,922
	Other Variances	1,119
<b>TOTAL</b>		<b>12,041</b>

<b>Human Resources</b>		
<b>Description</b>	<b>Details of Variances</b>	<b>£</b>
HR Shared Service	Net increase in payroll contract costs	8,000
Employee	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	(30,769)
<b>TOTAL</b>		<b>(22,769)</b>

<b>Strategic Finance</b>		
<b>Description</b>	<b>Details of Variances</b>	<b>£</b>
Budget Strategy Items	Additional staffing costs based on revised pay offer for 2022/23 subject to final approval	362,000
	Allocation of agreed budgets to fund projects/resources across the services	(359,376)
	Renewal fund allocation to reserves to fund projects identified for future years	(500,000)
Employee	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	(87,860)
Other		107,935
<b>TOTAL</b>		<b>(477,301)</b>

<b>GRAND TOTAL</b>		<b>44,361</b>
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Summary Fees & Charges

Service	(A) 2022 / 23 Original Budget £	(B) 2023 / 24 Draft Budget already included in MTFS £	(B) - (A) Variance Year on Year 2022/23 to 2023/24 £	(C) 2023/24 Proposed Budget £	(C) - (B) Variance Draft to Proposed £
<b>PLACE</b>					
Parks, Pitches & Woods	(15,600)	(15,600)	0	(15,600)	0
Cemeteries	(388,500)	(388,500)	0	(388,500)	0
Cheslyn	(205,000)	(205,000)	0	(205,000)	0
SLM	(1,065,877)	(1,065,877)	0	(1,065,877)	0
Waste	(619,160)	(619,160)	0	(827,980)	(208,820)
Specials & Street Cleansing	(51,130)	(51,130)	0	(60,000)	(8,870)
Arts, Events and Heritage	(25,000)	(25,000)	0	(25,000)	0
Housing	(316,907)	(316,907)	0	(316,907)	0
Parking - Controlled Parking Zones (see below)	(1,340,000)	(1,340,000)	0	(1,540,000)	(200,000)
Parking - Other (incl. Avenue, Longspring & Town Hall)	(243,780)	(243,780)	0	(243,780)	0
Building Control	(292,000)	(292,000)	0	(292,000)	0
Development Control (including Policy Team)	(785,000)	(785,000)	0	(797,000)	(12,000)
Land Searches	(120,000)	(120,000)	0	(120,000)	0
	<b>(5,467,954)</b>	<b>(5,467,954)</b>	<b>0</b>	<b>(5,897,644)</b>	<b>(429,690)</b>
<b>CORPORATE, HOUSING AND WELLBEING</b>					
Customer Services (including Information Unit)	(12,500)	(12,500)	0	(12,500)	0
Licenses	(125,300)	(125,300)	0	(125,300)	0
Other Licenses	(38,584)	(38,584)	0	(38,584)	0
Gaming Licenses	(99,252)	(99,252)	0	(99,252)	0
Stray Dogs	(700)	(700)	0	(700)	0
Pests	(39,350)	(39,350)	0	(62,350)	(23,000)
Environmental Abandoned Vehicles	(500)	(500)	0	(500)	0
Environmental Miscellaneous	(54,000)	(54,000)	0	(54,000)	0
	<b>(370,186)</b>	<b>(370,186)</b>	<b>0</b>	<b>(393,186)</b>	<b>(23,000)</b>
<b>DEMOCRACY &amp; GOVERNANCE</b>					
Elections Unit	(4,000)	(4,000)	0	(4,000)	0
	<b>(4,000)</b>	<b>(4,000)</b>	<b>0</b>	<b>(4,000)</b>	<b>0</b>
<b>STRATEGIC FINANCE</b>					
Council Tax (Single Person Discount)	(2,000)	(2,000)	0	(2,000)	0
	<b>(2,000)</b>	<b>(2,000)</b>	<b>0</b>	<b>(2,000)</b>	<b>0</b>
Sub Total	<b>(5,844,140)</b>	<b>(5,844,140)</b>	<b>0</b>	<b>(6,296,830)</b>	<b>(452,690)</b>
<b>Less:</b>					
Parking - Controlled Parking Zones (see above)	1,340,000	1,340,000	0	1,540,000	200,000
<b>Total</b>	<b>(4,504,140)</b>	<b>(4,504,140)</b>	<b>0</b>	<b>(4,756,830)</b>	<b>(252,690)</b>

## Growth, Savings and Efficiencies

Corporate, Housing and Wellbeing Services	Category	Proposal Description	2023/24 £	2024/25 £	2025/26 £	MTFS Total £
	Efficiency Saving		(35,000)	(35,000)	(35,000)	(105,000)
		Service efficiencies in the former Community Protection service budgets				
	Efficiency Saving	Licensing services efficiencies	(7,000)	(17,000)	(17,000)	(41,000)
	Efficiency Saving	Utilities and rates savings on surplus sites.	(3,000)	(13,300)	(13,300)	(29,600)
Housing and Wellbeing	Fees and Charges	Increase in income from pest control services	(23,000)	(28,000)	(28,000)	(79,000)
	Efficiency Saving	Efficiencies in animal control	(8,000)	(8,000)	(8,000)	(24,000)
	Efficiency Saving	Deletion of vacant 0.5FTE post	(17,000)	(17,000)	(22,000)	(56,000)
	Efficiency Saving	Alternative funding for particulate monitoring	(7,000)	(7,000)	(7,000)	(21,000)
	Efficiency Saving	Service efficiencies in the former Housing service budgets	0	0	(50,000)	(50,000)
<b>Total Growth, Savings and Efficiencies</b>			<b>(100,000)</b>	<b>(125,300)</b>	<b>(180,300)</b>	<b>(405,600)</b>

Democracy, Strategy and Initiatives	Category	Proposal Description	2023/24 £	2024/25 £	2025/26 £	MTFS Total £
Corporate Strategy & Comms	Service Change	Income from sponsorship to contribute to events programme.	0	(40,000)	(60,000)	(100,000)
	Efficiency Saving	Service efficiency in relation to capital programme charges.	0	(5,000)	(5,000)	(10,000)
	Efficiency Saving	Reduce the number of staff mobile phones.	(4,000)	(4,000)	(4,000)	(12,000)
	Efficiency Saving	Reduce consultancy support to the corporate mapping system.	(3,000)	(3,000)	(3,000)	(9,000)
	Efficiency Saving	Reduce consultancy support to the corporate reporting platform.	(20,000)	(25,000)	(25,000)	(70,000)
Customer and Corporate Services	Efficiency Saving	Reduce consultancy support to the Customer Service Centre systems.	(9,070)	(9,070)	(9,070)	(27,210)
	Efficiency Saving	Service efficiencies and increased digitalisation of the Customer Service Centre.	(8,750)	(17,500)	(17,500)	(43,750)
	Efficiency Saving	Service efficiencies in print.	(8,000)	(8,000)	(8,000)	(24,000)
	Efficiency Saving	Increase use of outsourced hybrid mail contracts.	(35,000)	(35,000)	(35,000)	(105,000)
	Income generation	Additional income from the street naming and numbering.	(7,500)	(7,500)	(7,500)	(22,500)
<b>Total Growth, Savings and Efficiencies</b>			<b>(95,320)</b>	<b>(154,070)</b>	<b>(174,070)</b>	<b>(423,460)</b>

Place	Category	Proposal Description	2023/24	2024/25	2025/26	MTFS Total
			£	£	£	£
	Fees and Charges	Additional income from Bulky Waste Collection	(8,870)	(8,870)	(8,870)	(26,610)
	Fees and Charges	Additional income from Garden Waste Collection	(208,820)	(208,820)	(208,820)	(626,460)
	Growth	Impact of inflation on the Veolia contractt and the introduction of a flat recycling services. Costs partially off set by contract efficiencies.	401,000	364,000	364,000	1,129,000
<b>Environment</b>	Growth	Reduction in management fee from SLM following revision to contract reflecting the impact of COVID-19.	554,000	389,000	389,000	1,332,000
	Growth	Reduction in income from HCC in relation to the Alternative Financial Model for recycling.	135,260	135,260	135,260	405,780
	Income generation	Donations for use of paddling pools	(25,000)	(25,000)	(25,000)	(75,000)
	Income generation	Additional income from parks mobile catering concessions.	0	(12,000)	(12,000)	(24,000)
	Income generation	Additional income from allotments.	(5,000)	(5,000)	(5,000)	(15,000)
	Service Change	Support partnership organisations to identify alternative sources of funding.		(50,000)	(100,000)	(150,000)
	Service Change	Recover full cost of maintaining HCC tree stock or transfer maintenance back to them.	0	(25,000)	(25,000)	(50,000)
<b>Parking Reserve</b>	Growth	Salary costs to support delivery of infrastructure schemes. To be funded from the parking reserve.	20,593	19,729	23,638	63,959
	Growth	Increased costs of enforcement contract. To be funded from the parking reserve.	154,000	154,000	154,000	462,000
	Growth	Impact of inflation on the parking service enforcement contract. To be funded from the parking reserve.	69,120	74,650	80,622	224,392
	Income generation	Additional income from the parking reserve.	(200,000)	(240,000)	(280,000)	(720,000)
<b>Planning, Infrastructure and Economic Development</b>	Fees and Charges	Additional income from Pre-Application planning fees.	(12,000)	(12,000)	(12,000)	(36,000)
	Income generation	Recover costs associated with CIL administration.	(32,798)	(32,798)	(32,798)	(98,394)
	Service Change	Delete part of vacant post.	(17,000)	(17,000)	(17,000)	(51,000)
<b>Property and Asset Management</b>	Efficiency Saving	Service efficiency from MSC1.	(13,000)	(15,000)	(17,000)	(45,000)
	Efficiency Saving	Service efficiency from Town Hall Quarter Project.		(141,000)	(141,000)	(282,000)
	Income generation	Additional income from the MSCP at Riverwell.	(50,000)	(100,000)	(100,000)	(250,000)
	Income generation	Additional income from commercial lettings	(135,000)	(285,000)	(435,000)	(855,000)
	Growth	LSH contract costs for outsourced properties	135,000	135,000	135,000	405,000
	Service Change	Delete part of vacant post.	(33,000)	(33,000)	(33,000)	(99,000)
<b>Total Growth, Savings and Efficiencies</b>			<b>728,485</b>	<b>61,151</b>	<b>(170,969)</b>	<b>618,667</b>

Council Tax Base and Calculation 2023/24

WATFORD 2023/24	Properties by Band									
	Band A Disabled	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
1. Dwellings	0.0	514.0	4,440.0	15,166.0	13,395.0	3,734.0	2,195.0	1,919.0	83.0	41,446.0
2. Demolished	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	1.0
3. Exemptions	0.0	40.0	133.0	235.0	161.0	56.0	28.0	18.0	1.0	672.0
4. Long Term Empty Premium	0.0	2.0	11.0	27.0	12.0	5.0	0.0	0.0	0.0	57.0
5. Disabled Relief	3.0	20.0	28.0	-17.0	-13.0	1.0	-16.0	-6.0	0.0	0.0
<b>6. Chargeable Dwellings (H)</b>	<b>3.0</b>	<b>495.0</b>	<b>4,340.5</b>	<b>14,927.5</b>	<b>13,227.0</b>	<b>3,680.5</b>	<b>2,151.0</b>	<b>1,895.0</b>	<b>82.0</b>	<b>40,801.5</b>
7. Discounts x 25% SPD	0.0	281.0	2,452.0	5,270.0	3,281.0	719.0	359.0	235.0	5.0	12,602.0
8. Discounts x 25%	0.0	3.0	41.0	166.0	106.0	23.0	17.0	10.0	0.0	366.0
9. Discounts x 50%	0.0	0.0	0.0	3.0	12.0	5.0	4.0	9.0	7.0	40.0
<b>10. Discount Deduction (Q)</b>	<b>0.0</b>	<b>71.0</b>	<b>623.3</b>	<b>1,360.5</b>	<b>852.8</b>	<b>188.0</b>	<b>96.0</b>	<b>65.8</b>	<b>4.8</b>	<b>3,262.0</b>
11. Additions/ Reductions	0.0	207.0	1,070.0	996.0	119.0	80.0	142.0	2.0	3.0	2,619.0
<b>12. Total Adjustments (J)</b>	<b>0.0</b>	<b>207.0</b>	<b>1,070.0</b>	<b>996.0</b>	<b>119.0</b>	<b>80.0</b>	<b>142.0</b>	<b>2.0</b>	<b>3.0</b>	<b>2,619.0</b>
<b>13. Sub-Total (H-Q+J)</b>	<b>3.0</b>	<b>631.0</b>	<b>4,787.3</b>	<b>14,563.0</b>	<b>12,493.3</b>	<b>3,572.5</b>	<b>2,197.0</b>	<b>1,831.3</b>	<b>80.3</b>	<b>40,158.5</b>
<b>14. Reduction Scheme (Z)</b>	<b>0.0</b>	<b>72.3</b>	<b>911.2</b>	<b>1,750.9</b>	<b>1,069.6</b>	<b>186.7</b>	<b>47.0</b>	<b>15.9</b>	<b>0.0</b>	<b>4,053.5</b>
<b>15. Net Dwellings ((H-Q+J)-Z)</b>	<b>3.0</b>	<b>558.7</b>	<b>3,876.1</b>	<b>12,812.1</b>	<b>11,423.6</b>	<b>3,385.8</b>	<b>2,150.0</b>	<b>1,815.4</b>	<b>80.3</b>	<b>36,105.0</b>
<b>16. Band Proportion (F)</b>	<b>5.0</b>	<b>6.0</b>	<b>7.0</b>	<b>8.0</b>	<b>9.0</b>	<b>11.0</b>	<b>13.0</b>	<b>15.0</b>	<b>18.0</b>	
<b>17. Band D Proportion (G)</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	
<b>18. Band D Equivalents</b>	<b>1.7</b>	<b>372.5</b>	<b>3,014.7</b>	<b>11,388.6</b>	<b>11,423.6</b>	<b>4,138.2</b>	<b>3,105.6</b>	<b>3,025.6</b>	<b>160.5</b>	<b>36,631.0</b>

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TAX BASE CALCULATION	
Total Band D Equivalents	36,631.0
Collection Rate	97.00%
Adjusted Band D	<b>35,532.1</b>

## Capital Programme 2022/23 to 2025/26

Capital Scheme	Forecast Outturn 2022/23	Proposed Budget 2023/24 (Including rephasings, savings & growth)	Proposed Budget 2024/25 (Including rephasings, savings & growth)	Proposed Budget 2025/26 (Including rephasings, savings & growth)
	£	£	£	£
<b>ED-CORPORATE, HOUSING &amp; WELLBEING</b>				
<b>ICT Shared Services</b>				
ShS-Migration To The Cloud	156,000	0	0	0
ShS-Hardware Replacement Programme	147,729	45,000	45,000	45,000
<b>ICT Client Services</b>				
ICT-Hardware Replacement Programme	603,287	0	200,000	200,000
ICT-Business Application Upgrade	386,270	78,000	165,000	165,000
ICT-Project Management Provision	120,000	120,000	120,000	120,000
<b>Town Hall Quarter (Delivery)</b>				
Town Hall Refurbishment	850,200	7,667,800	0	0
Colosseum Refurbishment	4,700,000	6,020,000	0	0
Annexe Refurbishment	1,750,000	0	0	0
Town Hall Quarter Programme Delivery	399,800	300,000	180,200	0
Reimagining Watford	20,000	0	0	0
Decarbonisation Project Salix	5,000,000	574,000	0	0
Innovation & Incubation Hub	0	0	156,800	0
<b>Environmental Health</b>				
Decent Homes Assistance	813,223	100,000	100,000	100,000
Private Sector Housing Renewal	227,240	100,000	100,000	100,000
<b>Housing</b>				
Private Sector Stock Condition	16,534	0	0	0
Retained Housing Stock	50,000	50,000	50,000	50,000
Housing First - Phase 2	20,000	0	0	0
<b>EH-COMMUNICATIONS, PARTNERSHIPS &amp; COMMUNITY</b>				
<b>Corporate Communications</b>				
Town Boundary Signage	0	65,000	0	0
<b>ED-PLACE</b>				
<b>Transport &amp; Infrastructure</b>				
Public Realm (High Street)	1,234	0	0	0
Public Realm (Clarendon Rd Phase III)	298,312	0	0	0
CCTV Site Equipment	15,000	10,000	10,000	0
Public Realm - Market St South	217,580	0	0	0
Camera Enforcement - High St	159,483	0	0	0
Public Realm - Queens Rd, The Broadway	100,000	200,000	0	0

Capital Scheme	Forecast Outturn 2022/23	Proposed Budget 2023/24 Including rephasings, savings & growth)	Proposed Budget 2024/25 Including rephasings, savings & growth)	Proposed Budget 2025/26 Including rephasings, savings & growth)
	£	£	£	£
Public Realm - Market St North	226,655	0	0	0
TTIW Delivery Programme	275,817	350,000	0	0
St Albans Rd Imp Works (Ph 2)	56,307	0	250,000	0
Wayfinding & Public Art Strategy	200,500	121,000	0	0
EV Rapid Charging Points Programme	403	99,597	100,000	100,000
CCTV Control Room Strategy	100,000	402,634	0	0
Watford Junction Masterplan	13,548	0	0	0
Parades Improvements	0	200,000	200,000	200,000
Sustainable Transport Programme	0	0	100,000	100,000
Watford 3D Planning Model	12,909	0	0	0
High St Phase 2 (St Mary's)	146,808	400,000	0	0
<b>Development Control</b>				
Section 106 - Herts CC Schemes	6,000	0	0	0
CIL Grant Funded Projects	154,932	0	0	0
<b>Corporate Asset Management</b>				
Community Asset Review	356,303	250,000	250,000	500,000
Building Investment Programme	100,000	0	0	0
<b>Watford Business Park</b>				
Watford Business Park Phase 2	7,000,000	8,553,787	0	0
<b>Watford Riverwell</b>	262,000	8,765,000	4,353,000	4,899,000
<b>Property Management</b>				
Temp Housing Accommodation	50,000	0	0	0
Surplus Sites	225,214	400,000	0	0
Lower High Street	1,985,000	0	0	0
Infill Sites (LEP funded)	0	840,675	0	0
Surplus Site - Land Acquisition (Site A)	0	900,000	0	0
<b>Waste &amp; Recycling (inc Veolia)</b>				
Veolia Contract Fleet Requirements	1,143,391	88,000	479,000	11,000
Flats - Extension of Recycling Provision	0	70,000	0	0
Veolia Capital Improvements	70,000	71,000	72,400	0
<b>Parks &amp; Open Spaces</b>				
Parks Water Fountains	0	45,000	45,000	45,000
The Orchard Park Ball proof Fence and Astro turf Wicket	0	0	60,000	0
Green Spaces Strategy	149,778	150,000	250,000	0
Oxhey Park North	38,948	0	0	0
Tree Planting Programme	60,000	50,000	50,000	50,000
River Colne Restoration	311,993	250,000	0	0

Capital Scheme	Forecast Outturn 2022/23	Proposed Budget 2023/24 Including rephasings, savings & growth)	Proposed Budget 2024/25 Including rephasings, savings & growth)	Proposed Budget 2025/26 Including rephasings, savings & growth)
	£	£	£	£
Nascot Grange Open Space	10,000	0	0	0
Parks Litter Bin Replacements	10,000	10,000	10,000	0
Meriden Park Improvements	145,556	0	0	0
Cassiobury Park Wetlands	133,000	75,000	0	0
Cassiobury Park Ad Hoc Works	25,000	25,000	0	0
Meriden Park Barrier	55,000	0	0	0
Footpaths - Cassiobury Park Nature Reserve	230,000	100,000	100,000	100,000
Footpaths - Cassiobury Park	138,000	100,000	100,000	100,000
Allotment Provision	0	50,000	0	0
Shrub Replacement (Open Space)	25,000	25,000	25,000	25,000
Parks - Building Investment	150,000	100,000	100,000	0
Oxhey Activity Pk- Modular Unit	63,110	0	0	0
<b>Cemeteries</b>				
Cemetery Reversion	75,000	0	0	0
North Watford Cemetery Improvements	30,000	0	0	0
New Cemetery Provision	45,000	0	0	0
Vicarage Rd - WFC Memorial Area	60,000	0	0	0
<b>Leisure &amp; Play</b>				
Watford Tennis Partnership	25,000	0	0	0
Oxhey Grange-Bowling Gr'N Imps	0	110,000	0	0
Cassiobury Park Tennis Courts	0	40,000	0	0
Orchard Park & Callowland Cricket Improvements	20,000	0	0	0
King George V Muga	20,000	0	0	0
Leavesden Green Rec Ground Improvements	50,000	0	0	0
Woodside Sports Village	415,000	2,000,000	4,446,733	0
Play Area Improvements	237,890	75,000	75,000	75,000
Lea Farm Recreation Improvements	12,000	0	0	0
<b>Culture &amp; Heritage</b>				
Watford Museum	60,000	0	0	0
Heritage Trail	105,437	0	0	0
Watford Market	25,000	0	0	0
<b>Shared Prosperity Fund</b>				
Supporting Local Business	0	20,490	120,450	0
<b>Community Projects</b>				
Cycle Hub	111,099	0	0	0



<b>Capital Scheme</b>	<b>Forecast Outturn 2022/23</b>	<b>Proposed Budget 2023/24 <u>Including</u> rephasings, savings &amp; growth)</b>	<b>Proposed Budget 2024/25 <u>Including</u> rephasings, savings &amp; growth)</b>	<b>Proposed Budget 2025/26 <u>Including</u> rephasings, savings &amp; growth)</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Paddock Road Depot Enhancements	1,013,503	0	0	0
<b>Commissioning</b>				
Cycle & Road Infrastructure Improvements	23,584	500,000	500,000	0
<b>Town Hall Quarter (Concept)</b>				
Regeneration Project	187,000	0	0	0
<b>Town Hall Quarter (Delivery)</b>				
Museum & Heritage	150,000	100,000	1,500,000	0
Colosseum Retender	34,000	0	0	0
<b>DoF-STRATEGIC FINANCE</b>				
<b>Capitalised Support Services</b>				
Support Services	552,470	552,470	552,470	552,470
Major Projects - FBP and QS	129,550	124,390	124,390	124,390
<b>Hart Homes JV</b>				
Land Transfer - Croxley View Phase 3	0	3,130,000	0	0
Land Transfer - Rear Of High St	0	760,000	0	0
Land Transfer - Scheme A	0	605,000	0	0
Land Transfer - Scheme B	0	530,000	0	0
Loan to Hart Homes WDLLP	5,850,000	0	0	0
Loan to Hart Homes WDLTD	5,632,010	0	0	0
<b>Capital Budget Contingency</b>				
Capital Contingency	1,232,931	0	0	0
<b>TOTAL PROPOSED CAPITAL PROGRAMME</b>	<b>46,079,538</b>	<b>46,368,843</b>	<b>14,990,443</b>	<b>7,661,860</b>

## New Capital Projects

Project Proposal	Capital Growth		
	Proposed Budget 2023/24 £	Proposed Budget 2024/25 £	Proposed Budget 2025/26 £
<b>Place</b>			
<b>Environment</b>			
<b>Parks Water Fountains</b>			
To provide water fountains at green flag parks for the public. Each unit costs £8,500 each plus plumbing. 14 more are required across the 17 green flag parks.	45,000	45,000	45,000
<b>The Orchard Park Ball proof Fence and Astro turf Wicket</b>			
This project will be subject to a ball strike risk assessment and carefully considering the health and safety of other users and activities on the site.	0	60,000	0
<b>Flats - Extension of Recycling Provision</b>			
Capital budget required for the extension to the recycling provision involving flats in Watford.	70,000	0	0
<b>Vehicle Fleet Replacement</b>			
To ensure a fit for purpose fleet to service the Council's operations.	88,000	479,000	11,000
<b>Footpaths - Cassiobury Park Nature Reserve</b>			
Continuation of footpath repair and upgrade programme for Cassiobury Park Nature Reserve.	0	0	100,000
<b>Footpaths - Cassiobury Park</b>			
Continuation of footpath repair and upgrade programme for Cassiobury Park.	0	0	100,000
<b>Shrub Replacement (Open Space)</b>			
This is an extension to the current rolling programme of improvements	0	0	25,000

Project Proposal	Capital Growth		
	Proposed Budget 2023/24 £	Proposed Budget 2024/25 £	Proposed Budget 2025/26 £
<b>Environment continued</b>			
<b>Play Area Improvements</b>			
Over the last 10 years, Watford has invested heavily in its play areas with standards high. However, there is a requirement for a continued capital budget for ongoing improvements to play facilities as items fail and require capital replacements.	0	0	75,000
<b>Tree Planting Programme</b>			
Tree replacement to support climate change initiatives.	0	0	50,000
<b>Total Environment</b>	<b>203,000</b>	<b>584,000</b>	<b>406,000</b>

Project Proposal	Proposed Budget 2023/24 £	Proposed Budget 2024/25 £	Proposed Budget 2025/26 £
<b>Planning, Infrastructure and Economy</b>			
<b>Parades Improvements</b>			
Ongoing improvement works on parades to ensure neighbourhoods benefit from enhancements.	200,000	200,000	200,000
<b>Sustainable Transport Programme</b>			
To continue to deliver the TTIW strategy approved by Cabinet, need an ongoing capital stream to deliver projects.	0	100,000	100,000
<b>EV Charging Programme</b>			
It has been recognised by WBC Cabinet and officers that the transition to electric vehicles is vital in addressing climate change. Enabling Watford residents to use electric vehicles is a Council priority and there has already been a significant uptake of EVs locally.	0	100,000	100,000
<b>CCTV Site Equipment</b>			
UK Shared Prosperity grant funded scheme for CCTV installation.	10,000	10,000	0
<b>Supporting Local Business</b>			
UK Shared Prosperity grant funded scheme for capital support to local business.	20,490	120,450	0
<b>Total Planning, Infrastructure and Economy</b>	<b>230,490</b>	<b>530,450</b>	<b>400,000</b>
<b>Total Place</b>	<b>433,490</b>	<b>1,114,450</b>	<b>806,000</b>

<b>Project Proposal</b>	<b>Proposed Budget 2023/24</b> £	<b>Proposed Budget 2024/25</b> £	<b>Proposed Budget 2025/26</b> £
<b>Corporate, Housing and Wellbeing Services</b>			
<b>Housing and Wellbeing</b>			
<b>Retained Housing Stock</b>			
Annual retained housing stock capital expenditure.	0	0	50,000
<b>Decent Homes Assistance</b>			
To support decent homes strategy in Watford.	0	0	100,000
<b>Private Sector Housing Renewal</b>			
To support private sector housing initiatives in Watford including energy conservation.	0	0	100,000
<b>Total Housing and Wellbeing</b>	<b>0</b>	<b>0</b>	<b>250,000</b>
<b>ICT and Shared Services</b>			
<b>ICT Hardware Replacement Programme</b>			
Annual ICT capital expenditure.	0	0	200,000
<b>ICT Business Application Upgrade</b>			
Annual ICT capital expenditure.	0	0	165,000
<b>ICT Project Management Provision</b>			
Annual ICT capital expenditure.	0	0	120,000
<b>ICT Shared Service Hardware Replacement Programme</b>			
Annual ICT capital expenditure.	0	0	45,000
<b>Total ICT and Shared Services</b>	<b>0</b>	<b>0</b>	<b>530,000</b>
<b>Total Corporate, Housing and Wellbeing Services</b>	<b>0</b>	<b>0</b>	<b>780,000</b>

<b>Project Proposal</b>	<b>Proposed Budget 2023/24</b> £	<b>Proposed Budget 2024/25</b> £	<b>Proposed Budget 2025/26</b> £
<b>Strategic Finance</b>			
<b>Capitalisation of Support Services</b>			
Officer time directly attributable to capital projects.	0	0	552,470
<b>Capitalisation of Finance Project Support &amp; Quantity Surveyor</b>			
Officer time directly attributable capital projects.	0	0	124,390
<b>Total Strategic Finance</b>	<b>0</b>	<b>0</b>	<b>676,860</b>
<b>Total Growth Bids</b>	<b>433,490</b>	<b>1,114,450</b>	<b>2,262,860</b>

## Revenue Earmarked Reserves and General Reserves

Description	Balance at 1 April	Movement 2022/23	Balance at 31 March	Movement 2023/24	Balance at 31 March	Movement 2024/25	Balance at 31 March	Movement 2025/26	Balance at 31 March	Purpose
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
<b>Earmarked Revenue Reserves</b>										
Budget Carry Forward	(1,735)	1,735	0	0	0	0	0	0	0	Budgets carried forward from prior years
Car Parking Zones	(475)	187	(288)	119	(169)	83	(86)	53	(33)	Ring fenced for parking projects
Collection Fund	(9,301)	0	(9,301)	0	(9,301)	0	(9,301)	0	(9,301)	Equalisation fund to smooth impact of surplus / deficit over MTFS
Crematorium	(150)	0	(150)	0	(150)	0	(150)	0	(150)	Funding repairs and maintenance
Croxley Park*	(17,181)	0	(17,181)	0	(17,181)	0	(17,181)	0	(17,181)	Reserve held to manage timing of income from Croxley Park
Housing Benefit Subsidy	(1,583)	0	(1,583)	0	(1,583)	0	(1,583)	0	(1,583)	Provision if Dept for Work & Pensions claw back funds
Housing Planning Delivery Grant	(266)	0	(266)	0	(266)	0	(266)	0	(266)	Improve planning outcomes and delivery of housing
Leisure Structured Maintenance	(57)	0	(57)	0	(57)	0	(57)	0	(57)	Funding unforeseen maintenance not covered in contract
Local Development Framework	(178)	0	(178)	0	(178)	0	(178)	0	(178)	Support local plan production and inspection
Multi-Storey Car Park Repair	(181)	0	(181)	0	(181)	0	(181)	0	(181)	Funding major structural works
Pension Funding	(2,248)	200	(2,048)	200	(1,848)	200	(1,648)	200	(1,448)	Reduction of pension deficit
Rent Deposit Guarantee Scheme	(100)	0	(100)	0	(100)	0	(100)	0	(100)	Assist in providing homelessness accommodation
Riverwell Project*	(7,026)	(1,000)	(8,026)	14	(8,012)	300	(7,712)	0	(7,712)	To cover any guarantees, repayments of outstanding loans and fund future investment.
Renewal Recovery Fund	(631)	131	(500)	300	(200)	200	0	0	0	To support the recovery process for additional costs due to COVID-19
Sustainability Reserve	(500)	79	(421)	0	(421)	0	(421)	0	(421)	Funding sustainable projects for a better environment
<b>Total Earmarked Revenue Reserves</b>	<b>(41,612)</b>	<b>1,332</b>	<b>(40,280)</b>	<b>633</b>	<b>(39,647)</b>	<b>783</b>	<b>(38,864)</b>	<b>253</b>	<b>(38,611)</b>	
<b>General Revenue Reserves</b>										
General Fund Working Balance	(2,000)	0	(2,000)	0	(2,000)	0	(2,000)	0	(2,000)	Prudent balance
Economic Impact Reserve	(1,744)	154	(1,590)	70	(1,520)	81	(1,439)	510	(929)	Provide resources to offset economic downturn - Budget Gap met from this reserve
<b>Total General Revenue Reserves</b>	<b>(3,744)</b>	<b>154</b>	<b>(3,590)</b>	<b>70</b>	<b>(3,520)</b>	<b>81</b>	<b>(3,439)</b>	<b>510</b>	<b>(2,929)</b>	
<b>Total Revenue Reserves</b>	<b>(45,356)</b>	<b>1,486</b>	<b>(43,870)</b>	<b>703</b>	<b>(43,167)</b>	<b>864</b>	<b>(42,303)</b>	<b>763</b>	<b>(41,540)</b>	

\*Riverwell and Croxley Park brought forward balances have been restated for 2019/20 and 2020/21 audit adjustments

## Risk Matrix

No.	Type of Consequence	Comment	Likelihood	Impact	Overall Score
1	Project overruns	Most projects tend to lean towards 'optimism bias (over estimating that the project will be delivered on time and on budget) to avoid this it is important that the technical specification and outcome of each project is carefully considered at the project design stage.	3	3	9
2	Cost overruns	Cost overrun in project could be as a result of scope change. Any change in the project scope during execution will mean that the entire initial project plan will have to be reviewed such that a reviewed budget, schedule and quality will have to be developed.	3	3	9
3	Delays in project initiation	The complexity of project could also be a contributing factor to delay and cost overrun. This will may cause a cash flow problem, but is merely a timing difference. This can be affected by unforeseen works, extreme weather conditions resource availability and changes in material prices.	3	3	9
4	Capital receipts and Interest/dividends are deferred	This may result in a cash flow issue and short term borrowing may be necessary to support the funding of projects that are in progress	3	3	9
5	Returns are lower than expected	This is a key risk as failure to achieve the returns will increase the pressure on the budget gap and the Council's financial stability	2	4	8
6	Partners cease to collaborate	This is very unlikely, however it should not be discounted. If this were to happen it will have a detrimental effect on the Council's financial position and its reputation.	2	4	8
7	Revenue balances insufficient to meet estimate pay award increases	The medium term financial strategy takes into account estimated pay increases for the period linked to forecast inflation.	2	2	4
8	Revenue balances insufficient to meet estimate of Employers' pension contributions	Employee revenue contributions have been included in the budgets.	2	2	4
9	Revenue balances insufficient to meet other inflationary increases	Other than contractual agreements, budgets have been cash limited where possible. A contingency budget has been created to help manage the impact of inflation which is at it highest level since 1982.	2	2	4
10	Interest rates resulting in significant variations in estimated interest income	The interest rate has a significant impact on the proceeds from capital receipts that are invested in the money market. The interest rate outlook remains uncertain as the Bank of England takes monetary policy measures to address infation.	3	3	9
11	Inaccurate estimates of fees and charges income	See Key Income Streams are shown in the latest Financial Monitoring Report	2	3	6
12	Revenue balances insufficient to meet loss of partial exemption for VAT	If the council's expenditure on functions for which it receives income that is exempt for VAT purposes exceeds 5% of its total vat able expenditure, then the Council may lose its ability to recover VAT on all of its exempt inputs.	2	3	6



No.	Type of Consequence	Comment	Likelihood	Impact	Overall Score
13	Major emergency	Major Emergency requires funds beyond Bellwin scheme and causes serious drain on balances	1	1	1
14	The estimated cost reductions and additional income gains are not achieved	Savings identified are monitored as part of the monthly budget monitoring process.	2	3	6
15	The income received from Commercial rents decreases	The rental income received from the Councils property portfolio is a significant proportion of the total income the Council receives.	2	4	8
16	The Council is faced with potential litigation and other employment related risks	The Council has reserves to manage unexpected expenditure.	2	3	6
17	The amount of government grant is adversely affected	The provisional grant settlement has been factored into the MTFS.	2	3	6
18	The amount of New Homes Bonus grant is adversely affected	The grant allocation for 2023/24 was higher than originally budgeted however, the future of New Homes bonus remains uncertain as the government is yet to respond to a consultation undertaken during 2022/23.	3	3	9
19	Fluctuations in Business Rates Retention	The Council is legally obliged to cover the first 7.5% loss on its pre determined baseline level. The Council is currently in a safety net position	2	2	4
20	Right to Buy Receipts & VAT Shelter Receipts	Under the Housing stock transfer with Watford Community Housing (WCH) the Council is entitled to use its share of the proceeds to fund the capital programme. The level of activity on both these income streams are outside the Council's control.	2	3	6

1= VERY LOW RISK 4 = VERY HIGH RISK

	Likelihood	Impact	Overall Score
very low risk	1	1	1
low risk	2	2	4
high risk	3	3	9
very high risk	4	4	16

# **Income (Charging Policy)**

## **2023/24**

### **Medium Term Financial Strategy**



Watford Borough Council · TOWN HALL · WATFORD, HERTS WD17 3EX

## Summary

This policy is set against four best practice points of charging in the public sector;

- Councils should undertake regular reviews of their approaches to charging, both within service areas and across the council;
- Managers should ensure that income from charges, and the level of subsidy this provides, are transparent and inform the decision-making process;
- Councillors and managers should better understand the non-financial contribution charging has to strategic and service objectives.
- Councils do not make an effective use of their charging powers, and authorities need to change their approach to charging if they are to achieve their financial and strategic objectives. At a time when pressure on services is increasing in the public sector and revenues decreasing, councils need to understand, address and improve the way they charge for services.

## Key Principles for a Charging Policy

In general, a charge will be levied for all discretionary services on the principle “the user pays”. Charges should seek to optimise potential income. The decision of whether to charge for a specific service will be subject to an assessment of the impact of charging on the delivery of the Councils corporate priorities and priority outcomes.

- In undertaking an ‘impact assessment’ the following questions will be asked:
- Why are we providing the service?
- Which of the Council’s corporate priorities and priority outcomes are achieved by the service?
- What impact will charging have on the achievement of the Council’s corporate priorities and priority outcomes?
- Do other similar or neighbouring Councils charge for the service and what is the impact of any such change?
- Are alternate service providers operating in the market and if so what is their level of charging?
- What is the estimated net additional income that is likely to be generated by the charge (i.e. impact on our financial position)?
- There are different levels, or basis, for the charging of service. The actual level, or basis of the charge, will be influenced by the impact assessments.

The objectives for differing charging strategies are shown in the table below.

Charging Strategy	Objective
Commercial Charges	The Council aims to cover the cost of providing the service and make a surplus used to fund other priority services. Full cost recovery will be the starting point for calculating charges.
Full Cost Recovery	The council aims to recover the costs of providing this service from those who use it. The full cost of the service, including an element for capital financing costs, support services and corporate overheads, will be the starting point for calculating charges.
Subsidised	Users of the service to make a contribution to the costs of providing it. This might be to meet a service objective or allow competition with other providers.
Free	The Council chooses to make the service available at no charge to meet a service objective - cost of service met by all Council Tax payers.
Statutory	Charges are determined in line with legal requirements.

### Service Responsibilities

Service Managers should initially assess current chargeable services and allocate these to one of the categories above.

To maximise income from fees and charges in accordance with this Income policy, Service Managers are responsible for –

- Annually reviewing their services to identify any aspects that could be charged for and to introduce such charges unless Cabinet considers it would be inappropriate.
- Reviewing and varying fees and charges at least annually for services under their control, after consultation with the relevant Portfolio Holder and, in doing so, they shall –
  - ensure that relevant legislation is complied with,
  - have regard to the charges of any alternative service providers with whom the Council is competing, seek to maximise income, net of applicable costs, unless it will have a clearly detrimental impact on the achievement of the Council objectives.
  - introduce differential pricing to particular client groups where these are expected to stimulate demand and generate additional net income which would otherwise not be obtained.
  - set prices lower than could be reasonably achieved if this is the most cost effective way of achieving Council objectives and the necessary funding is available. Use of this option requires approval of Cabinet,
  - set fees and charges that allow an element of discretion if it can be demonstrated that this will lead to an overall benefit to the Council. It is important that any use of discretion is recorded so that it can be clearly shown that decisions have been made fairly and consistently.

## **Concessions**

Concessions will be available to residents on identified income related benefits and discounts. These benefits and discounts include;

- Housing Benefit, in the form of Rent Allowance or Local Housing Allowance for people living in rented accommodation.
- Local Council Tax Reduction Scheme discount
- Income Support
- Job Seekers Allowance (income based)
- Working Tax credit
- Child Tax Credit
- Guaranteed Pension Credit (not Savings Pension Credit)
- Employment and Support Allowance (income based)
- Universal Credit

This list will change as changes are made to the names of the benefits or benefits themselves.

No concession is applied on the grounds of age (except Under 18 teams hiring football pitches) or disability unless the resident is in receipt of benefits.

## **Proof of Benefits and Discounts**

Residents will need to confirm the type of the benefit or discount they are claiming and to give permission for a check to be made with the Councils' Revenues & Benefits section that this is the case.

## **Amount of Concessions**

The amount of concession will be to apply a 50% reduction for all fees and charges, with the exception of green waste collection, which will attract a £5 discount if residents pay by Direct Debit.

## **Variations**

For use of the Council's sports pitches the existing arrangements that provide for subsidised fees for junior (under 18) sports teams to use pitches is to continue so as to encourage usage and participation.

The Council's externally managed Leisure Centres operate specific concessions for particular activities.

**COMMUNITY SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
ALLOTMENTS**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
<b>Allotments</b> Per pole per annum  50% reduction for the disabled and those in receipt of income related benefit	£7.30	*	*	✓	*	*	£7.75	6.16 %	

## COMMUNITY SERVICES

### 2023/24 FEES & CHARGES PROPOSED FOR :- PARKS / SPORTS PITCHES & WOODS

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Standard rated &amp; inclusive of VAT</b>									
<b><u>PARKS &amp; SPORTS PITCHES</u></b>									
<b><u>CRICKET</u></b>									
Other wickets - per match (adults)	£59.00	*	*	✓	*	*	£62.54	6.00 %	
Other wickets - per match (Juniors)	£31.00	*	*	✓	*	*	£32.86	6.00 %	
<b><u>FOOTBALL</u></b>									
Seniors with changing facilities & showers	£65.00	*	*	✓	*	*	£68.90	6.00 %	
Juniors with changing facilities & showers	£30.00	*	*	✓	*	*	£31.80	6.00 %	
<b><u>HURLING/RUGBY</u></b>									
Per match including corner flags	£59.00	*	*	✓	*	*	£62.54	6.00 %	
<b><u>Exempt from VAT</u></b>									
<b><u>FOOTBALL</u></b>									
Seniors with changing facilities & showers (15 games)	£850.00	*	*	✓	*	*	£901.00	6.00 %	
Juniors with changing facilities & showers (12 games)	£273.00	*	*	✓	*	*	£289.38	6.00 %	
Seniors with no changing facilities & showers (15 games)	£505.00	*	*	✓	*	*	£535.30	6.00 %	
Juniors with no changing facilities & showers (12 games)	£206.00	*	*	✓	*	*	£218.36	6.00 %	
Under 11s (small size pitch per season)	£115.00	*	*	✓	*	*	£121.90	6.00 %	
<b><u>FOOTBALL TRAINING</u></b>									
KGVPF, Oxhey Park (per hour)	£17.50	*	*	✓	*	*	£18.55	6.00 %	
Changing accommodation / showers (per event)	£24.00	*	*	✓	*	*	£25.44	6.00 %	
<b><u>PARKS &amp; SPORTS PITCHES</u></b>									
<b><u>BOWLS</u></b>									
Club hire of rinks (per season)	£1,290.00	*	*	✓	*	*	£1,367.40	6.00 %	
<b><u>CRICKET</u></b>									
Enclosed wicket (per season)	£3,475.00	*	*	✓	*	*	£3,683.50	6.00 %	
<b><u>CROQUET</u></b>									
Seasonal charges :-									
Adults	£59.00	*	*	✓	*	*	£62.54	6.00 %	
OAPs	£29.50	*	*	✓	*	*	£31.27	6.00 %	
<b><u>TENNIS - club charges</u></b>									
Hire of court per season (May-Sept inc)	£1,340.00	*	*	✓	*	*	£1,420.40	6.00 %	
Individual on-court Coaching Session (hourly rate)	£4.00	*	*	✓	*	*	£4.24	6.00 %	
<b><u>Zero Rated</u></b>									
Orienteering maps up to 5 copies	free	*	*	*	✓	*	free		
Subsequent copies each	£2.50	*	✓	*	*	*	£2.65	6.00 %	

**BUDGET POSITION SUMMARY - PARKS, PITCHES & WOODS**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b><u>SALES</u></b>					
<b><u>FEES &amp; CHARGES</u></b>					
<b><u>LAND &amp; PROPERTY BASED CHARGES</u></b>					
KPS000-I0901 - Rent	(8,400)	(8,400)	(8,400)	NO CHANGE	
KPS000-I0902 - Rent - Advertising Site	(7,200)	(7,200)	(7,200)	NO CHANGE	
	(15,600)	(15,600)	(15,600)		



## COMMUNITY SERVICES

### 2023/24 FEES & CHARGES PROPOSED FOR :- EVENTS AND HIRE OF CHESLYN GARDENS

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Standard rated &amp; inclusive of VAT</b>									
<b>CHESLYN GARDENS</b>									
Hire of garden for wedding photos	£50.00	*	*	✓	*	*	£53.00	6.00 %	
<b>Exempt from VAT</b>									
<b>CHESLYN HOUSE</b>									
Hire of 2 meeting rooms & kitchen per hour	£40.00	*	*	✓	*	*	£42.40	6.00 %	
Reduced charge for recognised voluntary groups per hour	£20.00	*	*	✓	*	*	£21.20	6.00 %	
<b>PARKS - GENERAL</b>									
<b>HIRE OF FACILITIES</b>									
Commercial rate per day up to 1500 people	£1,750.00	*	*	*	*	*	£1,855.00	6.00 %	
Commercial rate per day up to 1500-5000 people	£5,950.00	*	*	*	*	*	£6,307.00	6.00 %	
Commercial rate per day 5000 +	Price on application	*	*	*	*	*	£0.00		
Non commercial rate per day	£775.00	*	*	*	*	*	£821.50	6.00 %	
Local charities and community groups	£83.00	*	*	*	✓	*	£87.98	6.00 %	
*Bandstand Hire (community organisations)	Free	*	*	*	*	*	Free		
*Bandstand Hire (private party)	£100.00	*	*	*	*	*	£106.00	6.00 %	
*Cassiobury Hub Education Room Hire per hour (community)	£20.00	*	*	*	*	*	£21.20	6.00 %	
*Cassiobury Hub Education Room Hire per hour (private)	£40.00	*	*	*	*	*	£42.40	6.00 %	
*Events and activities	depends on event	*	*	*	*	*	depends on event		

\*New lines added

### BUDGET POSITION SUMMARY - CHESLYN GARDENS

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
KRA000-I0676 - Use of Facilities	(1,000)	(1,000)	(1,000)	NO CHANGE	
KLF000-I0126 - Feed in Tariff	(2,000)	(2,000)	(2,000)	NO CHANGE	
KLF000-I0537 - Miscellaneous Fees and Charges	(13,000)	(13,000)	(13,000)	NO CHANGE	
KLF000-I0623 - Other Parking Charges	(100,000)	(100,000)	(100,000)	NO CHANGE	
KLF000-I0662 - Income Activities	(10,000)	(10,000)	(10,000)	NO CHANGE	
KLF000-I0676 - Income Use of Facilities	(2,000)	(2,000)	(2,000)	NO CHANGE	
KLF000-I0901 - Rent	(60,000)	(60,000)	(60,000)	NO CHANGE	
KLF000-I0908 - Service Charges	(7,000)	(7,000)	(7,000)	NO CHANGE	
KLF000-J0203 - Third Party Contributions	(10,000)	(10,000)	(10,000)	NO CHANGE	
	(205,000)	(205,000)	(205,000)		

## COMMUNITY SERVICES

### 2023/24 FEES & CHARGES PROPOSED FOR :- CEMETERIES

#### RESIDENT

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
If the deceased has lived away from the Watford area for less than 60 months the Resident charge will be made									
<b>TABLE OF FEES</b>									
<b>PART 1</b>									
<b>Exclusive rights of burial in earthen grave</b>									
Exclusive right of burial for 50 yrs in an earthen grave on all sections including Muslim section	£1,515.00	*	*	✓	*	*	£1,605.90	6.00 %	
<b>Walled graves &amp; vaults:</b>									
For the right to construct & build a walled grave or vault & for the exclusive right of burial for 50 yrs on all sections 8ftx4ft	£2,810.00	*	*	✓	*	*	£2,978.60	6.00 %	
<b>The Garden of Rest</b>									
For the exclusive right of burial for 50 yrs of cremated remains in the Garden of Rest at North Watford 4ft X 2ft	£730.00	*	*	✓	*	*	£773.80	6.00 %	
<b>The Garden of Remembrance</b>									
For the exclusive rights of burial for 50 yrs of cremated remains in the Garden of Remembrance at North Watford Cemetery size 2ft X 1ft	£650.00	*	*	✓	*	*	£689.00	6.00 %	
<b>CHILDREN'S SECTION</b>									
For the exclusive right of burial for 50 years 4ft x 2ft	£0.00	*	*	✓	*	*	£0.00		
For the exclusive right of burial for 50 years of a single depth grave for a child aged 5 years or over but not an adult	£0.00	*	*	✓	*	*	£0.00		
<b>PART 2</b>									
<b>Interments - the fees indicated for various heads :-</b>									
a) include the digging of the grave and									
b) Apply only where the interment is made between the hours of 9.30 am & 3.30 pm, or on the Certificate of a Coroner or Registered Medical Practitioner that immediate interment necessary. In any other case, an additional sum is payable	£281.00	*	*	✓	*	*	£297.86	6.00 %	
<b>For an interment in a grave in respect of which an exclusive right of burial HAS been granted :-</b>									
a) All sections	£790.00	*	*	✓	*	*	£837.40	6.00 %	
b) The children's section. All graves for 1 interment at a depth of 4ft size of grave spaces 4ft x 2ft		*	*	✓	*	*	£0.00		
c) Casket									
d) For the interment / scattering of cremated remains in / on any grave on any section including Garden of Rest/Remembrance	£265.00	*	*	✓	*	*	£280.90	6.00 %	
e) For a stillborn child, or child whose age at the time of death did not exceed 1 month	£0.00	*	*	✓	*	*	£0.00		
f) Non viable foetus burial	£0.00	*	*	✓	*	*	£0.00		
g) Shrouded burial fee	£115.00	*	*	✓	*	*	£121.90	6.00 %	
<b>For an interment in a grave in respect of which an exclusive right of burial HAS NOT been granted :-</b>									
a) For a stillborn child, or child whose age at the time of death did not exceed 1 month	£0.00	*	*	✓	*	*	£0.00		
b) For a child whose age at the time of death exceeded 1 month but did not exceed 5 years	£0.00	*	*	✓	*	*	£0.00		
c) For a child over 5 years or an adult	£0.00	*	*	✓	*	*	£0.00		
<b>PART 3</b>									
<b>Fees for memorial work and monumental work for the right to erect or place on a grave or vault in respect of which the exclusive right of burial has been granted</b>									
<b>Headstones, or any other type of monument</b>									
a) Not exceeding 3ft 6ins in height	£232.00	*	*	✓	*	*	£350.00	50.86 %	
b) Not exceeding 2ft 6inc in the Garden of Rest and in the children's section	£115.00	*	*	✓	*	*	£121.90	6.00 %	
c) Garden of Remembrance-as approved-sole design allowed	£106.00	*	*	✓	*	*	£112.36	6.00 %	

## COMMUNITY SERVICES

### 2023/24 FEES & CHARGES PROPOSED FOR :- CEMETERIES (continued)

#### RESIDENT.....continued

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
<b>Kerbs</b>									
* a) Enclosing a space not exceeding 7ft x 3ft	£118.00	*	*	✓	*	*	£125.08	6.00 %	
* b) Enclosing a space not exceeding 4ft x 2ft in the Garden of Rest and Children's Section	£57.00	*	*	✓	*	*	£60.42	6.00 %	
<b>Vases</b>									
* For each vase, maximum size 12"x12"x12"	£39.00	*	*	✓	*	*	£41.34	6.00 %	
a) Separate, or as an addition to a headstone, not exceeding 18" x 12"	£62.00	*	*	✓	*	*	£65.72	6.00 %	
b) Where an inscription table or plate takes the place of a memorial	£118.00	*	*	✓	*	*	£125.08	6.00 %	
* Complete memorial, consisting of headstone & Kerbs	£400.00	*	*	✓	*	*	£424.00	6.00 %	
<b>THE FEES INDICATED FOR THE VARIOUS HEADS OF THIS PART INCLUDE THE ORIGINAL INSCRIPTION(S) WHEN THE MEMORIAL IS APPROVED</b>									
Fees for each subsequent inscription to an existing memorial	£73.00	*	*	✓	*	*	£77.38	6.00 %	
* Any other replacement works not covered by above									
<b>Standard rated &amp; exclusive of VAT</b>									
<b>PART 4</b>									
<b>Miscellaneous</b>									
The Burial Register - fee for transfer of grave grant for the exclusive right of burial	£47.00	*	*	✓	*	*	£49.82	6.00 %	
Fee for the searches of Burial Register and for copies of extract to be taken there from	£66.00	*	*	✓	*	*	£69.96	6.00 %	
Fee for the use of the Chapel	£150.00	*	*	✓	*	*	£159.00	6.00 %	
<b>Outside Scope for VAT purposes</b>									
<b>PART 5</b>									
<b>Maintenance of Grave spaces</b>									
Turfing a grave	£118.00	*	*	✓	*	*	£125.08	6.00 %	
Partial burying of headstone following failure of safety test	£145.00	*	*	✓	*	*	£153.70	6.00 %	
Supply soil for memorial inset	£118.00	*	*	✓	*	*	£125.08	6.00 %	
* Any other replacement works not covered by above									
<b>NOTE:</b>									
<b>Memorials can now be placed on graves of stillborn children FREE of CHARGE Size: 12" x 12" x 2". To be laid flat on grave surface</b>									
<b>PART6</b>									

## COMMUNITY SERVICES

<b>2023/24 FEES &amp; CHARGES PROPOSED FOR :- CEMETERIES (continued)</b>
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**RESIDENT.....continued**

Description	2022/23 Charge	PRICING STRATEGY				Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE			
<b>Sanctum 2000</b>								
Above ground vault which can hold up to two caskets which must be no larger than H.14cm: W26cm: D16.5cm								
10 Year Lease	£1,200.00					£1,200.00		NO CHANGE
	£1,750.00					£1,750.00		NO CHANGE
15 Year Lease								
30 Year Lease	£2,400.00					£2,400.00		NO CHANGE
10 Year Lease	£1,200.00					£1,200.00		NO CHANGE
<b>Options for Sanctum 2000</b>								
Photo plaque small	£150.00					£150.00		NO CHANGE
Photo plaque large	£170.00					£170.00		NO CHANGE
Additional inscriptions per letter	£4.00					£4.00		NO CHANGE
Additional artwork prices from	£70.00					£70.00		NO CHANGE
Additional Interment	£350.00					£350.00		NO CHANGE
<b>Additional Lease Term</b>								
10 Years	£800.00					£800.00		NO CHANGE
<b>Part 7</b>								
<b>Pet Columbaria</b>								
Panoramic pet ashes columbaria can hold small pet ashes. Price includes Interment of ashes, initial lease term, initial inscription								
5 year lease	£550.00					£550.00		NO CHANGE
10 year lease	£675.00					£675.00		NO CHANGE
15 year lease	£750.00					£750.00		NO CHANGE
<b>Options for Pet Columbaria</b>								
Additional artwork prices from	£70.00					£70.00		NO CHANGE
<b>Additional Lease Term</b>								
5 years	£450.00					£450.00		NO CHANGE
<b>Part 8</b>								
<b>Mulberry Tree</b>								
Memory tree with stone leaves that can be engraved in memory of someone. Price includes heart shape leaf, inscription. If term is not renewed the family can take the leaf away.								
5 year lease	£365.00					£365.00		NO CHANGE
10 year lease	£550.00					£550.00		NO CHANGE
<b>Options for Pet Columbaria</b>								
Additional artwork / motif	£48.00					£48.00		NO CHANGE
<b>Additional lease term</b>								
5 years	£275.00					£275.00		NO CHANGE

**COMMUNITY SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
CEMETERIES (continued)**

**NON RESIDENT**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
<b>If the deceased has lived away from the Watford area for less than 60 months the Resident charge will be made</b>									
<b>PART 1</b>									
<b>Exclusive rights of burial in earthen grave</b> Exclusive right of burial for 50 yrs in an earthen grave on all sections including Muslim section									
	£4,610.00	*	*	✓	*	*	£6,000.00	30.15 %	
<b>Walled graves &amp; vaults:</b> For the right to construct & build a walled grave or vault & for the exclusive right of burial for 50 yrs on all sections 8ftx4ft									
	£8,450.00	*	*	✓	*	*	£8,957.00	6.00 %	
<b>The Garden of Rest</b> For the exclusive right of burial for 50 yrs of cremated remains in the Garden of Rest at North Watford 4ft X 2ft									
	£2,200.00	*	*	✓	*	*	£2,332.00	6.00 %	
<b>The Garden of Remembrance</b> For the exclusive rights of burial for 50 yrs of cremated remains in the Garden of Remembrance at North Watford Cemetery size 2ft X 1ft									
	£1,940.00	*	*	✓	*	*	£2,056.40	6.00 %	
<b>CHILDREN'S SECTION</b>									
For the exclusive right of burial for 50 years 4ft x 2ft									
	£0.00	*	*	✓	*	*	£0.00		
For the exclusive right of burial for 50 years of a single depth grave for a child aged 5 years or over but not an adult									
	£0.00	*	*	✓	*	*	£0.00		
<b>PART 2</b>									
<b>Interments - the fees indicated for various heads :-</b>									
a) Include the digging of the grave and b) Apply only where the interment is made between the hours of 9.30 am & 3.30 pm, or on the Certificate of a Coroner or Registered Medical Practitioner that immediate interment necessary. In any other case, an additional sum is payable and c) Apply provided that the interment is made within 15 minutes of the time arranged with the "superintendent". If not an additional sum is payable									
	£281.00	*	*	✓	*	*	£297.86	6.00 %	
<b>For an interment in a grave in respect of which an exclusive right of burial HAS been granted :-</b>									
a) All sections									
	£2,360.00	*	*	✓	*	*	£2,502.00	6.02 %	
b) The children's section. All graves for 1 interment at a depth of 4ft size of grave spaces 4ft X2ft									
	£0.00	*	*	✓	*	*	£0.00		
c) caskets including extra digging required									
	£3,080.00	*	*	✓	*	*	£3,264.80	6.00 %	
d) For the interment / scattering of cremated remains in / on any grave on any section including Garden in/on any grave on any section including Garden of Rest/Remembrance									
	£798.00	*	*	✓	*	*	£845.88	6.00 %	
e) For a stillborn child, or child whose age at the time of death did not exceed 1 month of death did not exceed 1 month									
	£0.00	*	*	✓	*	*	£0.00		
f) Non viable foetus burial									
	£0.00	*	*	✓	*	*	£0.00		
g) Shrouded burial fee									
	£115.00	*	*	✓	*	*	£121.90	6.00 %	
<b>For an interment in a grave in respect of which an exclusive right of burial HAS NOT been granted :-</b>									
a) For a stillborn child, or child whose age at the time of death did not exceed 1 month									
	£0.00	*	*	✓	*	*	£0.00		
b) For a child whose age at the time of death exceeded 1 month but did not exceed 5 yrs.									
	£0.00	*	*	✓	*	*	£0.00		
c) For a child over 5 years or an adult									
	£0.00	*	*	✓	*	*	£0.00		
<b>PART 3</b>									
<b>Fees for memorial work &amp; monumental work for the right to erect or place on a grave or vault in respect of which the exclusive right of burial has been granted</b>									
<b>Outside Scope for VAT purposes</b>									
<b>PART 3</b>									
<b>Fees for memorial work &amp; monumental work for the right to erect or place on a grave or vault in respect of which the exclusive right of burial has been granted</b>									
<b>Headstone, or any other type of monument</b>									
a) Not exceeding 3ft 6inc in height									
	£695.00	*	*	✓	*	*	£736.70	6.00 %	
b) Not exceeding 2ft 6inc in the Garden of rest and in the children's section									
	£355.00	*	*	✓	*	*	£376.30	6.00 %	
c) Garden of Remembrance - as approved-sole design allowed									
	£314.00	*	*	✓	*	*	£332.84	6.00 %	
<b>LEDGERS</b>									
* A ledger not exceeding 7ft x 3ft									
	£350.00	*	*	✓	*	*	£371.00	6.00 %	
<b>KERBS</b>									
* a) Enclosing a space not exceeding 7ft x 3ft									
	£350.00	*	*	✓	*	*	£371.00	6.00 %	
* b) Enclosing a space not exceeding 4ft x 2ft in the Garden of Rest and children's Section									
	£175.00	*	*	✓	*	*	£185.50	6.00 %	
<b>Vases</b>									
* For each vase, maximum size 12" x 12" x 12"									
a) separate, or as an addition to a headstone, not exceeding 18" x 12"									
	£111.00	*	*	✓	*	*	£117.66	6.00 %	
b) Where an inscription table or plate takes the place of a headstone, either at the foot or head of a memorial									
	£179.00	*	*	✓	*	*	£189.74	6.00 %	
	£350.00	*	*	✓	*	*	£371.00	6.00 %	
* Complete memorial, consisting of headstone and kerbs									
	£1,230.00	*	*	✓	*	*	£1,303.80	6.00 %	

**COMMUNITY SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
CEMETERIES (continued)**

**NON RESIDENT.....continued**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>MEMORIAL BENCHES</b>									
David Ogilvie Steel bench - supply and install with plaque	£2,230.00	✓	*	*	*	*	£2,363.80	6.00 %	
Plaque on existing bench - supply and install with maintenance	£281.00	✓	*	*	*	*	£297.86	6.00 %	
<b>MEMORIAL TREES</b>									
Supply and plant Standard tree with 5 years maintenance	£1,120.00	✓	*	*	*	*	£1,187.20	6.00 %	
<b>THE FEES INDICATED FOR THE VARIOUS HEADS OF THIS PART INCLUDED THE ORIGINAL INSCRIPTION(S) WHEN THE MEMORIAL IS APPROVED</b>									
Fees for each subsequent inscription to an existing memorial	£73.00	*	*	✓	*	*	£77.38	6.00 %	
* Any other replacement works not covered by above * GRAVE SPACES PURCHASED PRIOR TO 1ST APRIL 1981 ONLY									
<b>Standard rated &amp; exclusive of VAT</b>									
* Any other replacement works not covered by above * GRAVE SPACES PURCHASED PRIOR TO 1ST APRIL 1981 ONLY									
<b>PART 4</b>									
<b>Miscellaneous</b>									
The Burial Register - fee for transfer of grave grant for the exclusive right of burial	£47.00	*	*	✓	*	*	£49.82	6.00 %	
Fee for the searches of Burial Register and for copies of extract to be taken there from	£73.00	*	*	✓	*	*	£77.38	6.00 %	
Fee for the use of the Chapel	£451.00	*	*	✓	*	*	£478.06	6.00 %	
<b>PART 5</b>									
<b>Outside Scope for VAT purposes</b>									
<b>Maintenance of Grave spaces</b>									
Turfing a grave	£124.00	*	*	✓	*	*	£131.44	6.00 %	
Partial burying of headstone following failure of safety test	£146.00	*	*	✓	*	*	£154.76	6.00 %	
Supply soil for memorial inset	£123.00	*	*	✓	*	*	£130.38	6.00 %	
* Any other replacement works not covered by above									
<b>NOTE:</b>									
<b>Memorials can now be placed on graves of stillborn children</b>									
<b>FREE of CHARGE Size: 12" x 12" x 2". To be laid flat on grave surface</b>									
<b>PART 6</b>									
<b>Weekend Burials</b>									
Metal liner requirement	£570.00	*	✓	*	*	*	£604.20	6.00 %	
Weekend Contractor charge	£500.00	*	✓	*	*	*	£530.00	6.00 %	
<b>PART 7</b>									
<b>Sanctum 2000</b>									
10 Year Lease	£3,600.00	*	*	✓	*	*	£3,600.00	NO CHANGE	
15 Year Lease	£5,250.00	*	*	✓	*	*	£5,250.00	NO CHANGE	
30 Year Lease	£7,200.00	*	*	✓	*	*	£7,200.00	NO CHANGE	

**BUDGET POSITION SUMMARY - CEMETERIES**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
KNA000-I0520 - Sale of Grave Spaces	(180,000)	(180,000)	(180,000)	NO CHANGE	
KNA000-I0522 - Burial Fees	(160,000)	(160,000)	(160,000)	NO CHANGE	
KNA000-I0524 - Memorial Fees	(35,000)	(35,000)	(35,000)	NO CHANGE	
KNA000-I0526 - Use of Chapel	(5,000)	(5,000)	(5,000)	NO CHANGE	
KNA000-I0527 - Transfer Fees	(2,500)	(2,500)	(2,500)	NO CHANGE	
<b>LAND &amp; PROPERTY BASED CHARGES</b>					
KNA000-I0901 - Rent	(6,000)	(6,000)	(6,000)	NO CHANGE	
	<b>(388,500)</b>	<b>(388,500)</b>	<b>(388,500)</b>		

**COMMUNITY SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
LEISURE CENTRES - OPERATED BY SLM**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Standard rated &amp; incl of VAT if applicable</b>									
<b>Main Hall / Dry Side Activities :-</b>									
Half hall hire - Woodside - Adult	£69.03	✓	*	*	*	*	£75.93	10.00 %	
- Junior	£34.51	✓	*	*	*	*	£37.96	10.00 %	
Whole Hall hire - Woodside - Adult	£139.15	✓	*	*	*	*	£153.06	10.00 %	
- Junior	£69.03	✓	*	*	*	*	£75.93	10.00 %	
Whole Hall hire - Central - Adult	£69.03	✓	*	*	*	*	£75.93	10.00 %	
- Junior	£34.51	✓	*	*	*	*	£37.96	10.00 %	
Cricket	£68.81	✓	*	*	*	*	£75.69	10.00 %	
<b>Parties with food, party leader up to 16 kids</b>									
Dry side (football / allsportz, bouncy castle)	£214.75	✓	*	*	*	*	£225.00	4.77 %	
Wetside (inflatable)	£285.00	✓	*	*	*	*	£310.00	8.77 %	
<b>Parties (self catering, party leader, up to 16 kids)</b>									
Dry side (football/allsportz,bouncy castle)	£214.75	✓	*	*	*	*	£236.00	9.90 %	
Wetside (mini, mega wet and wild)	£241.04	✓	*	*	*	*	£265.00	9.94 %	
Wetside (inflatable)	£285.00	✓	*	*	*	*	£298.00	4.56 %	
<b>Junior Activities</b>									
Active antz	£6.00	✓	*	*	*	*	£6.00	NO CHANGE	
Mini gym	£6.00	✓	*	*	*	*	£6.50	8.33 %	
Sports Course - Adult - Dry	£7.82	✓	*	*	*	*	£8.60	10.00 %	
Trampolining (drop-in adults)	£7.82	✓	*	*	*	*	£8.60	10.00 %	
Pilates (3 wks - 45mins)	£21.27	✓	*	*	*	*	£23.40	10.00 %	
Pilates (members)	£0.00	✓	*	*	*	*	£0.00		
Swimming Course - Adult	£9.50	✓	*	*	*	*	£10.50	10.53 %	
Swimming Coaching 1 hour (Sat am only)	£9.50	✓	*	*	*	*	£10.50	10.53 %	
Everyone Active card - Watford & Three Rivers	£0.00	*	*	*	✓	*	£0.00		
Everyone Active card - Non resident adult	£27.94	✓	*	*	*	*	£30.73	10.00 %	
Everyone Active card - Non resident junior	£17.20	✓	*	*	*	*	£18.92	10.00 %	
Everyone Active card - Non resident - family (2 adults and up to 3 children)	£68.20	✓	*	*	*	*	£75.02	10.00 %	
Lost card/replacement	£5.32	✓	*	*	*	*	£5.58	5.00 %	
50+ Short Mat Bowls	£3.08	✓	*	*	*	*	£3.24	5.00 %	
50+ Keep Fit	£4.05	✓	*	*	*	*	£4.25	5.00 %	
50+ Line Dancing	£3.95	✓	*	*	*	*	£4.15	5.00 %	
50+ Tap	£3.80	✓	*	*	*	*	£3.99	5.00 %	
50+ Water Workout	£5.05	✓	*	*	*	*	£5.31	5.00 %	
50+ Swimming	£3.25	✓	*	*	*	*	£3.41	5.00 %	
50+ Badminton	£3.75	✓	*	*	*	*	£3.94	5.00 %	

**COMMUNITY SERVICES**

**2023/24  
LEISURE CENTRES - OPERATED BY SLM (Continued)**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Standard rated &amp; incl of VAT if applicable</b>									
Hire Prices (A refundable deposit of £5.00 is required per each item hired)									
Badminton Racquets	£2.80	✓	✗	✗	✗	✗	£2.94	5.00 %	
Table Tennis Bats	£2.80	✓	✗	✗	✗	✗	£2.94	5.00 %	
Squash racquets	£2.80	✓	✗	✗	✗	✗	£2.94	5.00 %	
<b>Equipment purchase :-</b>									
Squash balls	£2.80	✓	✗	✗	✗	✗	£2.94	5.00 %	
Shuttlecocks	£3.00	✓	✗	✗	✗	✗	£3.15	5.00 %	
<b>Meetings :-</b>									
Conference Room & Executive Suite (WLC)	£25.82	✓	✗	✗	✗	✗	£27.11	5.00 %	
<b>Studios :-</b>									
Studio 1 (14.7 x 11.7)	£36.16	✓	✗	✗	✗	✗	£37.96	5.00 %	
Studio 2 (12.5 x 9.8)	£31.34	✓	✗	✗	✗	✗	£32.90	5.00 %	
Studio 3 - (8.9 x 9.9)	£25.20	✓	✗	✗	✗	✗	£26.46	5.00 %	
Studio 1 (Central)	£30.90	✓	✗	✗	✗	✗	£32.44	5.00 %	
Schools per half hour per teacher	£35.50	✓	✗	✗	✗	✗	£37.27	5.00 %	
Second teacher per pool	£23.77	✓	✗	✗	✗	✗	£24.96	5.00 %	
Gym, per student	£3.35	✓	✗	✗	✗	✗	£3.52	5.00 %	
Athletics Meet (Up to 8 hours Mon - Fri up to 5pm)	£175.30	✓	✗	✗	✗	✗	£191.50	9.24 %	
Athletics Meet (Up to 8 hours Weekend or Bank Holiday)	£273.91	✓	✗	✗	✗	✗	£301.30	10.00 %	
Athletics Meet (Up to 4 hours Midweek evening from 6pm)	£107.92	✓	✗	✗	✗	✗	£118.71	10.00 %	
Athletics Meet - Additional hours	£59.71	✓	✗	✗	✗	✗	£65.68	10.00 %	
School Athletic Meet/Sports Day (Up to 5pm weekdays)	£107.92	✓	✗	✗	✗	✗	£118.71	10.00 %	
Member of staff	£19.45	✓	✗	✗	✗	✗	£21.39	10.00 %	
Additional colleagues / person	£19.45	✓	✗	✗	✗	✗	£21.39	10.00 %	
Car Park Steward for large events	£13.81	✓	✗	✗	✗	✗	£15.19	10.00 %	
Athletic Meet - Set up time per hr	£23.94	✓	✗	✗	✗	✗	£26.33	10.00 %	
Athletic Meet - Clean Up time per hr	£23.94	✓	✗	✗	✗	✗	£26.33	10.00 %	
<b>Harriers Charges</b>									
Hire for training/coaching purposes, day time inc	£28.76	✓	✗	✗	✗	✗	£31.64	10.00 %	
As Above including Flood Lights in Evening, plus a colleague	£45.47	✓	✗	✗	✗	✗	£50.02	10.00 %	
<b>Block Booking (standard price less VAT where bookings are 10 consecutive weeks or more)</b>									
3G ptches 1x5v5 - Adult	£42.75	✓	✗	✗	✗	✗	£42.75	NO CHANGE	
3G pitches match Day (up to 3 hrs)	£285.00	✓	✗	✗	✗	✗	£285.00	NO CHANGE	
3G pitches 11 v 11 per hour- block booking	£142.50	✓	✗	✗	✗	✗	£142.50	NO CHANGE	
3G pitches match Day (up to 3 hrs) CASUAL	£337.00	✓	✗	✗	✗	✗	£337.00	NO CHANGE	
Badminton Clubs - Adult	£13.86	✓	✗	✗	✗	✗	£15.30	10.39 %	
Sports Activity - Adult	£53.41	✓	✗	✗	✗	✗	£58.75	10.00 %	
- Junior	£27.06	✓	✗	✗	✗	✗	£29.77	10.00 %	
Cricket (Nets only) - Adult	£55.60	✓	✗	✗	✗	✗	£61.16	10.00 %	
- Junior	£0.00	✓	✗	✗	✗	✗	£0.00		
Treatment room 1 (per month)	£500.00	✓	✗	✗	✗	✗	£550.00	10.00 %	
Treatment room 2 (per month)	£750.00	✓	✗	✗	✗	✗	£825.00	10.00 %	
Learner pool (1 hour) - Central	£14.00	✓	✗	✗	✗	✗	£14.70	5.00 %	
Learner pool (1 hour) - woodside	£13.70	✓	✗	✗	✗	✗	£14.39	5.00 %	
<b>Gala Prices</b>									
Swim Clubs (general) incl timing equip- out of hrs	£130.00	✓	✗	✗	✗	✗	£143.00	10.00 %	
Swim Clubs (general) incl timing equip	£155.00	✓	✗	✗	✗	✗	£171.00	10.32 %	
Watford Swim Club / voluntary organisations	£95.00	✓	✗	✗	✗	✗	£104.00	9.47 %	
Waterpolo	£115.00	✓	✗	✗	✗	✗	£124.00	7.83 %	
water polo out of hrs	£155.00	✓	✗	✗	✗	✗	£167.00	7.74 %	



**COMMUNITY SERVICES**

**2023/24**  
**LEISURE CENTRES - OPERATED BY SLM (Continued)**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Standard rated &amp; incl of VAT if applicable</b>									
<b>Main Hall / Dry Side Activities :-</b>									
Badminton - Adult peak	£16.80	✓	✗	✗	✗	✗	£18.50	10.12 %	
Badminton - Adult off peak	£10.65	✓	✗	✗	✗	✗	£11.50	7.98 %	
- Junior	£6.20	✓	✗	✗	✗	✗	£6.80	9.68 %	
(8-4 weekdays and 8 - close weekends)	£12.83	✓	✗	✗	✗	✗	£13.90	8.36 %	
Drop-in Adult (Friday night)	£7.55	✓	✗	✗	✗	✗	£8.31	10.00 %	
Drop-in Junior	£4.84	✓	✗	✗	✗	✗	£5.32	10.00 %	
Table Tennis - Adult	£14.50	✓	✗	✗	✗	✗	£15.95	10.00 %	
Table Tennis - Junior	£7.60	✓	✗	✗	✗	✗	£8.36	10.00 %	
3G pitches 5 V 5 a side - Adult	£49.75	✓	✗	✗	✗	✗	£49.75	NO CHANGE	
- Junior									
Squash - Adult	£14.50	✓	✗	✗	✗	✗	£15.95	10.00 %	
- Junior	£7.75	✓	✗	✗	✗	✗	£8.50	9.68 %	
Squash (off peak) - Adult	£7.75	✓	✗	✗	✗	✗	£8.50	9.68 %	
Squash (off peak) - Junior	£4.85	✓	✗	✗	✗	✗	£5.30	9.28 %	
Squash League ( Monday nights off peak ) - Adults	£6.38	✓	✗	✗	✗	✗	£7.00	9.68 %	
<b>Courses :-</b>									
Sports Course Junior - Dry	£7.50	✓	✗	✗	✗	✗	£8.25	10.00 %	
Swimming Lessons Junior - Wet	£9.50	✓	✗	✗	✗	✗	£10.50	10.53 %	
<b>Fitness Activities :-</b>									
Group Exercise (45min and 1 hr)	£7.75	✓	✗	✗	✗	✗	£8.55	10.32 %	
Group Exercise (30min)	£4.50	✓	✗	✗	✗	✗	£4.75	5.56 %	
<b>Induction (1:1) - Adult</b>	£28.16	✓	✗	✗	✗	✗	£30.90	9.74 %	
- Junior	£14.02	✓	✗	✗	✗	✗	£15.30	9.10 %	
Gym Casual use	£10.50	✓	✗	✗	✗	✗	£11.50	9.52 %	
60+ Gym	£3.85	✓	✗	✗	✗	✗	£4.24	10.00 %	
Fortis	£10.00	✓	✗	✗	✗	✗	£11.00	10.00 %	
Gym Active teen (11 - 16yrs)	£3.50	✓	✗	✗	✗	✗	£3.85	10.00 %	
Three Rivers junior gym	£3.50	✓	✗	✗	✗	✗	£3.85	10.00 %	
GP Referral	£3.65	✓	✗	✗	✗	✗	£3.50	-4.11 %	
Special w/out Groups (eg Parkinsons)	£0.00	✓	✗	✗	✗	✗	£0.00		
<b>Toning Chairs :-</b>									
1 session	£9.45	✓	✗	✗	✗	✗	£10.00	5.82 %	
<b>6 sessions</b>	£55.88	✓	✗	✗	✗	✗	£59.00	5.59 %	
12 sessions	£95.87	✓	✗	✗	✗	✗	£101.00	5.35 %	
Toning Chairs + special work out	£0.00	✓	✗	✗	✗	✗	£0.00		
Toning Chairs Induction	£10.75	✓	✗	✗	✗	✗	£10.75	NO CHANGE	
<b>Swimming :-</b>									
Adult	£5.70	✓	✗	✗	✗	✗	£6.30	10.53 %	Now includes Sauna & Steam
<b>Junior</b>	£3.50	✓	✗	✗	✗	✗	£3.80	8.57 %	
60+	£3.50	✓	✗	✗	✗	✗	£3.70	5.71 %	
50+	£3.25	✓	✗	✗	✗	✗	£3.40	4.62 %	
Under 3 (free)	£0.00	✗	✗	✗	✓	✗	£0.00		
Fun Session - New	£0.00	✗	✗	✗	✓	✗	£6.50	NEW	
Fun Session - Jr ( Floats)	£4.25	✓	✗	✗	✗	✗	£4.68	10.00 %	
Three Rivers Junior U19's	£3.45	✓	✗	✗	✗	✗	£3.80	10.00 %	
Three Rivers 60+	£0.00	✓	✗	✗	✗	✗	£0.00		
Shower /Admission - Adult	£2.50	✓	✗	✗	✗	✗	£2.50	NO CHANGE	
- Junior	£2.50	✓	✗	✗	✗	✗	£2.65	6.00 %	
Spectator	£0.00	✓	✗	✗	✗	✗	£0.00		
<b>Memberships (direct debits) :-</b>									
GP Ref DD	£27.00	✓	✗	✗	✗	✗	£27.00	NO CHANGE	
Toning Suite DD	£27.00	✓	✗	✗	✗	✗	£27.00	NO CHANGE	
Toning Suite add-on DD	£13.50	✓	✗	✗	✗	✗	£13.50	NO CHANGE	
Toning Suite Annual	£270.00	✓	✗	✗	✗	✗	£270.00	NO CHANGE	
Toning Suite Annual add on -	£135.00	✓	✗	✗	✗	✗	£135.00	NO CHANGE	
Total Fitness - Single	£42.95	✓	✗	✗	✗	✗	£42.95	NO CHANGE	
- Couple	£74.00	✓	✗	✗	✗	✗	£74.00	NO CHANGE	
- Annual (single)	£429.50	✓	✗	✗	✗	✗	£429.50	NO CHANGE	
- Annual (Joint)	£740.00	✓	✗	✗	✗	✗	£740.00	NO CHANGE	
Corporate Single Only - Monthly	£35.43	✓	✗	✗	✗	✗	£35.43	NO CHANGE	
- Annual	£354.30	✓	✗	✗	✗	✗	£354.30	NO CHANGE	
Junior Active - Monthly	£16.99	✓	✗	✗	✗	✗	£16.99	NO CHANGE	
- Annual	£169.90	✓	✗	✗	✗	✗	£169.90	NO CHANGE	
Total Fit 60+ - Monthly	£32.00	✓	✗	✗	✗	✗	£32.00	NO CHANGE	
- Annual	£320.00	✓	✗	✗	✗	✗	£320.00	NO CHANGE	
Total Fitness Joining Fee - Single	£40.00	✓	✗	✗	✗	✗	£40.00	NO CHANGE	
Splash Fitness (swim) - Monthly	£27.50	✓	✗	✗	✗	✗	£27.50	NO CHANGE	
- Annual	£275.00	✓	✗	✗	✗	✗	£275.00	NO CHANGE	
Gym 16-18 - Monthly	£19.99	✓	✗	✗	✗	✗	£19.99	NO CHANGE	
- Annual	£199.90	✓	✗	✗	✗	✗	£199.90	NO CHANGE	
Student and Concessions - Monthly	£32.00	✓	✗	✗	✗	✗	£32.00	NO CHANGE	
- Annual	£320	✓	✗	✗	✗	✗	£320.00	NO CHANGE	

**COMMUNITY SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
LEISURE CENTRES - OPERATED BY SLM (Continued)**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Standard rated &amp; incl of VAT if applicable</b>									
Watford Borough Council - Monthly	£24.99	✓	*	*	*	*	£24.99	NO CHANGE	
- Annual	£249.99	✓	*	*	*	*	£249.99	NO CHANGE	
Watford Harriers - Monthly	£29.99	✓	*	*	*	*	£29.99	NO CHANGE	
- Annual	£299.99	✓	*	*	*	*	£299.99	NO CHANGE	
<b>Pool hire - standard charge :-</b>									
Watford Woodside - Main pool (4 lanes)	£65.70	✓	*	*	*	*	£72.00	9.59 %	
Watford Woodside - Main pool (whole)	£130.36	✓	*	*	*	*	£144.00	10.46 %	
Watford Central - Main pool (3 lanes)	£56.52	✓	*	*	*	*	£61.80	9.33 %	
Watford Central - Main pool (whole)	£113.15	✓	*	*	*	*	£123.60	9.23 %	
<b>Pool hire - Club / School rate :-</b>									
We have agreed to hold Club rates for 2 years									
Watford Woodside - Main pool (4 lanes)	£56.32	✓	*	*	*	*	61.95	10.01 %	
Watford Woodside - Main pool (whole)	£112.85	✓	*	*	*	*	£124.14	10.00 %	
Watford Central - Main pool (3 lanes)	£49.69	✓	*	*	*	*	£54.66	10.00 %	
Watford Central - Main pool (whole)	£98.22	✓	*	*	*	*	£108.05	10.00 %	

**BUDGET POSITION SUMMARY - LEISURE CENTRES**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
DLM000-I0630 - Service Provider	(1,065,227)	(1,065,227)	(1,065,227)	NO CHANGE	
DLM000-I0630-WJ0079 - Service Provider West Herts College	(650)	(650)	(650)	NO CHANGE	
	(1,065,877)	(1,065,877)	(1,065,877)		

**COMMUNITY SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
WASTE SERVICES INCLUDING TRADE WASTE**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope &amp; exclusive of VAT</b>									
<b>TRADE WASTE</b>									
1100L Euro bin									
Container per empty (Schools/Charities)	£12.20	*	*	✓	*	*	£12.93	6.00 %	
1100L Euro bin hire	£2.40	*	*	✓	*	*	£2.54	6.00 %	
Container per empty (recycling) (schools)	£11.00	*	*	✓	*	*	£11.66	6.00 %	
940L Chamberlain bin Container									
Container per empty (Schools/Charities)	£11.00	*	*	✓	*	*	£11.66	6.00 %	
660L Euro bin container									
Container per empty (Schools/Charities)	£9.90	*	*	✓	*	*	£10.49	6.00 %	
360L wheeled bins									
Container per empty (Schools/Charities)	£8.35	*	*	✓	*	*	£8.85	6.00 %	
240L Wheeled bins									
Container per empty (Schools/Charities)	£6.95	*	*	✓	*	*	£7.37	6.00 %	
240L / 140 L wheeled bin (Schools/Charities)									
140L wheeled bin									
Container per empty (food waste) (Schools/Charities)	£0.00	*	*	*	✓	*	£0.00		
23L food caddy									
Container per empty (food waste) (Schools/Charities)	£0.00	*	*	*	✓	*	£0.00		
<b>ADDITIONAL DOMESTIC COLLECTION SCENARIO</b>									
1100L Euro bin									
Container per empty	£14.70	*	*	✓	*	*	£15.58	6.00 %	
660L Euro bin container									
Container per empty	£12.00	*	*	✓	*	*	£12.72	6.00 %	
240L Wheeled bins									
Container per empty	£8.45	*	*	✓	*	*	£8.96	6.00 %	
<b>DOMESTIC WASTE</b>									
Delivery of recycling boxes and wheeled bins	£6.40	*	*	✓	*	*	£6.78	6.00 %	
Collection of recycling boxes, wheeled bins, food caddy, kitchen caddy	£6.40	*	*	✓	*	*	£6.78	6.00 %	
Delivery of container bin (660's and 1100's)	£20.00	*	*	✓	*	*	£21.20	6.00 %	
<b>DOMESTIC SACKS</b>									
Excess Waste Sack	£2.85	*	✓	*	*	*	£3.02	6.00 %	
Nappy Sack	£0.55	*	✓	*	*	*	£0.58	6.00 %	
Postage of 5 sacks	£0.75	*	✓	*	*	*	£0.80	6.00 %	
<b>GARDEN WASTE BIN CHARGE</b>									
240L / 140 L wheeled bin									
Standard charge per garden waste bin	£40.00	*	*	✓	*	*	£50.00	25.00 %	
240L / 140 L wheeled bin									
Charge per garden waste bin for customers paying by Direct Debit (DD)	£40.00	*	*	✓	*	*	£50.00	25.00 %	
240L / 140 L wheeled bin									
240L / 140 L wheeled bin									
Rate for 2nd garden waste bin	£40.00	*	*	✓	*	*	£75.00	87.50 %	
Rate for 2nd garden waste bin - Schools, Faith Groups, Charities	£40.00	*	*	✓	*	*	£50.00	25.00 %	Properties that qualify under Schedule 2 rules
Compostable liners (roll of 52)	£2.70	*	✓	*	*	*	£3.00	11.11 %	
Postage of roll of liners	£1.55	*	✓	*	*	*	£1.65	6.80 %	
<b>CHARGES TO DEVELOPERS FOR WASTE CONTAINERS</b>									
<b>WASTE BINS FOR NEW DEVELOPMENTS</b>									
Euro 660 litre residual bin	£319.00	*	✓	*	*	*	£319.00	NO CHANGE	
Euro 1100 litre residual bin	£350.00	*	✓	*	*	*	£350.00	NO CHANGE	
Euro 1100 litre recycling bin	£400.00	*	✓	*	*	*	£400.00	NO CHANGE	
240 litre bins	£34.00	*	✓	*	*	*	£34.00	NO CHANGE	
140 litre bins	£34.00	*	✓	*	*	*	£34.00	NO CHANGE	
Food bins (external) 23 litre	£11.30	*	✓	*	*	*	£11.30	NO CHANGE	
Food caddies (internal)	£9.00	*	✓	*	*	*	£9.00	NO CHANGE	
Delivery of container bin (660's and 1100's)	£20.00	*	✓	*	*	*	£20.00	NO CHANGE	
<b>CHARGES TO EMPTY CONTAMINATED BINS</b>									
Euro 660 and 1100 litre bins	£95.50	*	*	✓	*	*	£95.50	NO CHANGE	
240 litre bin	£72.10	*	*	✓	*	*	£72.10	NO CHANGE	
*New lines for charging									
<b>BIN STORE CLEARANCES</b>									
Minimum charge	£150.00	*	*	✓	*	*	£150.00	NO CHANGE	

**BUDGET POSITION SUMMARY - WASTE SERVICES INCLUDING TRADE WASTE**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>SALES</b>					
KMH000-I0706 - Green Bin Charges	(600,000)	(600,000)	(808,820)	34.80 %	
<b>FEES &amp; CHARGES</b>					
KMD000-I0531 WJ0371 - Fees - Trade Refuse		0	0	NO CHANGE	
KMD000-I0531 WJ0505 - Veolia Unspecified	(4,160)	(4,160)	(4,160)	6	
KME000-I0537 WJ0082 - Misc Fees & Charges (TRDC)	(6,000)	(6,000)	(6,000)	6	
KMG000-I0538 - Recycling Textiles	(600)	(600)	(600)	6	
KMH000-I0537 WJ0082 - Misc Fees & Charges (TRDC)	(8,400)	(8,400)	(8,400)	NO CHANGE	
	(619,160)	(619,160)	(827,980)	NO CHANGE	

**COMMUNITY SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
SPECIAL COLLECTIONS & STREET CLEANSING**

*Prices quoted below are exclusive of VAT*

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
Where Commercial Special Collections are made, the charge would be subject to VAT at the Standard rate.									
Where Household Special Collections are made, the charge would be Outside Scope for VAT purposes.									
<b>SPECIAL COLLECTIONS</b>									
Up to four bulky Items *									
Up to 3 bulky items	£33.00	x	x	✓	x	x	£45.00	36.36 %	
Each additional bulky item :- White Goods	£33.00	x	x	✓	x	x	£45.00	36.36 %	
Other bulky/garden clearance collections and disposal minimum charge	£82.40	x	x	✓	x	x	£87.34	6.00 %	
Hazardous Waste* (TV/Electrical)	£35.00	x	x	✓	x	x	£45.00	28.57 %	
American fridge freezer	£60.45	x	x	✓	x	x	£60.45	NO CHANGE	
<b>ABANDONED SHOPPING TROLLEY (Non prescribed statutory charges) (Outside Scope for VAT)</b>									
<b>Seizure</b>									
From highway & open spaces - per trolley	£38.35	✓	x	x	x	x	£38.35	NO CHANGE	
From river/riverside areas - per trolley	£52.55	✓	x	x	x	x	£52.55	NO CHANGE	
From private land - per trolley	£60.25	✓	x	x	x	x	£60.25	NO CHANGE	
<b>Storage</b>									
Trolleys not collected within the statutory 6 week disposal notice period - per trolley	£8.35	✓	x	x	x	x	£8.35	NO CHANGE	
<b>ABANDONED SHOPPING TROLLEY (Non statutory charges) (Standard Rated for VAT)</b>									
Requested return delivery charge - per trolley	Quotation	✓	x	x	x	x	Quotation		
<b>GRAFFITI &amp; FLY POSTER REMOVAL (Statutory Duty - Outside Scope for VAT) (Non Statutory Duty - Standard Rated for VAT)</b>									
<b>GRAFFITI REMOVAL</b>									
Removal from private Property up to 2 sqm	£39.65	✓	x	x	x	x	£39.65	NO CHANGE	
Removal from private Property additional sqm's	£19.70	✓	x	x	x	x	£19.70	NO CHANGE	
Removal - any type affixed 2.4 m above ground level	Quotation	✓	x	x	x	x	Quotation		
<b>FLYPOSTER REMOVAL</b>									
Removal - minimum each - tied or clamped on	£25.55	✓	x	x	x	x	£25.55	NO CHANGE	
Removal - minimum each - glued on/self adhering	£45.55	✓	x	x	x	x	£45.55	NO CHANGE	
Removal - any type affixed 2.4 m above ground level	Quotation	✓	x	x	x	x	Quotation		

**BUDGET POSITION SUMMARY - SPECIAL COLLECTIONS & STREET CLEANSING**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
KMF000-I0532 - WJ0327 Fees - Bulky Domestic	(43,930)	(43,930)	(52,800)	20.19 %	
KSC000-I0537 - Miscellaneous Fees & Charges - WJ0082 (TRDC)	(7,200)	(7,200)	(7,200)	NO CHANGE	
	(51,130)	(51,130)	(60,000)		

**COMMUNITY & CUSTOMER SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-**

**ARTS, EVENTS & HERITAGE**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Exempt from VAT</b>									
Workshops	£9.10	*	✓	*	*	*	£9.65	6.00 %	
Ghost walks	£9.10	*	✓	*	*	*	£9.65	6.00 %	
High street trail	£5.00	*	✓	*	*	*	£5.30	6.00 %	
Study day	£21.60	*	✓	*	*	*	£22.90	6.00 %	
Group talk or trail	£5.00	*	✓	*	*	*	£5.30	6.00 %	
Community use of one space (per hour) days	£20.00	*	✓	*	*	*	£21.20	6.00 %	
Community use of one space (per hour) eve *	£37.00	*	✓	*	*	*	£39.22	6.00 %	
Community use of one space (per hour) Sun *	£49.00	*	✓	*	*	*	£51.94	6.00 %	
Private/commercial (per hour) days	£49.00	✓	*	*	*	*	£51.94	6.00 %	
Private/commercial (per hour) eve *	£59.00	✓	*	*	*	*	£62.54	6.00 %	
Private/commercial (per hour) Sun *	£91.00	✓	*	*	*	*	£96.46	6.00 %	
* Additional charge for staff time applicable (charged @ £30 per hour x 2 staff)									
<b>Standard rated &amp; inclusive of VAT</b>									
Percentage share to Museum on artist sales	33%	✓	*	*	*	*	£0.35	6.00 %	
Percentage share to Museum on foyer sales	12%	✓	*	*	*	*	£0.13	6.00 %	
Photocopying per sheet	£0.20	*	✓	*	*	*	£0.21	6.00 %	
Museum digitised images (per image)	£7.00	*	✓	*	*	*	£7.42	6.00 %	
Museum digitised images CD charge	£6.00	*	✓	*	*	*	£6.36	6.00 %	
Museum un digitised images incurring an hourly scanning rate	£20.50	*	✓	*	*	*	£21.73	6.00 %	
Reproduction image one country one language (non commercial)	£41.00	✓	*	*	*	*	£43.46	6.00 %	
Reproduction Image world right inc web (non commercial)	£51.50	✓	*	*	*	*	£54.59	6.00 %	
Reproduction image one country one language (commercial)	£72.00	✓	*	*	*	*	£76.32	6.00 %	
Reproduction image world right inc web (commercial)	£103.00	✓	*	*	*	*	£109.18	6.00 %	
<b>Where the filming company is given exclusive rights to a defined area and they can exclude others from access, the income is 'Exempt' from VAT. This is subject to an 'option to tax' not being in force. Admin fees for VAT purposes would follow the same treatment as the main</b>									
<b>Where the filming company is given no exclusivity and cannot exclude others from access, the income is treated as 'Standard rated'. Admin fees for VAT purposes would follow the same treatment as the main supply.</b>									
On street and non-council land	£191.00	✓	*	*	*	*	£202.46	6.00 %	
Town Hall (per hour)	£242.00	✓	*	*	*	*	£256.52	6.00 %	
Town Hall over (7+hrs)	£1,700.00	✓	*	*	*	*	£1,802.00	6.00 %	
Parks and other council land/property (per hour)	£186.00	✓	*	*	*	*	£197.16	6.00 %	
Parks and other council land/property (7+hrs)	£1,700.00	✓	*	*	*	*	£1,802.00	6.00 %	
Students	£0.00	*	*	*	✓	*	£0.00		
Use of KGV Car Park	£540.00	✓	*	*	*	*	£572.40	6.00 %	

**BUDGET POSITION SUMMARY - ARTS, EVENTS & HERITAGE**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>SALES</b>					
DEA000-I0101 - Miscellaneous Sales	(3,000)	(3,000)	(3,000)	NO CHANGE	
DEA000-I0118 - Sales Exhibitions	(2,500)	(2,500)	(2,500)	NO CHANGE	
DEA000-I0118 WJ0146 - Exhibition Donations	(1,000)	(1,000)	(1,000)	NO CHANGE	
				0	
<b>FEES &amp; CHARGES</b>					
DDI000-I0661- WJ0332 - Catering & Food Vendors	(3,500)	(3,500)	(3,500)	NO CHANGE	
DDI000-I0697 - Filming Income	(15,000)	(15,000)	(15,000)	NO CHANGE	
	(25,000)	(25,000)	(25,000)		

**COMMUNITY & CUSTOMER SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :- ENVIRONMENTAL HEALTH & LICENSING**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments	
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY				
<b>Outside Scope for VAT purposes</b>										
<b>Taxi &amp; Private Hire Vehicle Licences</b>										
Annual Hackney Carriage Vehicle Licence - Initial Application	£235.00	*	✓	*	*	*	£254.52	8.31 %	recovery calculations	
Annual Hackney Carriage Vehicle Licence - Initial Application(wholly electric vehicles)	£117.50	*	*	✓	*	*	£127.26	8.31 %		
Annual Hackney Carriage Vehicle Licence - Initial Application (Courtesy vehicles)	£235.00	*	✓	*	*	*	£254.52	8.31 %		
Annual Hackney Carriage Vehicle Licence - Renewal	£225.00	*	✓	*	*	*	£243.01	8.00 %		
Annual Hackney Carriage Vehicle Licence - Renewal (wholly electric vehicles)	£112.50	*	*	✓	*	*	£121.51	8.01 %		
Annual Private Hire Vehicle Licence - Initial Application	£235.00	*	✓	*	*	*	£231.85	-1.34 %		
Annual Private Hire Vehicle Licence - Initial Application(wholly electric vehicles)	£117.50	*	*	✓	*	*	£115.93	-1.34 %		
Annual Private Hire Vehicle Licence - Initial Application (Limousines)	£235.00	*	✓	*	*	*	£231.85	-1.34 %		
Annual Private Hire Vehicle Licence - Initial Application (Courtesy vehicles)	£235.00	*	✓	*	*	*	£231.85	-1.34 %		
Annual Private Hire Vehicle Licence - Renewal	£225.00	*	✓	*	*	*	£220.34	-2.07 %		
Annual Private Hire Vehicle Licence - Renewal (wholly electric vehicles)	£112.50	*	*	✓	*	*	£110.17	-2.07 %		
Transfer of vehicle ownership (payable by buyer)	£18.50	*	✓	*	*	*	£19.61	6.00 %		
Taximeter tests	£18.50	*	✓	*	*	*	£19.61	6.00 %		
Replacement vehicle plates	£21.00	*	✓	*	*	*	£6.80	-67.62 %		Cost of purchasing items from supplier
Optional plate fitting brackets	£21.00	*	✓	*	*	*	£6.74	-67.90 %		Cost of purchasing items from supplier
Optional pack of magnets used for attaching plate to vehicle	£23.44	*	✓	*	*	*	£23.44	NO CHANGE		Cost of purchasing items from supplier
Compulsory door signs for hackney carriages (vinyl, per pair)	£10.50	*	✓	*	*	*	£18.00	71.43 %		Cost of purchasing items from supplier
Compulsory door signs for hackney carriages (magnetic, per pair)	£25.00	*	✓	*	*	*	£24.00	-4.00 %		Cost of purchasing items from supplier
Compulsory hi-viz jackets for all vehicles (per jacket)	£2.16	*	✓	*	*	*	£2.16	NO CHANGE		Cost of purchasing items from supplier
Advertising approval on hackney carriages (agency)	£159.00	*	✓	*	*	*	£168.54	6.00 %		
Advertising approval per hackney carriage	£53.00	*	✓	*	*	*	£56.18	6.00 %		
Advertising approval (Licensing Committee referral)	£265.00	*	✓	*	*	*	£280.90	6.00 %		
Private Hire Operators - initial application (5 yrs)	£771.00	*	✓	*	*	*	£757.98	-1.69 %		
Private Hire Operators - renewal (5 yrs)	£769.00	*	✓	*	*	*	£744.86	-3.14 %		
Driver Licences - initial application (3 yrs)	£329.00	*	✓	*	*	*	£343.50	4.41 %		
Driver Licences - renewal application (3 yrs)	£325.00	*	✓	*	*	*	£338.88	4.27 %		
Theory Knowledge Test	£108.00	*	✓	*	*	*	£114.48	6.00 %		
Repeat Knowledge Test with Training	£74.00	*	✓	*	*	*	£78.44	6.00 %		
Repeat Knowledge Test (Test Only)	£33.50	*	✓	*	*	*	£35.51	6.00 %		
Replacement drivers badges	£19.00	*	✓	*	*	*	£20.14	6.00 %		
Duplicate documents	£19.00	*	✓	*	*	*	£20.14	6.00 %		
Driver change of address	£7.40	*	✓	*	*	*	£7.84	6.00 %		
<b>Street Trading</b>										
Street Trading Consent (per annum)	£530.00	*	✓	*	*	*	£561.80	6.00 %		
Street Trading Consent (per annum) - Vicarage Road	£530.00	*	✓	*	*	*	£561.80	6.00 %		
Street Trading Consent daily rate (if less than one year)	£24.00	*	✓	*	*	*	£25.44	6.00 %		
Street Trading Consent (Town Centre Markets per stall per day, waived for charitable etc stalls)	£24.00	*	✓	*	*	*	£25.44	6.00 %		
<b>Permit for Tables &amp; Chairs on the Highway</b>										
Initial application (1 year permit)	£421.00	*	✓	*	*	*	£446.26	6.00 %		
Renewal of annual permit	£114.00	*	✓	*	*	*	£120.84	6.00 %		
Limited duration pavement licence	£100.00	*	*	*	*	✓	£100.00	NO CHANGE		
<b>Free Printed Matter Distribution</b>										
First distributor	£57.00	*	✓	*	*	*	£60.42	6.00 %		
Each additional distributor	£34.50	*	✓	*	*	*	£36.57	6.00 %		
Additional fee for each distributor between 1700 and 0900	£22.50	*	✓	*	*	*	£23.85	6.00 %		

**BUDGET POSITION SUMMARY - ENVIRONMENTAL HEALTH &**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>SALES</b>					
EGA000-I0101 - Miscellaneous Sales	(2,500)	(2,500)	(2,500)	NO CHANGE	
<b>FEES &amp; CHARGES</b>					
EGA000-I0541 - Drivers' Licences (Private Hire)	(12,000)	(12,000)	(12,000)	NO CHANGE	
EGA000-I0542 - Vehicle Licences (Private Hire)	(25,000)	(25,000)	(25,000)	NO CHANGE	
EGA000-I0543 - Operator Licences (Private Hire)	(2,300)	(2,300)	(2,300)	NO CHANGE	
EGA000-I0545 - Drivers' Licences (Hackney Carriage)	(28,000)	(28,000)	(28,000)	NO CHANGE	
EGA000-I0546 - Vehicle Licences (Hackney Carriage)	(51,000)	(51,000)	(51,000)	NO CHANGE	
EGA000-I0548 - Fees - Drivers' Tests	(4,000)	(4,000)	(4,000)	NO CHANGE	
EGA000-I0549 - Fees - Record Transfers	(500)	(500)	(500)	NO CHANGE	
	(125,300)	(125,300)	(125,300)		

**COMMUNITY & CUSTOMER SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :- ENVIRONMENTAL HEALTH & LICENSING (continued)**

Prices quoted below are exclusive of VAT

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
<b>Sex Establishment Licence</b>									
Grant of Licence	£577.50	*	✓	*	*	*	£612.15	6.00 %	
Annual renewal fee	£144.00	*	✓	*	*	*	£152.64	6.00 %	
<b>Sexual Entertainment Venue Licence</b>									
Application for grant of licence	£687.00	*	✓	*	*	*	£728.22	6.00 %	
Renewal of licence	£253.00	*	✓	*	*	*	£268.18	6.00 %	
Major variations (at officer's discretion)	£555.00	*	✓	*	*	*	£588.30	6.00 %	
Minor variations (at officer's discretion)	£122.50	*	✓	*	*	*	£129.85	6.00 %	
<b>Skin Piercing</b>									
Operator (each)	£57.50	*	✓	*	*	*	£61.00	6.09 %	
Premises	£183.00	*	✓	*	*	*	£194.00	6.01 %	
<b>Animal Welfare Licensing (New applications excl. veterinary fees)</b>									
<i>Note that premises licensed under this legislation are subject to chargeable mid licence inspections</i>									
Day care residential	£176.00	*	✓	*	*	*	£186.56	6.00 %	
Day care commercial	£227.00	*	✓	*	*	*	£240.62	6.00 %	
Breeding residential	£197.00	*	✓	*	*	*	£208.82	6.00 %	
Breeding commercial	£227.00	*	✓	*	*	*	£240.62	6.00 %	
Home boarding	£176.00	*	✓	*	*	*	£186.56	6.00 %	
Kennels	£242.00	*	✓	*	*	*	£256.52	6.00 %	
Cattery	£242.00	x	✓	*	*	*	£256.52	6.00 %	
Hiring Horses	£263.00	*	✓	*	*	*	£278.78	6.00 %	
Pet Vending Commercial	£242.00	*	✓	*	*	*	£256.52	6.00 %	
Pet Vending Small / domestic	£176.00	*	✓	*	*	*	£186.56	6.00 %	
Exhibiting of Animals Commercial	£242.00	*	✓	*	*	*	£256.52	6.00 %	
Exhibiting of Animals Domestic	£176.00	*	✓	*	*	*	£186.56	6.00 %	
Dangerous Wild Animal	£206.00	*	✓	*	*	*	£218.36	6.00 %	
Dangerous Wild Animal licence amendment	£75.00	*	✓	*	*	*	£79.50	6.00 %	
<b>Animal Welfare Licensing (renewals excl. veterinary fees)</b>									
<i>Note that premises licensed under this legislation are subject to chargeable mid licence inspections</i>									
Day care residential	£135.50	*	✓	*	*	*	£143.63	6.00 %	
Day care commercial	£186.50	*	✓	*	*	*	£197.69	6.00 %	
Breeding residential	£157.50	*	✓	*	*	*	£166.95	6.00 %	
Breeding commercial	£186.50	*	✓	*	*	*	£197.69	6.00 %	
Home boarding	£135.50	*	✓	*	*	*	£143.63	6.00 %	
Kennels	£201.00	*	✓	*	*	*	£213.06	6.00 %	
Cattery	£201.00	*	✓	*	*	*	£213.06	6.00 %	
Hiring Horses	£223.00	*	✓	*	*	*	£236.38	6.00 %	
Pet Vending Commercial	£201.00	*	✓	*	*	*	£213.06	6.00 %	
Pet Vending Small / domestic	£135.50	*	✓	*	*	*	£143.63	6.00 %	
Exhibiting of Animals Commercial	£201.00	*	✓	*	*	*	£213.06	6.00 %	
Exhibiting of Animals Domestic	£135.50	*	✓	*	*	*	£143.63	6.00 %	
Dangerous Wild Animal	£155.00	*	✓	*	*	*	£164.30	6.00 %	
<b>Scrap metal Dealers</b>									
Grant of Licence	£276.00	*	✓	*	*	*	£292.56	6.00 %	
Renewal of Licence	£214.00	*	✓	*	*	*	£226.84	6.00 %	
Variation of Licence	£56.50	*	✓	*	*	*	£59.89	6.00 %	
Change of Name	£56.50	*	✓	*	*	*	£59.89	6.00 %	
Change of Site	£56.50	*	✓	*	*	*	£59.89	6.00 %	
<b>A request for a DBS check would be subject to VAT at the Standard rate.</b>									
<b>A request for a DBS check which forms part of a Licence application would be Outside Scope for VAT</b>									
<b>DBS checks</b>									
Disclosure & Barring Service check for selected licences	£38.00	*	*	*	*	✓	£38.00	NO CHANGE	These are third party fees, charged at the point of application, and may vary during the course of the year
Fee charged by processing company.	£12.02	*	✓	*	*	*	£12.02	NO CHANGE	

**BUDGET POSITION SUMMARY - ENVIRONMENTAL HEALTH & LICENSING**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
EBL000-I0559 - Motor Salvage Operator	(214)	(214)	(214)	NO CHANGE	
ECE000-I0578 - Skin Piercing / Tattooing	(6,000)	(6,000)	(6,000)	NO CHANGE	
ECJ000-I0502 - Training Course Fees	(2,500)	(2,500)	(2,500)	NO CHANGE	
ECJ000-I0689 - Food Certificates	(17,500)	(17,500)	(17,500)	NO CHANGE	
EGA000-I0551 - Fees-Criminal Records Bureau	(10,000)	(10,000)	(10,000)	NO CHANGE	
EGD000-I0558-WJ0108 - Fees - Street Trading - Pavement Licences	(2,000)	(2,000)	(2,000)	NO CHANGE	
EGE000-I0556 - Other Licences (incl Sex Establishment)	(370)	(370)	(370)	NO CHANGE	
	(38,584)	(38,584)	(38,584)		



**COMMUNITY & CUSTOMER SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
ENVIRONMENTAL HEALTH & LICENSING (continued)**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
<b>GAMBLING ACT 2005</b>									
<b>New applications</b>									
Bingo	£968.00	*	✓	*	*	*	£1,026.08	6.00 %	
Betting (off-course)	£968.00	*	✓	*	*	*	£1,026.08	6.00 %	
Betting (off-course) - where provisional statement exists	N/A	*	✓	*	*	*	£950.00	NO CHANGE	Fee set at statutory maximum
Betting (track)	£968.00	*	✓	*	*	*	£1,026.08	6.00 %	
Betting (track) - where provisional statement exists	N/A	*	✓	*	*	*	£950.00	NO CHANGE	Fee set at statutory maximum
Adult Gaming Centre	£968.00	*	✓	*	*	*	£1,026.08	6.00 %	
Family Entertainment Centre	£968.00	*	✓	*	*	*	£1,026.08	6.00 %	
Family Entertainment Centre with permit	£300.00	*	*	*	*	✓	£300.00	NO CHANGE	
Licensed Premises Gaming Machine Notification	£50.00	*	*	*	*	✓	£50.00	NO CHANGE	
Licensed Premises Gaming Machine Permit	£150.00	*	*	*	*	✓	£150.00	NO CHANGE	
Club Gaming Permit	£100.00	*	*	*	*	✓	£100.00	NO CHANGE	
Club Gaming Machine Permit (Fast track application)	£100.00	*	*	*	*	✓	£100.00	NO CHANGE	
Club Gaming Machine Permit (not a fast track application)	£200.00	*	*	*	*	✓	£200.00	NO CHANGE	
Small society lottery	£40.00	*	*	*	*	✓	£40.00	NO CHANGE	
Prize Gaming Permit	£300.00	*	*	*	*	✓	£300.00	NO CHANGE	
Provisional statements	£900.00	*	✓	*	*	*	£954.00	6.00 %	
<b>Transfer and re-instatement applications</b>									
Bingo	£950.00	*	✓	*	*	*	£1,007.00	6.00 %	
Betting (off-course)	£950.00	*	✓	*	*	*	£1,007.00	6.00 %	
Betting (track)	£950.00	*	✓	*	*	*	£950.00	NO CHANGE	Fee set at statutory maximum
Adult Gaming Centre	£950.00	*	✓	*	*	*	£1,007.00	6.00 %	
Family Entertainment Centre	£950.00	*	✓	*	*	*	£950.00	NO CHANGE	Fee set at statutory maximum
Licensed Premises Gaming Machine Permit	£25.00	*	*	*	*	✓	£25.00	NO CHANGE	
<b>Variation applications</b>									
Bingo	£968.00	*	✓	*	*	*	£1,026.08	6.00 %	
Betting (off-course)	£968.00	*	✓	*	*	*	£1,026.08	6.00 %	
Betting (track)	£968.00	*	✓	*	*	*	£1,026.08	6.00 %	
Adult Gaming Centre	£968.00	*	✓	*	*	*	£1,000.00	1.03 %	Fee set at statutory maximum
Family Entertainment Centre	£968.00	*	✓	*	*	*	£1,000.00	1.03 %	Fee set at statutory maximum
Licensed Premises Gaming Machine Permit	£100.00	*	*	*	*	✓	£100.00	NO CHANGE	
Club Gaming Machine Permit	£100.00	*	*	*	*	✓	£100.00	NO CHANGE	
<b>Miscellaneous fees</b>									
Duplicate premises licence	£25.00	*	✓	*	*	*	£25.00	NO CHANGE	Fee set at statutory maximum
Change of circumstances on premises licence	£50.00	*	✓	*	*	*	£50.00	NO CHANGE	Fee set at statutory maximum
Duplicate machine, FEC, or prize gaming permit	£15.00	*	*	*	*	✓	£15.00	NO CHANGE	
Change of name on machine, FEC, or prize gaming permit	£25.00	*	*	*	*	✓	£25.00	NO CHANGE	



**COMMUNITY & CUSTOMER SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
ENVIRONMENTAL HEALTH & LICENSING (continued)**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
<b>GAMBLING ACT 2005</b>									
<b>Annual Fee</b>									
Bingo	£1,000.00	*	✓	*	*	*	£1,000.00	NO CHANGE	Fee set at statutory maximum
Betting (off-course)	£503.00	*	✓	*	*	*	£533.18	6.00 %	
Betting (track)	£1,000.00	*	✓	*	*	*	£1,000.00	NO CHANGE	Fee set at statutory maximum
Adult Gaming Centre	£1,000.00	*	✓	*	*	*	£1,000.00	NO CHANGE	Fee set at statutory maximum
Family Entertainment Centre	£750.00	*	✓	*	*	*	£750.00	NO CHANGE	Fee set at statutory maximum
Family Entertainment Centre with permit	£300.00	*	*	*	*	✓	£300.00	NO CHANGE	
Licensed Premises Gaming Machine permit	£50.00	*	*	*	*	✓	£50.00	NO CHANGE	
Club Gaming Permit	£50.00	*	*	*	*	✓	£50.00	NO CHANGE	
Club Gaming Machine Permit	£50.00	*	*	*	*	✓	£50.00	NO CHANGE	
Small society lottery	£20.00	*	*	*	*	✓	£20.00	NO CHANGE	
Prize Gaming Permit	£300.00	*	*	*	*	✓	£300.00	NO CHANGE	
<b>Licensing Act 2003</b>									
<b>(Statutory fees)</b>									
<b>Premises Licence/Club Premises Application fees</b>									
Rateable value £0-4300	£100.00	*	*	*	*	✓	£100.00	NO CHANGE	
Rateable value £ 4301 - £33,000	£190.00	*	*	*	*	✓	£190.00	NO CHANGE	
Rateable value £ 33,001 - £ 87,000	£315.00	*	*	*	*	✓	£315.00	NO CHANGE	
Rateable value £87001 - £125,000	£450.00	*	*	*	*	✓	£450.00	NO CHANGE	
Rateable value £125,001 and above	£635.00	*	*	*	*	✓	£635.00	NO CHANGE	
<b>Premises Licence/Club Premises Annual Fees</b>									
Rateable value £0- £4300	£70.00	*	*	*	*	✓	£70.00	NO CHANGE	
Rateable value £ 4301 - £33,000	£180.00	*	*	*	*	✓	£180.00	NO CHANGE	
Rateable value £ 33,001 - £ 87,000	£295.00	*	*	*	*	✓	£295.00	NO CHANGE	
Rateable value £87001 - £125,000	£320.00	*	*	*	*	✓	£320.00	NO CHANGE	
Rateable value £125,001 and above	£350.00	*	*	*	*	✓	£350.00	NO CHANGE	
Replacement licence	£10.50	*	*	*	*	✓	£10.50	NO CHANGE	
Application for provisional licence	£315.00	*	*	*	*	✓	£315.00	NO CHANGE	
Change of licence details (name or address)	£10.50	*	*	*	*	✓	£10.50	NO CHANGE	Statutory Fees
Variation of designated premises supervisor	£23.00	*	*	*	*	✓	£23.00	NO CHANGE	
Transfer of premises licence	£23.00	*	*	*	*	✓	£23.00	NO CHANGE	
Interim authority notice	£23.00	*	*	*	*	✓	£23.00	NO CHANGE	
Variation of designated premises supervisor	£23.00	*	*	*	*	✓	£23.00	NO CHANGE	
Variation of premises	£315.00	*	*	*	*	✓	£315.00	NO CHANGE	
Minor variation of premises	£89.00	*	*	*	*	✓	£89.00	NO CHANGE	
Notification of change of name or club rules	£10.50	*	*	*	*	✓	£10.50	NO CHANGE	
Change of relevant registered address of club	£10.50	*	*	*	*	✓	£10.50	NO CHANGE	
Temporary event notice	£21.00	*	*	*	*	✓	£21.00	NO CHANGE	
Replacement temporary event notice	£10.50	*	*	*	*	✓	£10.50	NO CHANGE	
Application for personal licence	£37.00	*	*	*	*	✓	£37.00	NO CHANGE	
Replacement personal licence	£10.50	*	*	*	*	✓	£10.50	NO CHANGE	
Notification of change of name etc for personal licence	£10.50	*	*	*	*	✓	£10.50	NO CHANGE	
Entry on freeholder register	£21.00	*	*	*	*	✓	£21.00	NO CHANGE	

**BUDGET POSITION SUMMARY - ENVIRONMENTAL HEALTH & LICENSING**

Income Code & Description	<u>Original Budget</u> 2022/23	<u>Latest Budget</u> 2023/24	<u>Proposed Budget</u> 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
EGB000-I0553 WJ0090 - LA 2003 Prem Lic App Fee	(1,000)	(1,000)	(1,000)	NO CHANGE	
EGB000-I0553 WJ0091 - LA 2003 Prem Lic Annual Fee	(77,000)	(77,000)	(77,000)	NO CHANGE	
EGB000-I0553 WJ0092 - LA 2003 Prem Lic Var Fee	(1,000)	(1,000)	(1,000)	NO CHANGE	
EGB000-I0553 WJ0093 - LA 2003 Prem Lic Misc Fee	(500)	(500)	(500)	NO CHANGE	
EGB000-I0553 WJ0095 - LA 2003 Club Cert Annual Fee	(2,870)	(2,870)	(2,870)	NO CHANGE	
EGB000-I0553 WJ0098 - LA 2003 Personal Licences App Fee	(1,500)	(1,500)	(1,500)	NO CHANGE	
EGB000-I0553 WJ0099 - LA 2003 Personal Licences Misc Fee	(300)	(300)	(300)	NO CHANGE	
EGB000-I0553 WJ0100 - LA 2003 Temp Event Notices App Fee	(2,000)	(2,000)	(2,000)	NO CHANGE	
EGC000-I0552 - GA 2005 Registration Fees	(1,300)	(1,300)	(1,300)	NO CHANGE	
EGC000-I0554 - Fees - Amusement Machines	(750)	(750)	(750)	NO CHANGE	
EGC000-I0557 WJ0102 - GA 2005 Adult Gaming Centres	(1,082)	(1,082)	(1,082)	NO CHANGE	
EGC000-I0557 WJ0103 - GA 2005 Betting Shops	(8,600)	(8,600)	(8,600)	NO CHANGE	
EGC000-I0557 WJ0104 - GA 2005 Clubs	(350)	(350)	(350)	NO CHANGE	
EGC000-I0557 WJ0106 - GA 2005 Bingo	(1,000)	(1,000)	(1,000)	NO CHANGE	
	(99,252)	(99,252)	(99,252)		

**COMMUNITY & CUSTOMER SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :- ENVIRONMENTAL HEALTH & LICENSING (continued)**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Standard rated &amp; inclusive of VAT</b>									
<b>Pest Control</b>									
Note commercial treatments quoted individually on request									
<b>Pest control treatment for residential properties :-</b>									
<b>NOTE : Fees are inclusive of VAT</b>									
<b>Rats &amp; Mice</b>									
NOTE : Fees are inclusive of VAT									
Rats (max 3 visits)	£69.00	*	*	✓	*	*	£73.14	6.00 %	
Rats Concession (max 3 visits)	£17.50	*	*	✓	*	*	£18.55	6.00 %	
Rats (repeat visits - not following advice) (max 3 visits)	£114.00	*	*	✓	*	*	£120.84	6.00 %	
Rats (repeat visits, not following advice)(Concession) (max 3 visits)	£35.00	*	*	✓	*	*	£37.10	6.00 %	
Rats HMO (max 3 visits)	£173.00	*	*	✓	*	*	£183.38	6.00 %	
Mice(inside) (max 3 visits)	£69.00	*	*	✓	*	*	£73.14	6.00 %	
Mice(inside) Concession (max 3 visits)	£17.50	*	*	✓	*	*	£18.55	6.00 %	
Mice(inside) (repeat visits - not following advice) (max 3 visits)	£114.00	*	*	✓	*	*	£120.84	6.00 %	
Mice(inside) (repeat visits, not following advice)(Concession) (max 3 visits)	£35.00	*	*	✓	*	*	£37.10	6.00 %	
Mice(inside) HMO (max 3 visits)	£173.00	*	*	✓	*	*	£183.38	6.00 %	
<b>Wasps/Honets Nests</b>									
Single nest	£51.50	*	✓	*	*	*	£54.59	6.00 %	
Single nest concession	£25.75	*	*	✓	*	*	£27.30	6.00 %	
Each additional nest treated at the same time	£16.50	*	*	✓	*	*	£17.49	6.00 %	
Each additional nest treated at the same time concession	£8.25	*	*	✓	*	*	£8.75	6.00 %	
<b>Fleas</b>									
<b>Fleas - Upto and inc 3 bed house (per visit)</b>	£98.00	*	*	✓	*	*	£103.88	6.00 %	
>3 bed house	£109.00	*	*	✓	*	*	£115.54	6.00 %	
Concessionary Rate	£25.25	*	*	✓	*	*	£26.77	6.00 %	
>3 bed house	£38.50	*	*	✓	*	*	£40.81	6.00 %	
Fleas - per visit HMO	£229.00	*	*	✓	*	*	£242.74	6.00 %	
<b>Cockroaches</b>									
Cockroaches	£91.00	*	✓	*	*	*	£96.46	6.00 %	
Cockroaches Concession	£45.50	*	*	✓	*	*	£48.23	6.00 %	
Cockroaches HMO	£207.00	*	*	✓	*	*	£219.42	6.00 %	
<b>Bedbugs</b>									
Bed bugs- Upto and inc 3 bed house (per visit)	£127.00	*	✓	*	*	*	£134.62	6.00 %	
>3 beds	£153.50	*	*	✓	*	*	£162.71	6.00 %	
Bed Bugs Concession	£49.50	*	*	✓	*	*	£52.47	6.00 %	
>3 beds	£62.00	*	✓	*	*	*	£65.72	6.00 %	
Bed bugs HMO	£254.00	*	✓	*	*	*	£269.24	6.00 %	
Squirrels(internal only, 3 visits )	£170	*	✓	*	*	*	£180.20	6.00 %	
Glis Glis									
Annual charge	£448	*	*	✓	*	*	£474.88	6.00 %	
Annual charge concession	£85	*	*	✓	*	*	£90.10	6.00 %	
Weekly treatment - Daily (mon- Fri)	142	*	*	✓	*	*	£150.52	6.00 %	
<b>Ants (pharaoh only)</b>									
Ants	£108.00	*	✓	*	*	*	£114.48	6.00 %	
Ants concession	£54.00	*	✓	*	*	*	£57.24	6.00 %	
<b>Other insects (Inside)</b>									
Other insects (Inside)	£108.00	*	✓	*	*	*	£114.48	6.00 %	
Other insects (Inside) Concession	£54.00	*	✓	*	*	*	£57.24	6.00 %	
Advice visit to identify pest.	£31.00	*	✓	*	*	*	£32.86	6.00 %	
Advice visit to identify pest (Concession).	£15.50	*	✓	*	*	*	£16.43	6.00 %	

**BUDGET POSITION SUMMARY - ENVIRONMENTAL HEALTH & LICENSING**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
EFG000-10562 - Wasps Nests	(6,500)	(6,500)	(6,500)	NO CHANGE	
EFG000-10563 - Pest Control Contracts	(15,000)	(15,000)	(38,000)	153.33 %	
EFG000-10565 - Other Pests	(4,000)	(4,000)	(4,000)	NO CHANGE	
EFG000-10566 - Animal Fleas	(350)	(350)	(350)	NO CHANGE	
EFG000-10567 - Rats & Mice	(13,500)	(13,500)	(13,500)	NO CHANGE	
	(39,350)	(39,350)	(62,350)		

**COMMUNITY & CUSTOMER SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
ENVIRONMENTAL HEALTH & LICENSING (continued)**

*Prices quoted below are exclusive of VAT*

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
Where an <b>agreement is in place</b> , the charge would be subject to VAT at the Standard rate.									
Where an <b>agreement is NOT in place</b> , the charge would be Outside Scope for VAT purposes.									
<b>STRAY DOGS</b> Stray dogs fine (set by statute)	£25.00	*	*	*	*	£26.50	6.00 %		
<b>1st Day Kennelling charge &amp; administration</b>	£87.50	*	*	✓	*	£92.75	6.00 %		
Concessionary rate	£43.75	*	*	✓	*	£46.38	6.00 %		
<b>Additional daily Kennel Charges</b>	£13.25	*	*	✓	*	£14.05	6.00 %		
Concessionary rate	£6.75	*	*	✓	*	£7.16	6.00 %		

**BUDGET POSITION SUMMARY - ENVIRONMENTAL HEALTH & LICENSING**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
EFC000-10555 - Pet/Dog Breeding/Game Dealers	(300)	(300)	(300)	NO CHANGE	
EFC000-10568 - Income from Kennelling	(400)	(400)	(400)	NO CHANGE	
	(700)	(700)	(700)		

**COMMUNITY & CUSTOMER SERVICES**

**2023/24  
ENVIRONMENTAL ABANDONED VEHICLES**

*Prices quoted below are exclusive of VAT*

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>ABANDONED VEHICLES (Statutory Charges) (On Road - Outside Scope for VAT) (Off Road E.G. Private Land - Standard Rated)</b>									
<b>Removal of vehicle on road not substantially damaged, or 2 wheeled vehicle on or off road</b>									
equal to or less than 3.5 tonnes	£150.00	*	*	*	*	✓	£159.00	6.00 %	
exceeding 3.5 tonne but less than 7.5 tonnes	£200.00	*	*	*	*	✓	£212.00	6.00 %	
exceeding 7.5 tonnes	£350.00	*	*	*	*	✓	£371.00	6.00 %	
<b>Removal of vehicle on road substantially damaged excluding 2 wheeled vehicle</b>									
equal to or less than 3.5 tonnes	£250.00	*	*	*	*	✓	£265.00	6.00 %	
exceeding 3.5 tonnes but less than 7.5 tonnes	£650.00	*	*	*	*	✓	£689.00	6.00 %	
exceeding 7.5 tonnes *	£2,000.00	*	*	*	*	✓	£2,120.00	6.00 %	
<b>Removal of vehicle off road not substantially damaged excluding 2 wheeled vehicle</b>									
equal to or less than 3.5 tonnes	£200.00	*	*	*	*	✓	£212.00	6.00 %	
exceeding 3.5 tonnes but less than 7.5 tonnes	£400.00	*	*	*	*	✓	£424.00	6.00 %	
exceeding 7.5 tonnes*	£1,000.00	*	*	*	*	✓	£1,060.00	6.00 %	
<b>Removal of vehicle off road substantially damaged excluding 2 wheeled vehicle</b>									
equal to or less than 3.5 tonnes	£300.00	*	*	*	*	✓	£318.00	6.00 %	
exceeding 3.5 tonnes but less than 7.5 tonnes	£850.00	*	*	*	*	✓	£901.00	6.00 %	
exceeding 7.5 tonnes *	£3,000.00	*	*	*	*	✓	£3,180.00	6.00 %	
<b>Storage charge per day</b>									
equal to or less than 3.5 tonnes	£20.00	*	*	*	*	✓	£21.20	6.00 %	
exceeding 3.5 tonnes but less than 7.5 tonnes	£25.00	*	*	*	*	✓	£26.50	6.00 %	
exceeding 7.5 tonnes	£30.00	*	*	*	*	✓	£31.80	6.00 %	
<b>Destruction / disposal</b>									
equal to or less than 3.5 tonnes	£75.00	*	*	*	*	✓	£79.50	6.00 %	
exceeding 3.5 tonnes but less than 7.5 tonnes	£100.00	*	*	*	*	✓	£106.00	6.00 %	
exceeding 7.5 tonnes unladen	£125.00	*	*	*	*	✓	£132.50	6.00 %	
<b>Note: Additional removal charges apply where non standard measures are required to seize and transport vehicles from and across private land to the nearest highway</b>									
*unladen weight only									
<b>ABANDONED VEHICLES (Non Statutory Charges) (On Road - Outside Scope for VAT) (Off Road E.G. Private Land - Standard Rated)</b>									
<b>Return of seized vehicle - cost per mile</b>									
equal or less than 3.5 tonnes	£2.40	✓	*	*	*	*	£2.54	6.00 %	
exceeding 3.5 tonnes less than 7.5 tonnes	£4.45	✓	*	*	*	*	£4.72	6.00 %	
equal to or exceeding 7.5 tonnes	£4.45	✓	*	*	*	*	£4.72	6.00 %	
<b>Private Land</b>									
Administration Cost to organise AV removal on Private Land.	£110.00	*	✓	*	*	*	£116.60	6.00 %	
Per additional vehicle on same land	£34	*	✓	*	*	*	£36.04	6.00 %	

**BUDGET POSITION SUMMARY - ENVIRONMENTAL ABANDONED VEHICLES**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>SALES</b>					
KKB004-I0112 - Sales of Abandoned Vehicles	(500)	(500)	(500)	NO CHANGE	
	(500)	(500)	(500)		

**COMMUNITY & CUSTOMER SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
ENVIRONMENTAL HEALTH & LICENSING (continued)**

*Prices quoted below are exclusive of VAT*

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Standard rated &amp; exclusive of VAT</b>									
<b>All commercial, non statutory work not listed will be undertaken after provision of a quote and agreeing of a contract.</b>									
<b>Officer charges per hour for carrying out Works in default (no VAT)</b>									
Business Compliance Officer	£56.25	*	✓	*	*	*	£59.63	6.00 %	
Business development Officer	£56.25	*	✓	*	*	*	£59.63	6.00 %	
Strategic Project Manager	£56.25	*	✓	*	*	*	£59.63	6.00 %	
Energy and Renewal Officer	£56.25	*	✓	*	*	*	£59.63	6.00 %	
Community Safety Coordinator	£56.25	*	✓	*	*	*	£59.63	6.00 %	
Assistant Licensing Officer	£46.58	*	✓	*	*	*	£49.37	6.00 %	
Licensing Officer	£51.29	*	✓	*	*	*	£54.37	6.00 %	
Support Officer	£46.58	*	✓	*	*	*	£49.37	6.00 %	
Support Team Co-ordinator	£46.58	*	✓	*	*	*	£49.37	6.00 %	
Environmental Health Technical Officer	£46.58	*	✓	*	*	*	£49.37	6.00 %	
Senior Environmental Crime Officer	£56.25	*	✓	*	*	*	£59.63	6.00 %	
Environmental Crime Officer	£51.29	*	✓	*	*	*	£54.37	6.00 %	
Town Enforcement Officer	£46.58	*	✓	*	*	*	£49.37	6.00 %	
Environmental Health Officer	£56.25	*	✓	*	*	*	£59.63	6.00 %	
Senior Environmental Health Officer	£60.25	*	✓	*	*	*	£63.87	6.00 %	
Environmental Health Manager	£66.32	*	✓	*	*	*	£70.30	6.00 %	
Section Head	£71.54	*	✓	*	*	*	£75.83	6.00 %	
<b>Report for solicitor / victim for use in legal action / claim (such as health &amp; safety reports, noise nuisance, reports etc).</b>									
Work as above Amount to be submitted with request									
<b>List of authorised processes and other pollution registers</b>	£0.10	*	✓	*	*	*	£0.11	6.00 %	
Hard copy of Food Premises Register	£0.10	*	✓	*	*	*	£0.11	6.00 %	
Hard copy of Licensed HMO Public Register	£0.10	*	✓	*	*	*	£0.11	6.00 %	
(Where allowed by law) per single sheet of A4 paper	£0.10	*	✓	*	*	*	£0.11	6.00 %	
<b>More complex work</b>									
Probably including active date gathering, site visits, interviews etc. Minimum charge first two hours where additional time charged in 15 minute blocks - only where not covered by FOI Act.	upon request	*	✓	*	*	*	upon request		
Amount to be submitted with request									
<b>Environmental Information Requests</b>									
EIR Request (Per hour)	£72.00	*	✓	*	*	*	£76.32	6.00 %	
<b>Housing standards inspection for immigration purposes</b>									
(customer has the choice to use either the local authority or the private sector)									
Standard Service (within 10 days)	£167.00	*	✓	*	*	*	£177.02	6.00 %	
Priority Service (within 3 days)	£270.00	✓	*	*	*	*	£286.20	6.00 %	
<b>Exempt for VAT purposes</b>									
Level 2 Award in Food Safety in Catering Candidate Fee	£50.00	✓	*	*	*	*	£53.00	6.00 %	



**COMMUNITY & CUSTOMER SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
ENVIRONMENTAL HEALTH & LICENSING (continued)**

*Prices quoted below are exclusive of VAT*

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
Food Export Certificate Electronic	£48.50	*	✓	*	*	*	£51.41	6.00 %	
Food Export Certificate Hard Copy	£60.00	*	✓	*	*	*	£63.60	6.00 %	
Food Hygiene Rating Scheme re-assessment charge	£170.00	*	✓	*	*	*	£180.20	6.00 %	
<b>Houses in Multiple Occupation (HMO)</b>									
Fast track process licensing application for new or renewals. (within 5 days )	£330.00	✓	*	*	*	*	£349.80	6.00 %	
<b>HMO Licensing New Application Fee</b>	£1,280.00	*	✓	*	*	*	£1,356.80	6.00 %	
Concessionary rate for Charities (20% discount)	£1,020.00	*	*	✓	*	*	£1,081.20	6.00 %	
<b>HMO Licensing Renewal Application Fee</b>	£1,065.00	*	✓	*	*	*	£1,128.90	6.00 %	
Concessionary rate for Charities (20% discount)	£852.00	*	*	✓	*	*	£903.12	6.00 %	
<b>HMO Assisted Licence Application Fee</b>	£297.00	*	*	✓	*	*	£314.82	6.00 %	
(where release agreed/requested by landlord)	£29.00	*	✓	*	*	*	£30.74	6.00 %	
<b>HMO Survey - 2 storey or less</b>	£405.00	✓	*	*	*	*	£429.30	6.00 %	
<b>HMO Survey - 3 storey</b>	£600.00	✓	*	*	*	*	£636.00	6.00 %	
	£350.00	✓	*	*	*	*	£371.00	6.00 %	
<b>Housing Enforcement Charges</b>									
Charge to cover expenses if an enforcement notice is served under the Housing Act 2004	£286.00	*	✓	*	*	*	£303.16	6.00 %	

**BUDGET POSITION SUMMARY - ENVIRONMENTAL HEALTH & LICENSING**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
ECE000-I0537 - Health & Safety - Miscellaneous Fees	(11,000)	(11,000)	(11,000)	NO CHANGE	
EDC000-I0504 - Inspection Fees	(2,000)	(2,000)	(2,000)	NO CHANGE	
EDC000-I0631 - Income HMO Registration Fees	(20,000)	(20,000)	(20,000)	NO CHANGE	
EDD000-I0572 - Fees-EPA 1990	(16,000)	(16,000)	(16,000)	NO CHANGE	
EDH000-I0501 - Envirocrime - Fixed Penalty Notice	(5,000)	(5,000)	(5,000)	NO CHANGE	
	(54,000)	(54,000)	(54,000)		

**COMMUNITY & CUSTOMER SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
INFORMATION UNIT & CUSTOMER SERVICES**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
Street Naming and Numbering :- Change to existing property <u>New Build</u>	£125.00	✓	✗	✗	✗	✗	£132.50	6.00 %	
1 Plot	£125.00	✓	✗	✗	✗	✗	£132.50	6.00 %	
For each additional plot/unit	£40.00						£42.40	6.00 %	
New street name and postal numbers for a new development	£550.00 fee for street name plus postal nos based on nos of plots shown above	✓	✗	✗	✗	✗	£583.00 street name plus postal nos based on nos of plots shown above	6.00 %	
Existing property - registration of property details with Royal Mail and / or utility companies	£125.00 per	✓	✗	✗	✗	✗	£132.50	6.00 %	
Renaming a street at the request of residents Per property	£1,000.00 plus £40.00	✓	✗	✗	✗	✗	£1,060.00 £42.40	6.00 % 6.00 %	
<b>GIS system search</b> (when operational) with letter amount to be submitted with request	£200.00	✗	✓	✗	✗	✗	£212.00	6.00 %	

**BUDGET POSITION SUMMARY - INFORMATION UNIT & CUSTOMER SERVICES**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
ADW000-I0536 - Miscellaneous Charges	(12,500)	(12,500)	(12,500)	NO CHANGE	
	(12,500)	(12,500)	(12,500)		

**COMMUNITY & CUSTOMER SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
HOUSING**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
Average weekly hostel rents and service charges	£167.50	*	✓	*	*	*	£177.55	6.00 %	
Managed dwelling rents	£210.07	*	✓	*	*	*	£222.67	6.00 %	
Bed & Breakfast/Nightly let weekly Charge	£150.00	*	✓	*	*	*	£159.00	6.00 %	

**BUDGET POSITION SUMMARY - HOUSING**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>LAND &amp; PROPERTY BASED CHARGES</b>					
JWP000-I0901- Rent - WJ0316 - Hostels & Dwellings	(316,907)	(316,907)	(316,907)	NO CHANGE	
	(316,907)	(316,907)	(316,907)		

## PARKING SERVICES

### 2023/24 FEES & CHARGES PROPOSED FOR :- PARKING SERVICES

*Prices quoted below are exclusive of VAT except for car parking at The Avenue, Town Hall and Longspring*

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
<b>On Street pay and display</b>									
Inner CPZ P&D charge per hour	£1.60	*	✓	*	*	*	£1.60	NO CHANGE	
Outer CPZ P&D charge per hour	£1.10	*	✓	*	*	*	£1.10	NO CHANGE	
<b>Standard rated &amp; inclusive of VAT</b>									
<b>The Avenue Car Park</b>									
7 a.m. to 5 p.m. - 60p per hour									
1 Hour	£0.80	*	*	✓	*	*	£0.80	NO CHANGE	
2 Hours	£1.60	*	*	✓	*	*	£1.60	NO CHANGE	
3 Hours	£2.40	*	*	✓	*	*	£2.40	NO CHANGE	
4 Hours	£3.20	*	*	✓	*	*	£3.20	NO CHANGE	
All day till midnight	£5.50	*	*	✓	*	*	£6.00	9.09 %	
5 p.m. to midnight	£2.50	*	*	✓	*	*	£2.50	NO CHANGE	
Season tickets per annum	£800.00	*	*	✓	*	*	£800.00	NO CHANGE	
<b>Town Hall Car Park</b>									
Monday - Friday 5 p.m. to midnight and Saturday & Sunday 5 p.m. to midnight									
1 Hour	£0.80	*	*	✓	*	*	£0.80	NO CHANGE	
2 Hours	£1.60	*	*	✓	*	*	£1.60	NO CHANGE	
3 Hours	£2.40	*	*	✓	*	*	£2.40	NO CHANGE	
4 Hours	£3.20	*	*	✓	*	*	£3.20	NO CHANGE	
All day till midnight	£5.50	*	*	✓	*	*	£6.00	9.09 %	
5 p.m. to midnight	£2.50	*	*	✓	*	*	£2.50	NO CHANGE	
<b>Longspring Charges</b>									
Monday - Saturday									
1 hour	£0.60	*	*	✓	*	*	£0.70	16.67 %	
Up to 2 hours		*	*	✓	*	*	£1.00	NEW	
2 to 4 hours		*	*	✓	*	*	£1.60	NEW	
4+ hours; all day	£3.00	*	*	✓	*	*	£3.00	NO CHANGE	
Between 5 pm - 9 pm		*	*	✓	*	*	£1.00	New	
<b>Harebreaks Car park</b>									
Monday - Saturday									
1 hour	£0.50	*	*	✓	*	*	£0.60	20.00 %	
Up to 2 hours		*	*	✓	*	*	£1.00	NEW	
2 to 4 hours		*	*	✓	*	*	£1.60	NEW	
4+ hours; all day	£1.00	*	*	✓	*	*	£3.00	200.00 %	
Between 5 pm - 9 pm		*	*	✓	*	*	£1.00	NEW	
<b>Outside Scope for VAT purposes</b>									
<b>Parking Penalties</b>									
Serious Contravention	£50.00	*	✓	*	*	*	£50.00	NO CHANGE	
More Serious Contravention	£70.00	*	✓	*	*	*	£70.00	NO CHANGE	
<b>Permit Charges</b>									
These charges are calculated from their hourly counterparts as these are now the most common forms of permit									

## PARKING SERVICES

### 2023/24 FEES & CHARGES PROPOSED FOR :- PARKING SERVICES

*Prices quoted below are exclusive of VAT except for car parking at The Avenue, Town Hall and Longspring*

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
full cpz 1st permit	£25.00	*	✓	*	*	*	£28.00	12.00 %	
full cpz 2nd permit	£55.00	*	✓	*	*	*	£61.00	10.91 %	
fullcpz V Vouchers 40 1hour (16p / hr)	£4.50	*	✓	*	*	*	£6.40	42.22 %	
fullcpz V Vouchers 20 4hour (16p / hr)	£9.00	*	✓	*	*	*	£12.80	42.22 %	
fullcpz 1 day vouchers 5	£4.50	*	✓	*	*	*	£4.75	5.56 %	
fullcpz 1 week v voucher	£4.50	*	✓	*	*	*	£4.50	NO CHANGE	
fullcpz Business permit inner zone	£300.00	*	✓	*	*	*	£300.00	NO CHANGE	
fullcpz Business permit outer zone	£150.00	*	✓	*	*	*	£150.00	NO CHANGE	
Medical Permits (DHV)	£25.00	*	✓	*	*	*	£28.00	12.00 %	
subsequent	£55.00	*	✓	*	*	*	£61.00	10.91 %	
Car Park pass cards for disabled residents	£10.00	*	✓	*	*	*	£10.00	NO CHANGE	
Parking Dispensations/bay suspensions :-									
Per bay per day	£20.00	*	✓	*	*	*	£20.00	NO CHANGE	
Per bay per week first 2 weeks	£120.00	*	✓	*	*	*	£120.00	NO CHANGE	
Per bay per week 3 weeks or more	£100.00	*	✓	*	*	*	£100.00	NO CHANGE	

### BUDGET POSITION SUMMARY - PARKING SERVICES

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
<b>Crown Passage</b>					
KFE002-I0901 - Rent	(12,780)	(12,780)	(12,780)	NO CHANGE	
<b>Longspring</b>					
KFB000-I0623 - Income-Parking Fees	(34,000)	(34,000)	(34,000)	NO CHANGE	
<b>The Avenue</b>					
KFC000-I0623 - Income-Parking Fees	(127,000)	(127,000)	(127,000)	NO CHANGE	
KFC000-I0624 - Income-Season Tickets	(10,000)	(10,000)	(10,000)	NO CHANGE	
<b>Town Hall</b>					
BEA001-I0623 - Income-Parking Fees (Staff)	(20,000)	(20,000)	(20,000)	NO CHANGE	
KFD000-I0623 - Income-Parking Fees	(40,000)	(40,000)	(40,000)	NO CHANGE	
<b>Controlled Parking Zone</b>					
HDR004-I0620 - Permit Charges	(265,000)	(265,000)	(335,000)	26.42 %	
HDR004-I0621 - Pay & Display Receipts	(475,000)	(475,000)	(475,000)	NO CHANGE	
HDR004-I0623 - Income - Parking Fees	(50,000)	(50,000)	(50,000)	NO CHANGE	
HDR004-I0683 - Penalty Charges	(550,000)	(550,000)	(680,000)	23.64 %	
	(1,583,780)	(1,583,780)	(1,783,780)		

**PLANNING SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
BUILDING CONTROL**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (%)	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Standard rated &amp; inclusive of VAT</b>									
<b><u>BUILDING CONTROL FEES (TABLE 1)</u></b>									
<b>FULL PLANS</b>									
<b><u>New Dwellings</u></b>									
<b>1 new dwellings</b>									
Plan Fee	£390.00	*	✓	*	*	*	£440.00	12.82 %	
Inspection Fee	£545.00	*	✓	*	*	*	£632.00	15.96 %	
<b>2 new dwellings</b>									
Plan Fee	£440.00	*	✓	*	*	*	£440.00	NO CHANGE	
Inspection Fee	£700.00	*	✓	*	*	*	£858.00	22.57 %	
<b>3 new dwellings</b>									
Plan Fee	£490.00	*	✓	*	*	*	£440.00	-10.20 %	
Inspection Fee	£780.00	*	✓	*	*	*	£1,086.00	39.23 %	
<b>4 new dwellings</b>									
Plan Fee	£650.00	*	✓	*	*	*	£440.00	-32.31 %	
Inspection Fee	£1,135.00	*	✓	*	*	*	£1,313.00	15.68 %	
<b>Conversion of dwelling into 2 flats</b>									
Plan Fee	£390.00	*	✓	*	*	*	£330.00	-15.38 %	
Inspection Fee	£545.00	*	✓	*	*	*	£515.00	-5.50 %	
<b>Conversion of dwelling into 3 flats</b>									
Plan Fee	£490.00	*	✓	*	*	*	£330.00	-32.65 %	
Inspection Fee	£675.00	*	✓	*	*	*	£579.00	-14.22 %	
<b>Conversion of dwelling into 4 flats</b>									
Plan Fee	£650.00	*	✓	*	*	*	£330.00	-49.23 %	
Inspection Fee	£845.00	*	✓	*	*	*	£645.00	-23.67 %	
Fees for additional dwellings are based on volumes built									
<b><u>BUILDING CONTROL FEES (TABLE 2)</u></b>									
<b>FULL PLANS</b>									
<b><u>Domestic Extensions</u></b>									
<b>Extension - Internal floor area under 10m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£390.00	*	✓	*	*	*	£320.00	-17.95 %	
<b>Extension - Over 10m2 and under 40m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£535.00	*	✓	*	*	*	£579.00	8.22 %	
<b>Extension - Over 40m2 and under 100m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£440.00	79.59 %	
Inspection Fee	£650.00	*	✓	*	*	*	£730.00	12.31 %	
<b>Loft Conversion under 40m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£460.00	*	✓	*	*	*	£313.00	-31.96 %	
<b>Loft Conversion over 40m2 under 100m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£535.00	*	✓	*	*	*	£349.00	-34.77 %	
<b>DETACHED GARAGE OR CAR PORT</b>									
<b>Internal floor area below 40m2</b>									
Plan Fee	£230.00	*	✓	*	*	*	£220.00	-4.35 %	
<b>Internal floor area over 40m2 and under 100m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£220.00	-10.20 %	
Inspection Fee	£275.00	*	✓	*	*	*	£324.00	17.82 %	
<b>Garage Conversion</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£220.00	*	✓	*	*	*	£264.00	20.00 %	
<b>Upgrading thermal elements</b>									
Plan Fee	£90.00	*	✓	*	*	*	£100.00	11.11 %	
Inspection Fee	£140.00	*	✓	*	*	*	£154.00	10.00 %	
<b>Alterations up to £5000</b>									
Plan Fee	£110.00	*	✓	*	*	*	£220.00	100.00 %	
Inspection Fee	£140.00	*	✓	*	*	*	£125.00	-10.71 %	
<b>Alterations over £5000 up to 20,000</b>									
Plan Fee	£110.00	*	✓	*	*	*	£220.00	100.00 %	
Inspection Fee	£300.00	*	✓	*	*	*	£316.00	5.33 %	
<b>Installation of replacement windows</b>									
Plan Fee	£90.00	*	✓	*	*	*	£165.00	83.33 %	
Inspection Fee	£120.00	*	✓	*	*	*	£113.00	-5.83 %	
<b>Electrical works (test by consultant)</b>									
Test Fee	£340.00	*	✓	*	*	*	£375.00	10.29 %	
<b><u>BUILDING CONTROL FEES (TABLE 3)</u></b>									
<b><u>Non-domestic extensions (institutional)</u></b>									
<b>Extension - Internal floor area under 10m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£390.00	*	✓	*	*	*	£430.00	10.26 %	
<b>Extension - Over 10m2 and under 40m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£620.00	*	✓	*	*	*	£682.00	10.00 %	
<b>Extension - Over 40m2 and under 100m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£440.00	79.59 %	
Inspection Fee	£720.00	*	✓	*	*	*	£792.00	10.00 %	

**PLANNING SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
BUILDING CONTROL**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Upgrading thermal elements</b>									
Plan Fee	£235.00	*	✓	*	*	*	£330.00	40.43 %	
Inspection Fee	£230.00	*	✓	*	*	*	£275.00	19.57 %	
<b>Internal alterations under £5000</b>									
Plan Fee	£235.00	*	✓	*	*	*	£330.00	40.43 %	
Inspection Fee	£210.00	*	✓	*	*	*	£275.00	30.95 %	
<b>Internal alterations over £5000 up to £10,000</b>									
Plan Fee	£245.00	*	✓	*	*	*	£440.00	79.59 %	
Inspection Fee	£240.00	*	✓	*	*	*	£330.00	37.50 %	
<b>BUILDING CONTROL FEES (TABLE 3)</b>									
<b>Non-domestic extensions (industrial)</b>									
<b>Extension - Internal floor area under 10m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£360.00	*	✓	*	*	*	£430.00	19.44 %	
<b>Extension - Over 10m2 and under 40m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£475.00	*	✓	*	*	*	£523.00	10.11 %	
<b>Extension - Over 40m2 and under 100m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£440.00	79.59 %	
Inspection Fee	£655.00	*	✓	*	*	*	£720.00	9.92 %	
<b>Upgrading thermal elements</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£240.00	*	✓	*	*	*	£275.00	14.58 %	
<b>Internal alterations under £5000</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£220.00	*	✓	*	*	*	£275.00	25.00 %	
<b>Internal alterations over £5000 up to £10,000</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£240.00	*	✓	*	*	*	£330.00	37.50 %	
<b>Window, door, shopfront replacement</b>									
Plan Fee	£245.00	*	✓	*	*	*	£330.00	34.69 %	
Inspection Fee	£125.00	*	✓	*	*	*	£275.00	120.00 %	
<b>Installation of a mezzanine floor up 100m2</b>									
Plan Fee	£245.00	*	✓	*	*	*	£440.00	79.59 %	
Inspection Fee	£400.00	*	✓	*	*	*	£500.00	25.00 %	
<b>Shop refurbishment under £15000</b>									
Plan Fee	£245.00	*	✓	*	*	*	IDC		
Inspection Fee	£290.00	*	✓	*	*	*	IDC		
<b>Fees for domestic alterations are subject to floor area and type of construction</b>									
Administrative fees associated with S106 agreements :-									
Minor Works									
Major Works	£370.00	*	✓	*	*	*	£370.00	NO CHANGE	
With contribution to healthcare	£525.00	*	✓	*	*	*	£525.00	NO CHANGE	
With contribution to healthcare	£105.00	*	✓	*	*	*	£105.00	NO CHANGE	

**BUDGET POSITION SUMMARY - BUILDING CONTROL**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
GCA000-I0104 - Publications / Copy Documents	(1,000)	(1,000)	(1,000)	NO CHANGE	
<b>FEES &amp; CHARGES</b>					
GCA000-I0503 - Building Regulation-Application Fees	(160,000)	(160,000)	(160,000)	NO CHANGE	
GCA000-I0504 - Inspection Fees	(120,000)	(120,000)	(120,000)	NO CHANGE	
GCA000-I0518 - Building Regs - Regularisation	(7,000)	(7,000)	(7,000)	NO CHANGE	
GCA000-I0519 - Building Control Partnership	(4,000)	(4,000)	(4,000)	NO CHANGE	
<b>Building Control</b>	(292,000)	(292,000)	(292,000)	NO CHANGE	

**PLANNING SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
DEVELOPMENT CONTROL**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
<b>DEVELOPMENT CONTROL FEES</b>									
<b>OPERATIONS</b>									
<b>Outline applications</b> for development in Categories 1,2 & 3									
a) where the site area does not exceed 2.5 hectares	£462 per 0.1 hectare	*	*	*	*	✓	£462 per 0.1 hectare	NO CHANGE	
b) where the site area exceeds 2.5 hectares - □ see below	£11,432.40	*	*	*	*	✓	£11,432.40	NO CHANGE	
□ - Indicates a further charge for each additional 0.1 hectare in excess of 2.5 hectares	£138.00	*	*	*	*	✓	£138.00	NO CHANGE	
<b>Category 1 - New dwellings</b>									
a) where the no of dwellings created is 50 or fewer	462 per dwelling	*	*	*	*	✓	462 per dwelling	NO CHANGE	
a) where the no of dwellings created is more than 50 - ● see below	£22,858.80	*	*	*	*	✓	£22,858.80	NO CHANGE	
● - Indicates a further charge for each dwelling in excess of 50	£138.00	*	*	*	*	✓	£138.00	NO CHANGE	
<b>Category 2 - Erection of buildings</b> except those in Categories 1,3,4,5 or 7									
a) where no floorspace is to be created	£234.00	*	*	*	*	✓	£234.00	NO CHANGE	
b) where the gross floorspace does not exceed 40m <sup>2</sup>	£234.00	*	*	*	*	✓	£234.00	NO CHANGE	
c) where the gross floorspace exceeds 40m <sup>2</sup> but not 75m <sup>2</sup>	£462.00	*	*	*	*	✓	£462.00	NO CHANGE	
d) where the gross floorspace exceeds 75m <sup>2</sup> but not 3750m <sup>2</sup>	£462 per 75 sqm	*	*	*	*	✓	£462 per 75 sqm	NO CHANGE	
e) where the gross floorspace exceeds 3750m <sup>2</sup> - ❖ see below	£22,858.80	*	*	*	*	✓	£22,858.80	NO CHANGE	
❖ - Indicates a further charge for each 75m <sup>2</sup> in excess of 3750m <sup>2</sup>	£138.00	*	*	*	*	✓	£138.00	NO CHANGE	
<b>Category 3 - Agricultural buildings</b> except glasshouses									
a) where gross floorspace does not exceed 465 m <sup>2</sup>	£96.00	*	*	*	*	✓	£96.00	NO CHANGE	
b) where gross floorspace exceeds 465m <sup>2</sup> but < 540m <sup>2</sup>	£462.00	*	*	*	*	✓	£462.00	NO CHANGE	
c) where gross floorspace exceeds 540m <sup>2</sup> but < 4215m <sup>2</sup>	£462 for first 520 sqm plus plus	*	*	*	*	✓	£462 for first 520 sqm plus plus	NO CHANGE	
	£462.00 each extra 75 sq m	*	*	*	*	✓	£462.00 each extra 75 sq m	NO CHANGE	
d) where gross floorspace exceeds 4215m <sup>2</sup> ▶ see below	£22,858.80	*	*	*	*	✓	£22,858.80	NO CHANGE	
▶ - Indicates a further charge for each 75m <sup>2</sup> in excess of 4215m <sup>2</sup>	£138.00	*	*	*	*	✓	£138.00	NO CHANGE	
<b>Category 4 - Glasshouses</b>									
a) where gross floorspace does not exceed 465 m <sup>2</sup>	£96.00	*	*	*	*	✓	£96.00	NO CHANGE	
b) where gross floorspace exceeds 465m <sup>2</sup>	£2,580.00	*	*	*	*	✓	£2,580.00	NO CHANGE	
<b>Category 5 - Erection, alteration or replacement of plant or machinery</b>									
a) where the site area does not exceed 5 hectares	£462.00 per 0.1 hectare	*	*	*	*	✓	£462.00 per 0.1 hectare	NO CHANGE	
b) where the site area exceeds 5 hectares - ▲ see below	£22,858.80	*	*	*	*	✓	£22,858.80	NO CHANGE	
▲ - Indicates a further charge for each 0.1 hectare in excess of 5 hectares	£138.00	*	*	*	*	✓	£138.00	NO CHANGE	
<b>Category 6 - Enlargement, improvement or other alteration of existing dwellings</b>									
a) where the application relates to 1 dwelling	£206.40	*	*	*	*	✓	£206.40	NO CHANGE	
b) where the application relates to 2 or more dwellings	£406.80	*	*	*	*	✓	£406.80	NO CHANGE	
<b>Category 7 - Operations within the curtilage of an exiting dwelling</b> for purposes ancillary to the enjoyment of the dwelling, including the erection or construction of gates, fences, walls or other means of enclosure along the boundary of the curtilage									
	£206.40	*	*	*	*	✓	£206.40	NO CHANGE	
<b>Category 8 - Construction of car parks, service roads and other means of access</b> on land used for the purpose of a single undertaking, where the development is required for a purpose incidental to the existing use of land									
	£234.00	*	*	*	*	✓	£234.00	NO CHANGE	
<b>Category 9 - Operations connected with exploratory drilling</b> for oil or natural gas									
a) where the site area does not exceed 7.5 hectares	£462.00 per 0.1 hectare	*	*	*	*	✓	£462.00 per 0.1 hectare	NO CHANGE	
b) where the site area exceeds 7.5 hectares - ◀ see below	£34,500.00	*	*	*	*	✓	£34,500.00	NO CHANGE	
◀ - Indicates a further charge for each 0.1 hectare in excess of 7.5 hectares	£138.00	*	*	*	*	✓	£138.00	NO CHANGE	
<b>Category 10 - Other operations</b> not within Categories 1-9									
a) in cases of mining extraction									
i) where the site area does not exceed 15 hectares	£234.00 per 0.1 hectare	*	*	*	*	✓	£234.00 per 0.1 hectare	NO CHANGE	
ii) where the site area exceeds 15 hectares - ▼ see below	£34,934.40	*	*	*	*	✓	£34,934.40	NO CHANGE	
▼ - Indicates a further charge for each 0.1 hectare in excess of 15 hectares	£138.00	*	*	*	*	✓	£138.00	NO CHANGE	
b) in any other case	£234.00 per hectare	*	*	*	*	✓	£234.00 per hectare	NO CHANGE	



**PLANNING SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
DEVELOPMENT CONTROL (continued)**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
<b>DEVELOPMENT CONTROL FEES</b>									
<b>OPERATIONS (Continued)</b>									
<b>Category 11 - Change of use of a building to residential</b>									
a) from an existing dwelling	£492.00 for each additional dwelling	*	*	*	*	✓	£492.00 for each additional dwelling		
i) to 2 to 50 dwellings		*	*	*	*	✓			
ii) to more than 50 dwellings - ♣ see below	£22,858.80	*	*	*	*	✓	£22,858.80		
♣ - Indicates a further charge for each dwelling in excess of 50	£138.00	*	*	*	*	✓	£138.00		
b) from a building other than a dwelling									
i) up to 50 dwellings	£462.00 per dwelling	*	*	*	*	✓	£462.00 per dwelling	NO CHANGE	
ii) to more than 50 dwellings - • see below	£22,858.80	*	*	*	*	✓	£22,858.80	NO CHANGE	
• - Indicates a further charge for each dwelling in excess of 50	£138.00	*	*	*	*	✓	£138.00	NO CHANGE	
<b>Category 12 - Use of land for disposal of refuse or waste materials or as open mineral storage</b>									
a) where the site area does not exceed 15 hectares	£234.00 per 0.1 hectare	*	*	*	*	✓	£234.00 per 0.1 hectare		
b) where the site area exceeds 15 hectares - — see below	£34,934.40	*	*	*	*	✓	£34,934.40	NO CHANGE	
— - Indicates a further charge for each 0.1 hectare in excess of 15 hectares	£138.00	*	*	*	*	✓	£138.00	NO CHANGE	
<b>Category 13 - Material change of use except one falling within Categories 11 and 12</b>									
	£462.00	*	*	*	*	✓	£462.00	NO CHANGE	
<b>ADVERTISEMENTS</b>									
<b>Category 14 - Advertisement relating to business on the premises</b>									
	£132.00	*	*	*	*	✓	£132.00	NO CHANGE	
<b>Category 15 - Advance directional sign</b>									
	£132.00	*	*	*	*	✓	£132.00	NO CHANGE	
<b>Category 16 - All other advertisements</b>									
	£462.00	*	*	*	*	✓	£462.00	NO CHANGE	
<b>DETERMINATIONS</b>									
<b>Category 17 - Prior approval</b>									
a) agricultural or forestry buildings	£96.00	*	*	*	*	✓	£96.00	NO CHANGE	
b) demolition of buildings	£96.00	*	*	*	*	✓	£96.00	NO CHANGE	
c) telecommunications installations	£462.00	*	*	*	*	✓	£462.00	NO CHANGE	
d) development involving a material change of use	£96.00	*	*	*	*	✓	£96.00	NO CHANGE	
e) development involving a material change of use and building operations in connection with that change of use	£206.40	*	*	*	*	✓	£206.40	NO CHANGE	
<b>ALTERATION OF PERMISSION</b>									
<b>Category 18 - Variation of condition</b>									
	£234.00	*	*	*	*	✓	£234.00	NO CHANGE	
<b>Category 19 - Non material amendment</b>									
a) householder development	£33.60	*	*	*	*	✓	£33.60	NO CHANGE	
b) other development	£234.00	*	*	*	*	✓	£234.00	NO CHANGE	
<b>COMPLIANCE WITH CONDITIONS</b>									
<b>Category 20 - Confirmation of compliance with conditions</b>									
a) relating to development within Categories 6 and 7	£33.60 per request	*	*	*	*	✓	£33.60 per request	NO CHANGE	
b) relating to any other development	£116.40 per request	*	*	*	*	✓	£116.40 per request	NO CHANGE	
<b>RENEWAL OF PLANNING PERMISSION</b>									
<b>Category 21 - Renewal of planning permission where the development has not commenced</b>									
a) householder development	£68.40	*	*	*	*	✓	£68.40	NO CHANGE	
b) major development	£690.00	*	*	*	*	✓	£690.00	NO CHANGE	
c) other development	£234.00	*	*	*	*	✓	£234.00	NO CHANGE	
<b>LAWFUL DEVELOPMENT</b>									
<b>Category 22 - Lawful Development Certificate</b>									
a) for an existing use of land or operational development	Same fee for an equivalent planning application	*	*	*	*	✓	Same fee for an equivalent planning application		
b) for non compliance with a condition	£234.00	*	*	*	*	✓	£234.00		
c) for a proposed use of land or operational development	Half fee of an equivalent planning application	*	*	*	*	✓	Half fee of an equivalent planning application		
<b>APPROPRIATE ALTERNATIVE DEVELOPMENT</b>									
<b>Category 23 - Certificate of appropriate alternative development</b>									
	£234.00	*	*	*	*	✓	£234.00	NO CHANGE	
<b>CONCESSION FEES AND EXEMPTIONS</b>									
a) reserved matters application where the applicant's earlier reserved matters applications have incurred total fees at least equal to the fee payable for a reserved matters application for the entire scheme	£462.00	*	*	✓	*	✓	£462.00	NO CHANGE	
b) extensions and alterations to a dwelling or works within its curtilage for the benefit of people with disabilities	Free of charge	*	*	*	✓	✓	Free of charge		
c) alterations to public buildings in order to provide access for people with disabilities	Free of charge	*	*	*	✓	✓	Free of charge		
d) applications required by reason of the removal of 'permitted development' rights either by a planning condition or by an Article 4 Direction	Free of charge	*	*	*	✓	✓	Free of charge		

**PLANNING SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
DEVELOPMENT CONTROL (continued)**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
<b>DEVELOPMENT CONTROL FEES</b>									
<b>CONCESSION FEES AND EXEMPTIONS (Continued)</b>									
e) a revised or new application for development of the same character or description submitted within 12 months of the refusal or withdrawal of an earlier application or within 12 months of the expiry of the statutory 8 week period where the applicant has appealed on grounds of 'non determination'	Free of charge	*	*	*	✓	✓	Free of charge		
f) a revised or new application for development of the same character or description submitted within 12 months of the grant of permission on an earlier application	Free of charge	*	*	*	✓	✓	Free of charge		
g) application for listed building consent or conservation area consent	Free of charge	*	*	*	✓	✓	Free of charge		
h) application made by or on behalf of a club, society or other organisation which is not established or conducted for profit and whose objects are the provision of facilities for sport or recreation which relates to the change of use of land to playing fields or the carrying out of operations (other than the erection of a building) for purposes ancillary to the use of the land as a playing field	£462.00	*	*	✓	*	✓	£489.72	6.00 %	
i) a prior approval application for a material change of use made on the same date and by or on behalf of the same applicant as an application for planning permission for the same development	Free of charge	*	*	*	✓	✓	Free of charge		
j) a planning application which is only for the demolition of an unlisted building in a conservation area	Free of charge	*	*	*	✓	✓	Free of charge		
<b>Standard rated &amp; inclusive of VAT</b>									
<b>DEVELOPMENT CONTROL FEES</b>									
<b>PRE APPLICATION ADVICE</b>									
<b>CATEGORY 1 covers -</b>									
a) householder proposals	£100.00	*	*	*	✓	*	£100.00	NO CHANGE	
b) proposals involving less than 100 sq m of commercial floorspace									
c) lawful development certificates									
d) listed building consent									
e) conservation area consent									
<b>CATEGORY 2 covers -</b>									
a) 1 new residential unit (conversion of house into 2 flats)	£200.00	*	*	*	✓	*	£200.00	NO CHANGE	
B) 2-5 residential units	£500.00	*	*	*	✓	*	£500.00	NO CHANGE	
100sqm to 499sqm of non residential floor space	£500.00								
C) 6-10 residential units	£1,000.00	*	*	*	✓	*	£1,000.00	NO CHANGE	
500sqm to 999sqm of non residential floor space	£1,500.00								
<b>CATEGORY 3 covers :-</b>									
a) from 10 to 24 residential units or where the site area is 0.5 hectare to 1 hectare	£3,000.00	*	✓	*	*	*	£3,180.00	6.00 %	
b) from 1000 sq m to 1999 sq m of commercial floorspace									
c) mixed use developments on a site between 0.5 hectare and 1 hectare									
d) change of use of land or buildings involving 500 sq m or more									
<b>CATEGORY 3 follow up meeting</b>	£1,500.00	*	*	*	✓	*	£1,500.00	NO CHANGE	
In order benefit from the reduced fee for a follow-up meeting, the proposal must be (or include) the same site as the initial meeting, be for a similar use (or uses) as the initial meeting and be within three months of the initial pre-application meeting date.									
<b>CATEGORY 4 covers :-</b>									
a) 25-49 or residential units	£5,000.00	*	✓	*	*	*	£5,300.00	6.00 %	
b) 2,000sqm to 4999sqm of non-residential floorspace	£5,000.00	*	✓	*	*	*	£5,300.00	6.00 %	
<b>CATEGORY 4 follow up meeting</b>	£2,500.00	*	*	*	✓	*	£2,500.00	NO CHANGE	
In order benefit from the reduced fee for a follow-up meeting, the proposal must be (or include) the same site as the initial meeting, be for a similar use (or uses) as the initial meeting and be within three months of the initial pre-application meeting date.									
<b>CATEGORY 5 covers :-</b>									
a) 50-74 residential units	£7,000.00	*	✓	*	*	*	£7,420.00	6.00 %	
b) 5000sqm or more of non-residential floorspace	£7,000.00	*	✓	*	*	*	£7,420.00	6.00 %	
<b>CATEGORY 5 follow up meeting</b>	£3,500.00	*	*	*	✓	*	£3,500.00	NO CHANGE	
In order benefit from the reduced fee for a follow-up meeting, the proposal must be (or include) the same site as the initial meeting, be for a similar use (or uses) as the initial meeting and be within three months of the initial pre-application meeting date.									
<b>CATEGORY 6 covers :-</b>									
a) 75 or more residential units	£10,000.00	*	*	*	✓	*	£10,000.00	NO CHANGE	
<b>CATEGORY 6 follow up meeting</b>	£5,000.00	*	*	*	✓	*	£5,000.00	NO CHANGE	
In order benefit from the reduced fee for a follow-up meeting, the proposal must be (or include) the same site as the initial meeting, be for a similar use (or uses) as the initial meeting and be within three months of the initial pre-application meeting date.									

**PLANNING SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
DEVELOPMENT CONTROL (continued)**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Standard rated &amp; inclusive of VAT</b>									
<b>DEVELOPMENT CONTROL FEES PRE APPLICATION ADVICE (Continued)</b>									
<p>N.B. If a pre-application advice request is withdrawn prior to the preparation of a written response, half of the charge that has been paid will be refunded.</p>									

**BUDGET POSITION SUMMARY - DEVELOPMENT CONTROL**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
GBA000-I0505 - Pre-Application Advice	(60,000)	(60,000)	(60,000)	NO CHANGE	
GBA000-I0508 - Planning Application Fees	(720,000)	(720,000)	(732,000)	2	
GBA000-I0517 - UU Drafting Fees	(5,000)	(5,000)	(5,000)	NO CHANGE	
<b>Total</b>	<b>(785,000)</b>	<b>(785,000)</b>	<b>(797,000)</b>		

**PLANNING SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-**  
**LAND CHARGES**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope for VAT purposes</b>									
Residential Search	£70.00	*	✓	*	*	*	£74.20	6.00 %	
Commercial Search	£142.00	*	✓	*	*	*	£150.52	6.00 %	
Con 29 optional enquiry	£9.00	*	✓	*	*	*	£9.54	6.00 %	
Additional enquiry (E.G. Solicitor)	£10.00	*	✓	*	*	*	£10.60	6.00 %	
Enquiry by letter	£15.00	*	✓	*	*	*	£15.90	6.00 %	
Additional parcel of land	£13.50	*	✓	*	*	*	£14.31	6.00 %	
Question 22 enquiry	£20.50	*	✓	*	*	*	£21.73	6.00 %	
Question 21 enquiry	£4.00	*	✓	*	*	*	£4.00	NO CHANGE	
Question 16 enquiry	£4.00	*	✓	*	*	*	£4.00	NO CHANGE	
Question 4 enquiry	£4.00	*	✓	*	*	*	£4.00	NO CHANGE	

**BUDGET POSITION SUMMARY - LAND CHARGES**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
AHC000-I0506 - Search Fees	(120,000)	(120,000)	(120,000)	NO CHANGE	
	(120,000)	(120,000)	(120,000)		

**LEGAL AND PROPERTY SERVICES**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
ELECTIONS UNIT**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments	
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY				
<b>Outside Scope for VAT purposes</b>										
<u>Register of Electors</u>										
Electronic version - * (see below)	£20.00	*	*	*	*	✓	£20.00	NO CHANGE	A fee of £ 30.74 will be charged for any request requiring searching in paper registers.	
Hardcopy version - ** (see below)	£10.00	*	*	*	*	✓	£10.00	NO CHANGE		
* - Indicates that per 1000 electorate (and part thereof), an additional levy of £1.50 is chargeable										
** - Indicates that per 1000 electorate (and part thereof), an additional levy of £5.00 is chargeable										
<u>Marked Register of Electors</u>										
Electronic version - ○ (see below)	£10.00	*	*	*	*	✓	£10.00	NO CHANGE		
Hardcopy version - ○○ (see below)	£10.00	*	*	*	*	✓	£10.00	NO CHANGE		
○ - Indicates that per 1000 electorate (and part thereof), an additional levy of £1.00 is chargeable										
○○ - Indicates that per 1000 electorate (and part thereof), an additional levy of £2.00 is chargeable										
<u>Confirmation Letter Fees</u>										
Single name - single address (current year)	£19.15	*	✓	*	*	*	£0.00			
Multiple name - single address (current year)	£23.90	*	✓	*	*	*	£0.00			
Single name - single address (up to 3 yrs)	£23.90	*	✓	*	*	*	£0.00			
Single name - single address (4-10 yrs) - ◆ (see below)	£23.90	*	✓	*	*	*	£0.00			
◆ - An additional levy of £2.00 is chargeable for each extra year										
More than one name - single address (up to 3 yrs)	£29.30	*	✓	*	*	*	£0.00			
More than one name - single address (4-10 yrs) - ◆◆ (see below)	£29.30	*	✓	*	*	*	£0.00			
◆◆ - An additional levy of £2.00 is chargeable for each extra year										
Where confirmation required for an individual / household at more than one address :-										
Single name - multiple addresses (up to 3 & current year)	£23.90	*	✓	*	*	*	£0.00			
Multiple name - multiple but same addresses (up to 3 & current year)	£29.30	*	✓	*	*	*	£0.00			
Certification of overseas pension forms	£11.45	*	✓	*	*	*	£12.14	6.00 %		

**BUDGET POSITION SUMMARY - ELECTIONS UNIT**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>SALES</b>					
AGB000-I0103 - Register of Electors (Publications-Minutes)	(4,000)	(4,000)	(4,000)	NO CHANGE	
	(4,000)	(4,000)	(4,000)	NO CHANGE	

**REVENUES & BENEFITS**

**2023/24 FEES & CHARGES PROPOSED FOR :-  
COUNCIL TAX**

Description	2022/23 Charge	PRICING STRATEGY					Proposed 2023/24 Charge	Annual Increase / Decrease (-) %	Comments
		COMMERCIAL	FULL COST REC	SUBSIDISED	FREE	STATUTORY			
<b>Outside Scope &amp; exclusive of VAT</b>									
Penalty Charge (Re : Single Person Discount)	£70.00	*	*	*	*	✓	£74.00	6%	

**BUDGET POSITION SUMMARY - COUNCIL TAX**

Income Code & Description	Original Budget 2022/23	Latest Budget 2023/24	Proposed Budget 2023/24	Annual Increase / Decrease (-) %	Comments
<b>FEES &amp; CHARGES</b>					
BAD900-I0683 - Income - Penalty Charges	(2,000)	(2,000)	(2,000)	NO CHANGE	
	(2,000)	(2,000)	(2,000)		

# Watford Borough Council

## Capital Strategy

2023/24



## 1. Introduction

- 1.1 The purpose of the capital strategy (the Strategy) is to set out a clear and concise view of how the council determines its priorities for capital investment, decides how much it can afford to borrow and sets its risk appetite. It is intended to give a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 1.2 The framework the government uses to control how much councils can afford to spend on capital investment is known as the Prudential Framework. The objectives of the Prudential Code, which sets out how this framework is to be applied, are to ensure that local authorities' capital investment plans are:
- affordable, prudent and sustainable;
  - that treasury management decisions are taken in accordance with good professional practice; and
  - that local strategic planning, asset management planning and proper option appraisal are supported.
- 1.3 This capital strategy sets out how Watford Borough Council will achieve the objectives set out above. It is supported by the following policies which are included as appendices to the strategy:

Appendix 1: Treasury Management Strategy Statement

Appendix 2: Property Investment Strategy

Appendix 3: Minimum Revenue Provision Policy

## 2. CAPITAL INVESTMENT PROGRAMME

### Capital Investment Programme - Expenditure

- 2.1 Capital Investment is the term used to cover all expenditure by the council that can be classified as capital under legislation and proper accounting practice. This includes expenditure on:
- property, plant and equipment
  - heritage assets,
  - investment properties, and
  - loans to subsidiaries and joint ventures.
- 2.2 Property plant and equipment includes assets that have physical substance and are held for use in the production or supply of goods and services, for rental to others, or for administrative purposes. They are expected to be used during more than one financial year. Expenditure on the acquisition, creation or enhancement of these assets is capitalised on an accruals basis, provided that the Council is likely to benefit from the future economic benefits or service potential and the cost of the item can be measured reliably. Expenditure on repairs and maintenance is charged to the revenue account when it is incurred.



- 2.3 Heritage Assets are held with the objective of increasing knowledge, understanding and the appreciation of the Council's history and local area.
- 2.4 Investment properties are those that are used solely to earn rentals and/or for increases in value. The definition is not met if the property is used in any way for the delivery of services or production of goods or is held for sale.
- 2.5 The Council does not capitalise borrowing costs for assets under construction with the exception of development undertaken by joint ventures. The council has a number of joint ventures for development where borrowing costs in relation to assets under construction are routinely capitalised and repaid from the proceeds of sale.
- 2.6 Detailed accounting policies in relation to assets and capital expenditure may be found in the annual statement of accounts.
- 2.7 A summary of the proposed capital programme is set in the table below. New major schemes will be subject to individual business cases, including identification of resources and an assessment of affordability. A detailed breakdown of the Capital Programme is set out in Appendix 6 of Attachment 1 to the Budget Report and reported on a quarterly basis to Cabinet.

Capital Investment Programme	Actual 2021/22 £m	Forecast Year End 2022/23 £	Proposed Budget 2023/24 £	Proposed Budget 2024/25 £	Proposed Budget 2024/25 £m
Corporate, Housing & Wellbeing Place	1.664	15.260	15.055	1.117	0.780
Corporate Strategy & Comms	28.320	17.422	25.547	13.197	6.205
Strategic Finance	0.433	0.000	0.065	0.000	0.000
	0.115	13.397	5.702	0.677	0.677
<b>TOTAL CAPITAL INVESTMENT</b>	<b>30.532</b>	<b>46.080</b>	<b>46.369</b>	<b>14.990</b>	<b>7.662</b>

#### Capital Investment Programme - Funding

- 2.8 The Capital Investment Programme can be funded from the following sources:
- 2.9 Government Grants & Other Contributions: These are grants for specific purposes which may be available from the Government, e.g. Disabled Facility Grants. The Council can also attract partnership funding from other local authorities and agencies e.g. Local Enterprise Partnership (LEP). The Council has also benefited in the past from other funding such as lottery grants.
- 2.10 Section 106 Contributions: These are contributions from developers to the public services and amenities required for the development. These have been in part replaced by the Community Infrastructure Levy.
- 2.11 Capital Receipts: Capital receipts are derived when selling assets such as land. The main receipt relates to the arrangements made when the Council sold its housing stock to

Watford Community Housing; the Transfer Agreement included a Right to Buy (RTB) Sharing Agreement whereby the Council is entitled to a share of the post-transfer receipts from RTB sales and a 'VAT Shelter Agreement' whereby the Council benefits from the recovery of VAT on continuing works carried out by Watford Community Housing.

- 2.12 Revenue Contributions: Revenue balances from the General Fund may be used to support capital expenditure.
- 2.13 Capital Expenditure Reserves: The Council has reserves which it has put aside for capital expenditure.
- 2.14 Borrowing: The Council is allowed to borrow to support its capital expenditure as long as this is prudent, sustainable, and affordable.
- 2.15 The capital programme includes an assessment of likely available resources to finance capital expenditure. The funding for the latest capital programme is set out in the table below:

FUNDING TYPE	Actual 2021/22	Forecast Year End 2022/23	Proposed Budget 2023/24	Proposed Budget 2024/25	Proposed Budget 2025/26
	£m	£m	£m	£m	£m
Grants & Contributions	3.880	7.877	1.026	0.185	0.055
Reserves	0.000	0.024	0.251	0.094	0.000
Capital Receipts (PIB, Non PIB & THQ)	0.613	2.298	19.870	0.000	0.000
Section 106 & CIL Contributions	0.011	0.581	0.545	0.605	0.045
Local Enterprise Partnership Loan	0.000	1.250	0.000	0.000	0.000
Land Transfer	0.000	0.000	5.025	0.000	0.000
Borrowing (Internal & External)	26.028	34.051	19.652	14.106	7.562
<b>TOTAL CAPITAL FUNDING APPLIED</b>	<b>30.532</b>	<b>46.080</b>	<b>46.369</b>	<b>14.990</b>	<b>7.662</b>

### Property investment

- 2.16 Lambert Smith Hampton (LSH) were commissioned by the Council in 2014 to undertake a strategic property review. The outcome of this process was reported to the March 2015 Cabinet which resulted in a number of decisions on the general aims of the Council, including establishing a Property Investment Board.
- 2.17 The overarching Property Investment Strategy is included at Appendix 2. The strategy objectives have been updated to reflect the latest PWLB lending terms and conditions (revised November 2020) and PWLB Guidance (issued August 2021). The primary aim of the revision to the terms and conditions was to prevent the use of PWLB borrowing to finance investments made on a debt for yield basis; specifically the purchase of investment assets. Access to the PWLB will be restricted for authorities planning to acquire investment assets in the current or following three years, including active portfolio management where the acquisition of a new asset is funded by the sale of an existing asset. However, the Prudential Code for Capital Finance confirms that authorities

with commercial property may continue to invest in the repair, renewal and updating of their existing commercial properties. Authorities can also continue to invest in regeneration projects within their local area.

- 2.18 The Portfolio Holder for Property and Housing has delegated powers to agree to acquisitions and disposals up to £5,000,000 and the Executive Director of Place and Associate Director for Property and Asset Management have delegated powers to agree to acquisitions and disposals up to £3,000,000. Both of these subject to a full written business case being prepared and signed off by Finance and Legal and the acquisition/disposal being in line with the Property Investment Board Investment Strategy.

### **Other investments**

- 2.19 Watford Borough Council has established a commercial trading company, Watford Commercial Services Ltd, of which it has 100% ownership. At present the only activity carried out through the company is Watford's investment in Hart Homes Development LLP, of which it has a 50% share. This is a joint venture with Watford Community Housing, set up to deliver housing development within the area. In addition Watford Borough Council has a direct 50% share in Hart Homes (Watford) Ltd which was set up for the ongoing management of rental properties developed by Hart Homes Development LLP.
- 2.20 Watford Borough Council has set up a Local Asset Backed Vehicle (LABV) (the Watford Health Campus Partnership LLP) with Kier to develop Watford Health Campus, now Watford Riverwell. Under the LABV model, the public sector transfers land into to the partnership and the private sector matches the value of the asset to deliver the joint venture's objectives. Empowering the joint venture (by way of land and money) to deliver the regeneration and transformation activities agreed between the parties.
- 2.21 In July 2019, the Council acquired Croxley Park (a local business park) by way of a finance lease. Both the asset and lease liability are recognised on the Council's balance sheet. The finance lease is disclosed separately within the Council's authorised limit and operational boundary for borrowing.
- 2.22 All investment activity in relation to other investments is managed through the capital programme and revenue budget process. The activity of the joint venture and investments in partnerships and companies is included within the Group Accounts which are prepared as part of the Annual Statement of Accounts.

### **Future Investment**

- 2.23 Future Investment Schemes will be assessed on the basis of a full business case which will include full resourcing for the project and an assessment of affordability. Priority areas for future capital investment are:
- ***Schemes through the joint ventures that generate a surplus and increase the supply of housing locally.***
  - ***Schemes that generate revenue budget savings or income.***
  - ***Schemes that allow the council to benefit from future economic regeneration potential within the local area.***

- 2.24 The Council will continue to seek opportunities to work in partnership with others to promote economic development and the provision of housing within Watford’s wider economic area. This will include continuing to work with current partners including Kier for the Riverwell project and Watford Community Housing as the main local registered social provider.
- 2.25 Where appropriate, the Council will utilise Watford Commercial Services to allow it to work more closely with providers and exploit future commercial opportunities.

### 3. TREASURY MANAGEMENT

- 3.1 The Council is required to operate a balanced budget over the medium term which, after allowing for contributions to and from reserves, broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council’s low risk appetite, providing the requisite liquidity before considering investment return.
- 3.2 The Treasury Management Strategy Statement (Appendix 1), details the policies, practices, objectives and approaches to risk management of its treasury management activities, which is to be monitored by the Audit Committee. The Council’s investment strategy’s primary objectives are safeguarding the repayment of the principal and interest of its investments on time, and then ensuring adequate liquidity, with the investment return being the final objective. The strategy allows the Director of Finance, in consultation with the Portfolio Holder for Resources, the delegated authority to approve any variation to the Treasury Management Strategy during the year with the objective of maximising the Council’s returns without significantly increasing risk. This could include use of other investment instruments such as Government bonds or Gilts.
- 3.3 The Council’s Treasury Management advisors, Link Group have provided the following interest rate forecast for the medium term:

Link Group Interest Rate View	19.12.22												
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
<b>BANK RATE</b>	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave earnings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave earnings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.20	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.30	4.40	4.40	4.30	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.30
25 yr PWLB	4.60	4.60	4.60	4.50	4.40	4.20	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.30	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.30	3.20	3.20

### 4. PRUDENTIAL INDICATORS

- 4.1 All Local Authorities are required to set prudential indicators for the forthcoming year and following years before the beginning of the forthcoming year. The indicators must be set by full Council.

- 4.2 The prudential indicators fall into two main categories of 'Prudence' and 'Affordability'. The indicators for Prudence are further separated between those relating to the Council's capital expenditure plans and those relating to levels of external debt.

#### Prudence – Capital Expenditure

- 4.3 The table below sets out the Council's estimates of capital expenditure over the medium term financial planning period and the estimated impact on the Council's Capital Financing Requirement (CFR). The table also includes the actual capital expenditure for 2021/22 and the actual CFR as at 31 March 2022.

CFR relating to Capital programme	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual	Forecast	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m
Opening CFR		78.860	110.9095	126.735	136.452
Proposed Capital Expenditure		46.080	46.369	14.990	7.662
Capital Financing:					
Grants		(7.877)	(1.026)	(0.185)	(0.055)
Reserves		(0.024)	(0.251)	(0.094)	0.000
Capital Receipts		(2.298)	(19.870)	0.000	0.000
Section 106 and CIL		(0.581)	(0.545)	(0.605)	(0.045)
		0.000	(5.025)	0.000	0.000
Total Financing		(10.779)	(26.717)	(0.884)	(0.100)
MRP		(1.251)	(1.827)	(2.389)	(2.518)
Repayment of loans from JVs		(2.000)	(2.000)	(2.000)	(2.000)
<b>Closing CFR relating to Capital programme*</b>	<b>78.860</b>	<b>110.909</b>	<b>126.735</b>	<b>136.452</b>	<b>139.496</b>
<b>CFR relating to Croxley Park Finance Lease</b>					
Opening CFR		228.994	225.046	221.098	217.150
MRP on Finance Lease		(3.948)	(3.948)	(3.948)	(3.948)
<b>Closing CFR relating to Finance Lease</b>	<b>228.994</b>	<b>225.046</b>	<b>221.098</b>	<b>217.150</b>	<b>213.202</b>
<b>Total Opening CFR</b>		<b>307.854</b>	<b>335.955</b>	<b>347.832</b>	<b>353.602</b>
<b>Total Closing CFR</b>	<b>307.854</b>	<b>335.955</b>	<b>347.832</b>	<b>353.602</b>	<b>352.698</b>
Movement in the CFR		28.101	11.877	5.769	(0.904)

\*Note the CFR is subject to restatement following the conclusion of the 2019/20 and 2020/21 external audits

- 4.4 The CFR is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure, which has not immediately been paid for, will increase the CFR. An increase in the CFR does not necessarily mean that the council will borrow externally to fund the increase. The Council manages its cash balances as a whole and may choose to use internal cash (generated by holding reserves and through timing differences between income and expenditure).

### Prudence – External Debt

- 4.5 There are two limits on external debt: the ‘Operational Boundary’ and the ‘Authorised Limit’. Both are consistent with existing plans and the proposals in the budget report for capital expenditure and financing, and with approved treasury management policy statement and practices.
- 4.6 These prudential indicators ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2021/22 and next two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.
- 4.7 The Operational Boundary is the limit beyond which external borrowing is not normally expected to exceed. In most cases this would link directly to the authority’s plans for capital expenditure, its estimates for CFR and its estimate of cashflow requirements for the year for all purposes. The Council may need to borrow, this limit represents a contingency should the need arise.

Operational Boundary	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
Borrowing - Capital Programme	165.000	175.000	175.000	175.000
Finance Lease – Croxley Park	226.000	222.000	218.000	218.000
<b>Total</b>	<b>391.000</b>	<b>397.000</b>	<b>393.000</b>	<b>393.000</b>

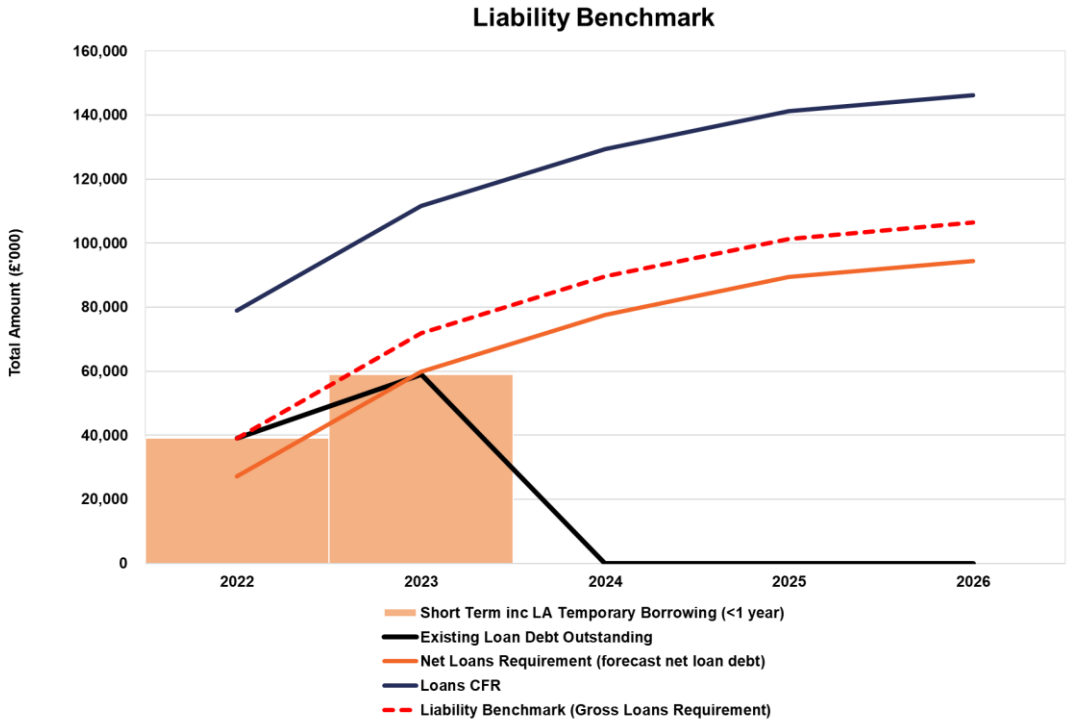
- 4.8 The Authorised Limit for External Borrowing controls the overall level of borrowing and represents the limit beyond which external long and short term borrowing is prohibited, and this limit needs to be set or revised by the Council. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (2) of the Local Government Act 2003.

Authorised Limit	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
Borrowing	170.000	180.000	180.000	180.000
Finance Lease – Croxley Park	231.000	227.000	223.000	223.000
<b>Total</b>	<b>401.000</b>	<b>407.000</b>	<b>403.000</b>	<b>403.000</b>

### Treasury Management Indicator – The Liability Benchmark

- 4.9 The Treasury Management Code of Practice requires local authorities to calculate their Liability Benchmark. The benchmark includes a projection of external debt required over the long term to fund the organisation’s approved budgets and plans compared to the Forecast of total borrowing outstanding. The benchmark should be used to evaluate the amount, timing and maturities needed for new borrowing in relation to the organisation’s

planned borrowing needs in order to avoid borrowing too much, too little, too long or too short.



**Affordability**

- 4.10 The fundamental objective in the consideration of the affordability of the authority’s capital plans is to ensure that the level of investment in capital assets proposed means that the total capital investment of the authority remains within sustainable limits.
- 4.11 In considering the affordability of its capital plans, the authority is required to consider its forecast financial position, including all of the resources currently available to it and estimated for the future, together with the totality of its capital, borrowing and investment plans, income and expenditure forecasts and risks.
- 4.12 The following indicators provide an indication of the impact of the capital investment plans on the Council’s overall finances.

**Financing costs to net revenue stream**

- 4.13 This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue stream. The net revenue stream is the Council’s core funding of Council Tax, Business rates, and unringfenced central government grants. Investment income includes interest from Treasury Management activities and interest from loans to joint ventures and subsidiaries. The calculation excludes the financing costs and income in relation to Croxley Business Park Finance Lease.

	2021/22 Actual £m	2022/23 Forecast £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m
Cost of Capital	(0.338)	0.815	2.212	2.573	2.573
Net Revenue Stream	12.914	13.685	14.161	14.437	14.680
<b>Ratio %</b>	<b>-3%</b>	<b>6%</b>	<b>16%</b>	<b>18%</b>	<b>18%</b>

#### **Net income from commercial investment to net revenue stream**

- 4.14 This indicator is intended to show the financial exposure of the authority to the loss of income.
- 4.15 Net income from commercial investments comprises net income from financial investments (other than treasury management investments), together with net income from other assets held primarily for financial return, such as commercial property.

	2021/22 Actual £m	2022/23 Forecast £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m
Commercial Investment	9.574	10.135	12.367	12.417	12.567
Net Revenue Stream	12.149	13.685	14.161	14.437	14.680
<b>Ratio %</b>	<b>79%</b>	<b>74%</b>	<b>87%</b>	<b>86%</b>	<b>86%</b>

## **5. MINIMUM REVENUE PROVISION (MRP) STRATEGY AND POLICY STATEMENT**

- 5.1 The Minimum Revenue Provision (MRP) is designed to pay off an element of the capital spend which has not already been financed from existing revenue or capital resources. The Council is required to make prudent provision, by way of a charge to the revenue account, which means that the repayment of debt is enabled over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.
- 5.2 The Council is also able to increase the rate it reduces its CFR by undertaking additional voluntary payments (voluntary revenue provision - VRP) in addition to any MRP; this is not currently the Council's policy.
- 5.3 Government Regulations require the Council to approve a MRP Statement in advance of each year. Watford's MRP policy statement is at Appendix 3.
- 5.4 Watford Borough Council's process is to produce for approval by the Director of Finance, in consultation with the Portfolio Holder, a business case for each scheme intended to be unfunded from other resources. This will clearly show the level of MRP which is proposed to ensure that the repayment of any debt can be made in a period commensurate with the period over which the expenditure provides benefits or makes returns.
- 5.5 Where the Council decides to borrow to fund capital expenditure the annual cost of borrowing is included within the revenue budget.



## **6. SKILLS, KNOWLEDGE AND PROFESSIONAL ADVICE**

- 6.1 The Council has a shared service with Three Rivers District Council for the provision of the finance function allowing access to a greater range of professional skills than would otherwise be available if each council had a separate team.
- 6.2 Watford Borough Council uses Lambert Smith Hampton (LSH) to provide advice on and management of its investment property portfolio. LSH also provide ad-hoc advice where required on other projects. The council procures external advisers on all major projects.
- 6.3 The Council contracts with Link Asset Services for the provision of Treasury Management advice. Link Asset Services provide non-regulated advice on the management of the council's cash flows, investments and borrowings and a markets information service. The Councils VAT advisers are PSTax.

## **7. RISK**

- 7.1 Financial risks are closely monitored as a separately identifiable part of the corporate risk management framework. The Council's risk appetite is evolving as it becomes involved in a wider range of major property lead investments both within its economic area linked to regeneration and more widely for income generation purposes.
- 7.2 The Council takes advice from its professional advisers to both identify and mitigate the key risks it faces and ensures that all decisions are made with an understanding of the risks involved. The ongoing management of risk is a key function of the Council's Property Investment Board which routinely takes advice from LSH.
- 7.3 Whilst recognising the importance of generating income to support services, the Council will ensure that its external income is actively managed to safeguard the future financial sustainability of the council. In this respect it will continue to seek to balance income from its commercial investment activities against its overall level of risk and the amount of reserves available to mitigate this risk. The Council holds two reserves specifically to manage the risk on commercial and investment income. These are the Croxley Business Park Reserve and the Riverwell Reserve. These reserves can be used to protect the general fund from fluctuations in income.
- 7.4 In assessing the risk of its commercial investments the Council will consider the level of risk inherent in the income stream, the security held, its ability to realise assets or other security should the need arise and the level of income received from commercial investments compared to the total income of the council.

# Treasury Management Strategy Statement 2023/24



## 1. Overview

- 1.1. This document sets out the Council's Treasury Management Strategy Statement.
- 1.2. The Chartered Institute of Public Finance and Accountancy (CIPFA) defines treasury management as: "the management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks".
- 1.3. The Treasury Management Strategy Statement supports the delivery of the Council's Capital Strategy and provides additional detail on how the Council manages its Treasury Management Activity.
- 1.4. The Treasury Management Strategy Statement details the policies, practices, objectives and approaches to risk management of its treasury management activities, which is to be monitored by the Audit Committee. The primary objectives are of the Treasury Management Strategy Statement are:
  - Security - Safeguard the repayment of the principal and interest of its investments on time
  - Liquidity - Ensure adequate liquidity to meet obligations as they fall due
  - Yield - Investment return is the final objective and is considered after security and liquidity requirement have been satisfied.
- 1.5. This statement is reviewed and approved annually by Council alongside the Council's budget, Medium Term Financial Strategy (MTFS) and Capital Strategy.
- 1.6. The Director of Finance in consultation with the Portfolio Holder Resources has delegated authority to approve any variation to the Treasury Management Strategy Statement during the year with the objective of maximising the Council's returns without significantly increasing risk.

## 2. Risks

- 2.1 The key Treasury Management risks are set out in the CIPFA Treasury Management Code of Practice ("the TM Code"). The following paragraphs set out these risks and how they are managed:

**Liquidity Risk** - the Council may not have the cash it needs on a day to day basis to pay its bills.

This risk is managed through forecasting and the retention by the Council of an adequate working capital balance. In addition, through the Public Works Loan Board and other organisations, the Council is able to access short term borrowing, usually within 24 hours.

**Interest Rate Risk** - the costs and benefits expected do not materialise due to changes in interest rates.

This risk is managed through the placing of different types and maturities of investments, within limits set for the amount of borrowing which may mature in a given

time-period, the forecasting and monitoring of the interest budget (with assistance from the Council's retained advisors).

**Exchange Rate Risk** - losses or gains are made due to fluctuations in the prices of currency.

The Council does not engage in any significant non-sterling transactions.

**Credit and Counterparty Risk** - the entity holding Council funds is unable to repay them when due.

This risk is managed through the maintenance of a list of authorised counterparties, with separate limits to ensure that the exposure to this risk is limited

**Refinancing Risk** - the loans taken by the Council will become due for repayment and need replacing at a time when there is limited finance available or interest rates are significantly higher.

The timing of loan maturities is monitored along with interest rate forecasts. Officers ensure that due dates are monitored and seek advice from the Council's advisors about when to raise any finance needed.

**Legal and Regulatory Risk** - the Council operates outside its legal powers.

This risk is managed through the Council's training and development of Officers involved in Treasury Management, the independent oversight of Internal and External Audit, and the advice (for example on the contents of this strategy) taken from the Council's Treasury advisors.

**Fraud, Error and Corruption** - the risk that losses will be caused by impropriety or incompetence.

This is managed through the controls in the Council's financial procedures. For example, the segregation of duties between those making investment decisions and those transferring funds

**Market Risk** - the price of investments held fluctuates, principally in secondary markets.

The majority of the Council's investments are not traded, but where they are (e.g. Property investment portfolio) the main investments' value comes from the income they generate which is generally long term and secure.

### **3. Treasury Indicators: Limits to Borrowing Activity**

- 3.1 There are two limits on external debt: the 'Operational Boundary' and the 'Authorised Limit'. Both are consistent with existing plans and the proposals in the budget report for capital expenditure and financing, and with approved treasury management policy statement and practices. These indicators are set out in the Capital Strategy.
- 3.2 The key difference is that the Authorised Limit cannot be breached without prior approval of the Council. The Operational Boundary is a more realistic indicator of the likely position. The difference between the authorised limit and operational boundary for borrowing is that the authorised limit includes a head room for borrowing for future known capital needs now. The Authorised Limit represents the limit beyond which borrowing is prohibited, and needs to be revised if necessary by members.

- 3.3 In addition to the limits controlling the total amount of borrowing, further limits are in place to control the Council's exposure to interest rate risk on refinancing. These limits are set out in the following table:

<b>Maturity Structure of Borrowing</b>		
	<b>Lower</b>	<b>Upper</b>
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	50%
10 years to 20 years	0%	50%
20 years to 30 years	0%	50%
30 years to 40 years	0%	50%
40 years to 50 years	0%	50%

- 3.4 These limits range between 0% and 100% for loans out to 5 years where there is some degree of accuracy with the forecasts for interest rates. Then for the longer term, loans are limited to 50% of the overall borrowing portfolio maturing in each of the given timeframes. The 50% maximum limit protects the Council from being exposed to high levels of refinancing when interest rates may be substantially higher than they are now. Borrowing is expected to increase in following the strategy set out in the following paragraphs

#### **4. Borrowing Strategy**

- 4.1 The Council's treasury team maintains a cashflow forecast and works its liquidity requirements within this forecast; it may, on rare occasions, be necessary to borrow short-term for cashflow purposes. This will be in the form of short term debt or overdraft facilities and is normally for small amounts for minimum durations. As this is based on need and has a defined repayment period it is not normally included within the limits set above.
- 4.2 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated (i.e. the cost of holding does not outweigh the benefits of early borrowing) and that the Council can ensure the security of such funds. Any associated risks will be approved and reported through the standard reporting method.
- 4.3 The Council's level of external borrowing is expected to increase across the period of the MTFS. In recent years the Council has followed a policy of using internal borrowing – which is the use of the Council's own short-term cash surpluses (which back the Council's reserves and provisions) – to limit the interest cost of financing borrowing-funded elements of the Capital Programme. The Council's capacity to use internal borrowing is now diminished and external borrowing will be required to finance future spend. In the longer-term it will also be necessary to refinance internal borrowing with external debt.

- 4.4 Interest rates on short-duration loans are significantly lower than on longer term debt. Interest rates are expected to remain at these very low levels for some time to come. In order to benefit from these lower short-term rates, it is proposed that the Council will manage long-term financing by building a portfolio of short-term (0-5 year duration) loans, the timing of which will be determined by the cash need to borrow.
- 4.5 Short-term debt will be replaced by longer term (10+ year duration) loans, based on projections for CFR, ensuring that financing cost will be spread over the useful life of the assets being financed.
- 4.6 Officers will monitor interest rate forecasts, and in conjunction with Treasury Management advisors determine the optimum timing and amount of future borrowing.

## **5. Investment Policy**

- 5.1 The Council's investment policy has regard to the Statutory Guidance on Local Government Investments and the TM Code. The Council's investment priorities are security first, liquidity second, then yield.
- 5.2 Investment instruments identified for use in the financial year and counter-party limits are listed in Annex A under the 'Specified' and 'Non-Specified' Investments categories.
- 5.3 As part of its diversification of investments, the Council has invested some of its core funds (i.e. funds not immediately required for cashflow reasons) in longer-term investment property instruments. These are in the form of individual assets directly owned by the council. All property investments are controlled through the Property Investment Board (PIB) and each investment is subject to its own business case and appraisal before a decision to invest is taken and before any Council funds are committed.
- 5.4 Although the Council has no current investments or plans to invest in pooled property funds, these are permitted under the policy and are an option that could be considered in the future
- 5.5 The Council received a £92m reserve as a result of its acquisition of Croxley Park. These funds will be required over the life of the asset to cover any shortfalls in rental income (voids) and to cover the cost of planned programmed maintenance and refurbishment.
- 5.6 Following a competitive appointment process supported by the Councils Treasury Advisers, this cash has now been invested in three funds managed by Royal London Asset Management.
- 5.7 These investments are governed by the Councils Treasury Management policy, but are to be considered separately from the Council's operational cash. The performance of these investments will be reported separately to the Property Investment Board.

## 6. Creditworthiness policy

6.1 The Council will ensure:

- It maintains a policy covering both the categories of investment types it will invest in and the criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the Specified and Non-Specified investment schedule at Annex A.
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

6.2 The Director of Finance will maintain a counterparty list in compliance with the following criteria in section 7. The criteria will be reviewed regularly and proposed changes will be submitted to Council for approval as necessary in order to provide an overall pool of counterparties considered high quality.

6.3 Credit rating information is supplied by our treasury consultants on all active counterparties that comply with the Council's criteria. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating watches (notification of a likely change), rating outlooks (notification of a possible longer term change) are provided to officers almost immediately after they occur and this information is considered before dealing.

## 7. Counterparty Categories

7.1 The Council uses the following criteria in choosing the categories of institutions in which to invest:

- **Banks 1 - Good Credit Quality**  
The Council will only use UK banks or foreign banks trading in the UK in sterling denomination and which meet the Rating criteria.
- **Banks 2 – The Council's Own Banker**  
For transactional purposes, if the bank falls below the above criteria, it will be included, although in this case balances will be minimised as far as possible in both monetary size and time within operational constraints.
- **Bank Subsidiary and Treasury Operations**  
The Council will use these where the parent bank has the necessary ratings outlined above and the parent has provided an indemnity guarantee.
- **Building Societies**  
The Council will use all Societies which meet the ratings for banks outlined above.
- **Specific Public Bodies**  
The Council may lend to Public Bodies other than Local Authorities. The criterion for lending to these bodies is that the loan has been approved by Council.
- **Money Market Funds AAA Rated**  
The Council may lend to Money Market Funds in order to spread its investment risk.

- **Local Authorities**  
A limit of £5m per authority will be applied.
- **Debt Management Deposit Account Facility**  
A Government body which accepts local authority deposits.
- **Council Subsidiaries (non-specified)**  
The Council will lend to its subsidiaries subject to approval of a business case by the Director of Finance in consultation with the Portfolio Holder for Resources. Business cases must be accompanied by an independent assessment of viability, and be subjected to regular monitoring by the Director of Finance.

7.2 The Council will also consider investment in property in accordance with its Property Investment Strategy. All property investments will be dependent on a standalone business case being proven. Further details of counterparty categories and limits are set out Annex A Schedule of Specified and Non-Specified Investments.

## **8. The Monitoring of Investment Counterparties**

8.1 The credit rating of counterparties is monitored regularly. The main rating agencies (Fitch, Moody's and Standard & Poor's) provide credit ratings for financial institutions. The Council receives credit rating information (changes, rating watches and rating outlooks) from Link Asset Services as and when ratings change, and counterparties are checked promptly. The Council considers minimum short term ratings as key criteria in the choice of creditworthy investment counterparties; F1+, P-1 and A-1+ are the highest short term credit ratings of Fitch, Moody's and Standard & Poor's respectively. Minimum Short Term Ratings, where given, must be met for all categories. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Director of Finance, and if required new counterparties which meet the criteria will be added to the list.

8.2 For non-specified investments the progress of the entity against the approved, independently verified business case will be monitored by the Director of Finance.

## **9. Use of Additional Information Other Than Credit Ratings**

9.1 Additional requirements under the TM Code require the Council to supplement credit rating information. Whilst the above criteria rely primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating watches/outlooks) will be applied to compare the relative security of differing investment counterparties.

## **10. Time and Monetary Limits Applying to Investments**

10.1 The time and monetary limits for institutions on the Council's Counterparty List summarised in the table below at paragraph 11.2, are driven by the criteria set out in sections 7 and 8. These limits will cover both Specified and Non-Specified Investments.



## 11. Exceptional Circumstances

- 11.1 The criteria for choosing counterparties set out above provide a sound approach to investment in “normal” market circumstances. Whilst Members are asked to approve this base criteria above, under the exceptional current market conditions Director of Finance may temporarily restrict further investment activity to those counterparties considered of higher credit quality than the minimum criteria set out for approval. These restrictions will remain in place until the banking system returns to “normal” conditions. Similarly, the time periods for investments will be restricted.
- 11.2 Examples of these restrictions would be the greater use of the Debt Management Office Account Deposit Facility (DMADF) – a Government body which accepts local authority deposits - money Market Funds, and strongly rated institutions. The credit criteria have been amended to reflect these facilities.

## 12. Investment Strategy

- 12.1 In-House Funds - investments will be made with reference to the core balance and cashflow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).
- 12.2 Investment Treasury Indicator and Limit - total principal funds invested for greater than one year. These limits are set with regard to the Council’s liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end. The table below provides details of these limits.

Treasury Indicator & Limit	2022/23	2023/24	2024/25	2025/26
Maximum amount invested for periods over one year (Excludes Croxley Park Reserve, property investment and loans to Council subsidiaries).	£5m	£5m	£5m	£5m
Maximum amount invested for periods over one year. (Money Market Funds – Croxley Park Reserve)	£115m	£115m	£115m	£115m

## 13. Investment Risk & Security Benchmarking

- 13.1 The Council sets benchmarks for security, liquidity and yield. These benchmarks are simple guides to maximum risk and so may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmarks is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the Mid-Year or Annual Report. The benchmarks are as follows:

**Security:**

Security of the investments is measured by credit ratings, which is supplied by the three main credit rating agencies (Fitch, Moodys and Standard & Poors). Where investments are made to Council subsidiaries (non-listed), the security is measured through a business case with independent viability assessment.

**Liquidity:**

The Council sets the following liquidity facilities/benchmarks to maintain:

- Authorised bank overdraft - nil.
- Liquid short term deposits of at least £1.0m available with a week's notice.

The Council has the benefit of instant access to its funds on the general account with Lloyds.

**Yield:**

The Council benchmarks the yield on its operational cash against SONIA (the Sterling Overnight Index Average). This is a measure of market rates for actual returns on overnight cash deposits. Performance against this indicator is monitored throughout the year.

**14. Reporting Requirements**

- 14.1 The Audit Committee has the responsibility for the scrutiny of Treasury Management policies and practices and receives the Treasury Management Strategy Statement for review prior to approval by Council.
- 14.2 An annual report on the performance of the Treasury Management function, including the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the organisation's treasury management Strategy Statement is considered by Council following the end of the financial year.
- 14.3 Council also receives a Mid-Year Treasury Management Report setting out activity to 30 September.

**15. Policy on the Use of External Service Providers**

- 15.1 The contract for external treasury management advisors is carried out by Link Asset Services. The Council recognises that responsibility for treasury management decisions remains with the Council at all times and will ensure that undue reliance is not placed upon our external service providers. It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.
- 15.2 The Council will also, from time to time, procure specialist advice for ad-hoc pieces of work; this will be procured in accordance with the Council's normal procedure rules.

## **16. Member and Officer Training**

16.1 In order to ensure that Members and Officers are sufficiently trained and qualified to monitor and manage the Council's Treasury Management activity, the following measures are in place:

- Ensuring that officers attend suitable courses and seminars to keep their technical knowledge up to date;
- Keeping up to date with CIPFA publications on Treasury Management.
- Regular briefings both by email and face to face with the Council's Treasury advisors;
- Reports and briefing sessions to Members on major changes to Treasury policies and strategies.

## Schedule of Specified and Non-Specified Investments

### Specified Investments

These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments with:

- The UK Government (such as the Debt Management Account deposit facility, UK Treasury Bills or a Gilt with less than one year to maturity).
- A local authority, parish council or community council.
- A body that is considered of a high credit quality (such as a bank or building society) with a minimum short term rating of F-1 (or the equivalent) as rated by Standard and Poor's, Moody's or Fitch rating agencies or a Building Society with assets over £1,000m. Non rated Building Societies are non-specified investments.
- Money Market Funds (triple AAA rated only).

Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies. These criteria are defined in the Treasury Management Strategy.

The ratings criteria and exposure limits are detailed at Schedule 1.

### Non-Specified Investments

Non-specified investments are any other type of investment (i.e. not defined as Specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out on the following page.

<b>Non Specified Investment Category</b>	<b>Limit (£ or %)</b>
<p><b>Any bank or building society</b> that has a minimum long term credit rating of A (or equivalent), for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).</p>	£5m
<p><b>The Council's own banker</b> if it fails to meet the basic credit criteria.</p>	In this instance balances will be minimised as much as possible
<p><b>Building Societies not meeting the basic security requirements</b> under the specified investments.</p> <p>The operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings. The Council may use such building societies which were originally considered Eligible Institutions and have a minimum asset size of £5,000m, but will restrict these types of investments to £2m for up to six months.</p>	£2m
<p><b>Specific Public Bodies</b></p> <p>The Council can seek Member approval to make loans to other public bodies for periods of more than one year.</p>	£10m
<p><b>Loans to Council Subsidiaries</b></p> <p>The Council will lend to its subsidiaries subject to approval of a business case by the Director of Finance in consultation with the Portfolio Holder (Resources). Business cases must be accompanied by an independent assessment of viability, and be subjected to regular monitoring by the Director of Finance.</p>	£10m limit for any single loan
<p><b>Money Market Funds</b></p> <p>Appointed through competitive process for the investment of the Croxley Park Reserve</p>	£100m
<p><b>Other unspecified investments</b></p> <p>The strategy allows the Director of Finance, in consultation with the Portfolio Holder (Resources), the delegated authority to approve any variation to the Treasury Management Strategy during the year which may be brought about by investigating the opportunity to invest for greater than one year and also to invest in other investment instruments i.e Government bonds, Gilts and investment property with a view of to maximising the Council's returns without significantly increasing risk. This allows the addition of further unspecified investments, subject to conditions which will be generally similar to (e).</p>	£10m

		Minimum Short Term Ratings		<b>Schedule 1 (A) – UK BANKS</b>			
Institution	Fitch	Moody's	S&P				
The Council's own Bankers	F1m	P-1	A-1	If Council's own bankers fall below the minimum long term criteria for UK banks, cash balances will be managed within operational liquidity constraints and balances will be minimised as much as possible.			
Wholly Owned Subsidiaries of UK Clearing Banks Parent Ratings	F1	P-1	A-1	Long Term Credit Rating: AA(F), Aa2(M), AA(S&P)	Long Term Credit Rating: Single A (All agencies)	Long Term Crediting Rating: Lower than A (All Agencies)	Long Term Crediting Rating: Lower than A
Partially Owned Subsidiaries of UK Clearing Banks Parent Ratings	F1	P-1	A-1	Long Term credit Rating: AA(F), Aa2(M), AA(S&P)	Long Term Crediting Rating: Single A (All agencies)	Long Term Credit Rating: Lower than A (All Agencies)	Long Term Credit Rating: Lower than A
		<b>Max Amount / Length:</b>		<b>£10m 364 Days</b>	<b>£10m 6 Months</b>	<b>£10m 3 Months</b>	<b>£10m 1 Month</b>

				<b>Schedule 1 (B) – Building Societies</b>			
				Minimum Short Term Ratings			
Institution	Fitch	Moody's	S&P				
Building Societies – By Credit Rating	F1	P-1	A-1	Long Term Credit Rating: AA(F), Aa2(M), AA(S&P)	Long Term Credit Rating: Single A (all agencies)	Long Term CreditRating: Lower than A (All Agencies)	Long Term Crediting Rating: Lower than A
Building Societies – by Total Assets				Assets over £15bn	Assets over £5bn	Assets of £2.5bn	Assets of £1bn
				<b>£10m</b> <b>364 Days</b>	<b>£10m</b> <b>6 Months</b>	<b>£10m</b> <b>3 Months</b>	<b>£10m</b> <b>1 Month</b>
				<b>Max Amount / Length:</b>			

## Schedule 1 (C) – Other Entities

1. Specific Public Bodies	As approved by Members – up to £10m for up to 10 years
2. Debt Management Deposit Facility (UK Government)	Unlimited – this is the Council’s Safe-Haven Deposit facility with the UK Government
3. Money Market Funds (AAA Rated) – excluding Croxley Park Reserve	£5m per fund
4. Municipal Bond Agency	As approved by Members
5. UK Local Authorities	<p>A Maximum of £5m Applies per Authority.</p> <p>The Council can invest in all UK Local Authorities whether rated or not.</p> <p>The Council will not lend to an authority which is subject to a s.114 notice <i>without member approval</i>.</p>

Notes:-

1. F1+, P-1 and A-1+ are the highest short term credit ratings of Fitch, Moody's and Standard and Poor's respectively.
2. Minimum Short Term Ratings - Where given, these must be met, for all categories (except RBS Group).
3. Building Societies - A Building Society has to meet either the ratings criteria or the assets criterion to be included in the category, not both.
4. Maximum amount is the maximum, in total, over all investments, with any one institution (with the exception of RBS Group).



### PROPERTY INVESTMENT STRATEGY

#### Property Investment Policy

The council's Commercial Property Portfolio was established prior to the changes to the PWLB lending terms (November 2020) and revisions to the Prudential Code of Practice (November 2021) which restrict the ability of local authorities to invest in assets purely for yield. This strategy has been updated to reflect the move from an acquisition strategy to a strategy for maintaining the existing portfolio and income levels.

#### Objectives

- Maintain income levels within the core portfolio, enhancing where possible without impacting on future income potential.
- Preserve, and where possible increase, the capital value of the portfolio but not at the expense of losing income
- Maintain, and where possible improve the net rental position for Croxley Park as detailed in line with the original purchase objectives
- Rebalance the portfolio by reducing the historic weighting towards Retail and Indirect investments
- Implement a capital expenditure programme and work with tenants to ensure that all assets meet the new Minimum Energy Efficiency Standards (MEES) regulations.
- Target and identify opportunities that meet the Councils sustainability and regeneration objectives
- Consider investment in the residential / PRS sectors through existing land holdings using an appropriate vehicle

#### How much is invested?

Approximately £200 million is currently held in the property portfolio.

#### What type of property?

There are different types of property investment as follows:

- Retail
- Office
- Industrial
- Residential
- Alternatives including Leisure

For risk management purposes it is recommended that no single asset should comprise more than 10% of the whole portfolio and locations should be diverse as should property

types. The mix helps to protect the fund against movements that might adversely affect one specific sector which would otherwise have a disproportionate impact.

The current target mix for the portfolio is as follows:

- Retail 25%
- Office 25%
- Industrial 35%
- Residential 10%
- Alternatives including Leisure 5%

### **What level of financial return?**

In general, property can be categorised as prime, secondary or tertiary in terms of its desirability. Yield derives from both capital and rent. Lower yields can indicate that the investment attracts a lower degree of risk due to the ratio of rent to capital and other factors such as location, security and regularity of income.

Property investment returns will differ depending upon the market and the nature of the asset.

### **Risks:**

- there are management costs, risk of rent default and failure to honour maintenance agreements
- generally property tends to appreciate in value, although this will vary by type and area; however, in some cases the value may go down
- property can become functionally obsolete necessitating major refurbishment
- without regular repair and maintenance the condition will deteriorate and the responsibility for repairs/maintenance may not always rest with the tenant
- certain types of property may become less desirable as time goes by; this can make re-letting difficult or attract a lower calibre of tenant.

### Minimum revenue provision (MRP) policy statement for 2023/24

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

DLUHC regulations have been issued which require the full Council to approve an **MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP:

From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be:

- **Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3);

This option provides for a reduction in the borrowing need over approximately the asset's life.

No MRP provision is made in respect of investments or payments into the Council's wholly owned subsidiary, Watford Commercial Services, or the Council's joint ventures as these investments are intended to be time-limited and arrangements allow for the repayment of debt at the end of the investment period.

For finance leases the council will charge MRP to its General Fund each year dependant on the life of the underlying asset.

# Agenda Item 5

Part A

**Report to:** Finance Scrutiny Committee

**Date of meeting:** Monday, 9 January 2023

**Report author:** Head of Finance

**Title:** Financial Monitoring Report Period 8 - November 2022/23

## 1.0 Summary

1.1 This report sets out the financial monitoring position for 2022/23 as at Period 8 (1 April to 30 November 2022). This is the third report of the financial year and focuses on the forecast year end position compared to the original budget which was set in January 2022.

1.2 Since the budget was set, the economic forecast for 2022/23 and beyond has changed significantly. Rising inflation presents a significant risk to the Council's budget in 2022/23 and will have an ongoing impact across the Medium-Term Financial Strategy (MTFS). The potential financial impact of inflationary risks is set out in Section 4 below and further detail is provided in appendices 1 to 4.

## 1.3 Revenue Summary

1.3.1 The following table sets out the original budget of £13.734m which was agreed at Council on 24 January 2022, the latest budget which includes the budget carry forwards as reported at Cabinet on 11 July 2022, and the year end forecast at 30 November 2022. The resulting forecast variance to budget is £0.044m. This is an improvement of £0.129m from the forecast to 30 September 2022 when a variance of £0.173m was reported.

Revenue Account 2022/23				
Service Area	Original Budget £'000	Latest Budget £'000	Forecast £'000	Variance to Latest Budget £'000
Corporate, Housing & Wellbeing	5,538	6,298	5,139	(1,159)
Place	(51)	588	2,200	1,612
Democracy, Strategy and Initiatives	3,961	3,942	4,010	69
Strategic Finance	4,287	4,300	3,822	(477)
<b>Net Cost of Service</b>	<b>13,734</b>	<b>15,127</b>	<b>15,171</b>	<b>44</b>
Funded By:				
Planned use of Reserves	(49)	(1,442)	(1,486)	(44)
Taxation & Non Specific Grants	(13,685)	(13,685)	(13,685)	0
<b>Total Funding</b>	<b>(13,734)</b>	<b>(15,127)</b>	<b>(15,172)</b>	<b>(44)</b>

1.3.2 The detailed revenue position is set out in Section 4 below with further detail at service level provided in appendices 1 to 4.

## 1.4 Capital Summary

1.4.1 The original Capital Investment Programme for 2022/23 was agreed by Council on 25 January 2022. The agreed budget was £79.210m. The latest agreed budget is £116.879m and includes £37.669m carried forward from 2021/22 as reported to Cabinet on 11 July 2022.

Directorate / Service	Latest Budget 2022/23 £000's	Forecast Outturn 2022/23 £000's	Actual to Date £000's
Director of Partnerships - Corporate, Housing & Wellbeing Services	19,985	15,260	8,018
Director of Performance	65	0	0
Executive Director of Place	58,772	17,422	3,978
Director of Finance - Strategic Finance	38,057	13,397	11,311
<b>TOTAL CURRENT CAPITAL PROGRAMME</b>	<b>116,879</b>	<b>46,080</b>	<b>23,306</b>

1.4.2 Following a review of the profile of expenditure for 2022/23, the forecast year end position is £46.080m. Requests for rephasing of budgets to reflect revised expenditure profiles will be presented to Council in January.

1.4.3 The detailed capital position is set out in Section 4 below with further detail at service level provided in appendices 1 to 4.

## 2.0 Risks

2.1 The key budgetary risks are set out in appendix 8. All risks are closely monitored on an ongoing basis.

2.2 Service specific risks are set out in appendices 1 to 4.

## 3.0 Recommendations

3.1 To consider the Financial Monitoring Report 2022/23 – Period 8 and note both the revenue and capital forecasts for 2022/23.

3.2 To makes any recommendations to Cabinet and/or Council.

**Further information:**

Hannah Doney

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**Report approved by:**

Alison Scott, Shared Director of Finance

[alison.scott@threerivers.gov.uk](mailto:alison.scott@threerivers.gov.uk)

**4.0 Detailed proposal****4.1 Economic Context**

4.1.1 As noted in the Financial Monitoring Reports for Quarter 1 and Quarter 2, the current economic environment is starkly different from the economic outlook when the original budget was set in January 2022. Inflation has remained pervasively high throughout the year with November CPI at 10.7% (11.1% in October).

4.1.2 There is some evidence that inflation is starting to slow with the lowest month on month change in the current financial year of 0.4% recorded between October 2022 and November 2022. This is on the back of significant increases in interest rates driven by increases in the Bank of England base rate which has increased from 0.75% at the beginning of the financial year to 3.0% at 30 November. The base rate has subsequently increased by a further 0.5% to 3.5% on 15 December 2022 as the bank's Monetary Policy Committee (MPC) attempts to return inflation to its 2% target.

4.1.3 The impact of rising inflation and interest rates in the current financial year is set out the paragraphs below. Critically, a slowing in inflation will reduce future price rises but will not return prices to previous levels meaning that higher prices are baked into expenditure in future years.

**4.2 Revenue Budget 2022/23**

4.2.1 The latest net revenue budget is £15.127m. The year end forecast of £15.171m and resulting variation to budget of £0.044m is set out by service area in the table below:

Directorate	Service Area	Latest Budget £000	Year end Forecast £000	Actuals to date £000	Forecast Variance to Budget £000
Corporate, Housing and Wellbeing	Customer and Corporate Services	1,745	1,767	1,118	23
	Housing and Wellbeing	3,541	2,281	(325)	(1,260)
	ICT and Shared Services	1,012	1,090	974	78
Place	Environment	7,784	8,517	5,274	734
	Planning, Infrastructure and Economic Development	1,455	1,540	538	85
	Property and Asset Management	(8,651)	(7,857)	(8,407)	794
Corporate Strategy and Communications		1,390	1,469	1,116	79
Democracy and Governance		2,017	2,029	1,312	12
Human Resources		535	512	426	(23)
Strategic Finance		4,300	3,822	8,304	(477)
<b>Total</b>		<b>15,127</b>	<b>15,171</b>	<b>10,331</b>	<b>44</b>

- 4.2.2 There are two main areas of forecast overspend, both within the Place Directorate, partially offset by forecast underspends across the wider Council. These are within the Environment Service and Property and Asset Management Service.
- 4.2.3 The forecast overspend of £0.734m within the Environment Service includes a forecast pressure of £0.463m due to loss of income from the SLM contract, £0.112m of additional parking enforcement costs, which are funded from the CPZ reserve and £0.096m in relation to additional electricity costs in the new market previously reported.
- 4.2.4 Across the wider Council, the Council's energy contract, which pre-purchased gas and electricity in bulk and at a lower cost, protected budgets from the impact of increased energy costs during the first half of the year. The forecast at Period 8 includes a projected overspend of £0.043m for utility costs within the Property and Asset Management Service overspend of £0.794m.
- 4.2.5 Other overspend within this service include £0.360m loss of rental income from core investments in relation to service charges, additional contract management costs of £0.135m for the Council's rental portfolio, and £0.080m additional staffing costs due to the use of interim staff to fill key vacancies which is a result of the challenging recruitment market in this specialist area. A further variation of £0.080m is reported. Project costs of £0.120m have been allocated from agreed budgets held in Strategic Finance.
- 4.2.6 As previously reported, the forecast year end position includes the impact of the 2022/23 pay award which was agreed on 1 November 2022 and represented an increase to the pay budget of 5.9% compared to an allowance of 2% incorporated into the budget.

4.2.7 Further detail on the revenue forecast and reported variations to budget are set out in Appendices 1 to 4.

### 4.3 Capital Investment Programme 2022/23 to 2024/25

4.3.1 The Capital Investment Programme was agreed by Council in January 2022. The original budget for 2022/23 was £79.210m. The latest budget has been updated to include the reprofiling of £37.669m from 2021/22 into 2022/23 as agreed by Council in July 2022. The latest forecast is set out in the table below:

Budget Responsibility		Latest Budget 2022/23	Forecast Outturn 2022/23	Actual to date	Latest Budget 2023/24 (Including rephasings & savings)	Latest Budget 2024/25 (Including rephasings & savings)	Latest Budget 2025/26 (Including rephasings & savings)
		£	£	£	£	£	£
Executive Director of Corporate, Housing & Wellbeing Services	Associate Director of ICT & Shared Services	1,413	1,413	256	243	530	0
	Associate Director of Customer & Corporate Services	17,029	12,720	6,968	14,562	337	0
	Associate Director of Housing & Wellbeing	1,543	1,127	794	250	250	0
Executive Head of Strategy & Initiatives (Communications, Partnerships & Community)		65	0	0	65	0	0
Executive Director of Place	Associate Director of Planning, Infrastructure & Economy	3,417	1,985	899	1,573	250	0
	Associate Director of Property & Asset Management	40,507	10,166	1,747	21,209	6,103	5,399
	Associate Director of Environment	14,848	5,271	1,332	3,831	7,229	0
Director of Finance - Strategic Finance	Head of Finance - Strategic Finance	38,057	13,397	11,311	8,702	677	0
<b>TOTAL CURRENT CAPITAL PROGRAMME</b>		<b>116,879</b>	<b>46,080</b>	<b>23,306</b>	<b>50,435</b>	<b>15,376</b>	<b>5,399</b>

4.3.2 The forecast year end position of £46.080m is £70.799m lower than the latest budget. This reflects the anticipated reprofiling of schemes across the Capital Investment Programme including the Hart Homes and Riverwell Joint Ventures based on the latest approved business plans, Woodside Sports Village, the Town Hall Quarter and investment in Watford Business Park.

4.3.3 A request to rephrase these budgets is included in the Financial Planning Report 2023/24 to 2025/26 elsewhere on the agenda for Finance Scrutiny Committee, and presented to Cabinet and Council in January 2023 for approval. The Financial Planning Report also includes proposals for 2025/26 and the outcome of the detailed review of the capital programme that has been undertaken during the course of the year. A detailed scheme breakdown is provided in appendices 1 to 4.

4.3.4 The forecast spend for 2022/23 has reduced by £0.647m from the position reported to 30 September 2022 due to reprofiling schemes within the Place Directorate.



- 4.3.5 As previously reported, ongoing inflation poses a significant risk to the affordability of the Capital Investment Programme. The Council is particularly exposed to this risk where schemes are still at the feasibility or pre-tender stage. Where schemes are already within contract this provides some protection against the risk of price increases. However, there is an increased risk of contractor or sub-contractor failure in light of the inflationary pressures on businesses. Mitigation measures are already in place to protect the Council through the tender and contracting process, including assessment of the financial sustainability of contractors.
- 4.3.6 The Capital Investment Programme is funded by capital receipts (generated by the sale of assets), revenue contributions (including earmarked reserves), capital grants and contributions, and borrowing under the prudential borrowing framework. Detail of the proposed funding for the 2022/23 forecast capital investment is set out in appendix 5.
- 4.3.7 The revenue implications of borrowing are incorporated into the Council's MTFs and are reported within the Strategic Finance budgets. This includes interest payable on external borrowing, fees associated with arranging borrowing, and the Minimum Revenue Provision for the repayment of debt (MRP).
- 4.3.8 The Council's primary lender of long term capital finance is the Public Works Loans Board (PWLB). PWLB interest rates are linked to Government Gilt rates. The rise in government borrowing costs is also driving up the cost of borrowing for local authorities. In the last report it was noted that since 1 April 2022 interest rates payable had increased by 75%, rising to 4.97% for 25 year lending. Since then, there has been some stabilisation of the gilt markets but borrowing costs remain high and were at 4.48% on 30 November 2022.
- 4.3.9 Rising project delivery costs and rising borrowing costs pose a significant risk to the affordability of the capital programme this will be considered in the budget setting process. Actions to mitigate the increased cost pressures include undertaking a review budget carry forwards to confirm if the budget is required, removing residual budgets as projects are ending, and ensuring that budgets are matched budgets to achievable delivery timescales.

#### 4.4 **General Fund and Earmarked Reserves**

- 4.4.1 The following table sets out the latest forecast for the General Fund and Earmarked Reserves.

Reserve Type	Balances at 1 April 2022	Movement in Year	Balance at 31 March 2023
Specific Earmarked Reserves	(24,431)	1,332	(23,099)
Economic Impact Reserve	(1,744)	154	(1,590)
General Fund	(2,000)	0	(2,000)
<b>Total</b>	<b>(28,175)</b>	<b>1,486</b>	<b>(26,689)</b>

4.4.2 The Council's risk assessed level for the General Fund is £2.000m. The General Fund is forecast to remain at this level for 2022/23 and over the MTFS.

4.4.3 The Economic Impact Reserve is held to smooth the impact of a surplus or deficit against the budget. The original budget for 2022/23 included a funding gap of £0.089m which was planned to be funded from a contribution from this reserve.

4.4.4 Earmarked Reserves are used to support service expenditure and projects. A detailed breakdown of the forecast for Earmarked Reserves is provided at appendix 6.

#### 4.5 Strategic Finance

4.5.1 Strategic Finance includes budgets in relation to the Council's Treasury activities and Capital Financing, incorporating borrowing costs and investment income.

4.5.2 The Council has managed its cash flows and adhered to its Treasury Management policy during the year to 30 November. The interest earned on the investments made by the Council supports the funding of the services it provides.

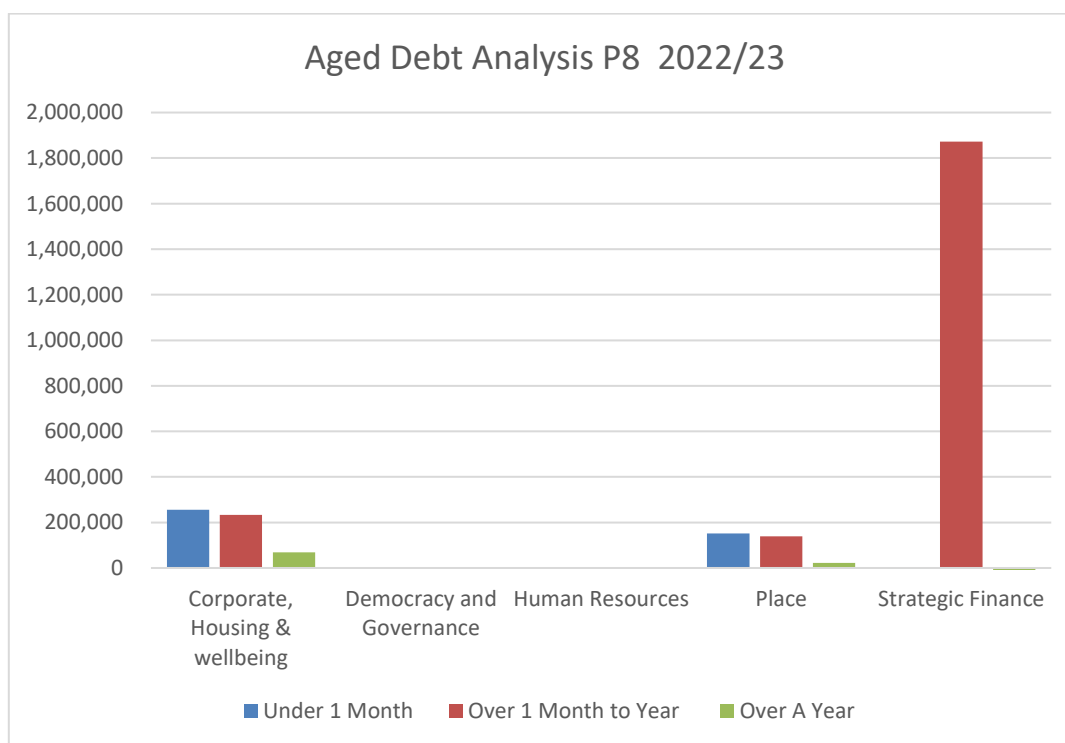
4.5.3 The Bank of England base interest rate was 0.75% on 1 April 2022 and has increased gradually to 3.0% at 30 November 2022 as the Bank of England takes measures to manage inflation. The increase in base rate has fed through into increased market returns for short-term deposits which will have a positive impact on interest earned. However, the interest rate on Government Gilts has also risen resulting in increased borrowing rates from both the Public Works Loan Board (PWLb) and the inter-authority lending market following the mini budget on 23 September 2022. The forecast for interest rates is being closely monitored to ensure that the Council's debt portfolio is financed at the right time to take advantage of the best rates. The latest forecast for cash projections indicates that additional borrowing will need to be taken before the end of the year resulting in an increase in interest payable. A forecast overspend of £0.150m is therefore reported for capital financing costs.

4.5.4 Further detail is provided in appendix 4.

## 4.6 Aged Debt

4.6.1 The Council charges its customers for various services by raising a debtor invoice. The customer is given 21 days to pay after which a reminder is issued if payment remains outstanding and a dispute has not been raised. If the debt continues to remain outstanding then a variety of recovery methods are employed including: rearranging the payment terms; stopping the provision of the service or pursuing the debt through legal recovery processes.

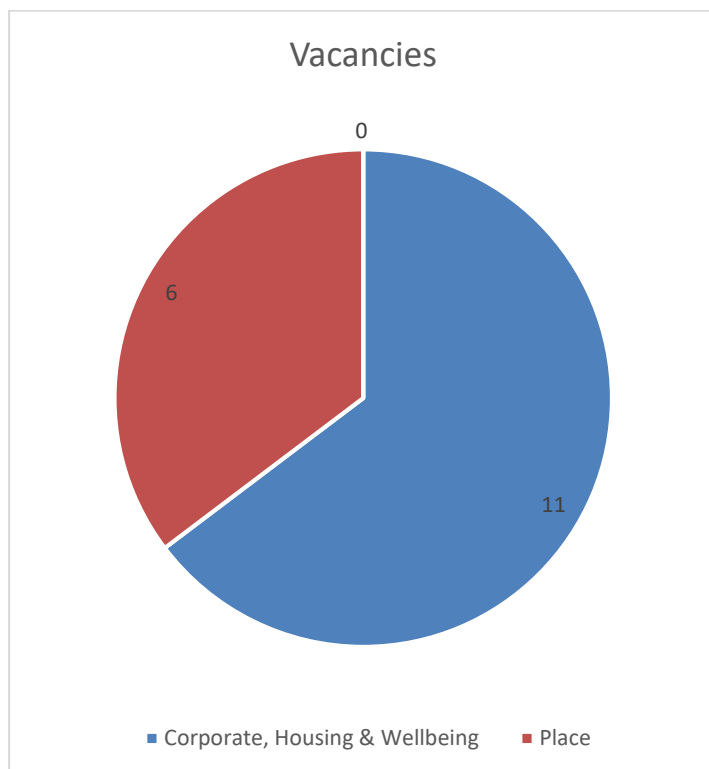
4.6.2 The following graph sets out the aged debt analysis as of 30 November 2022. The total outstanding debt at this date was £2.692m. This included an invoice to West Herts Crem Joint Committee for the recovery of capital costs incurred by the Council on behalf of the Joint Committee in relation to the development of a new crematorium. This invoice was for £1.794m and has now been paid. Excluding this invoice, debt was £0.898m. This compares to a total outstanding debt of £1.229m on 30 September 2022. Underlying debt has therefore decreased by £0.331m.



4.6.3 Of the outstanding debt (excluding the invoice to the Joint Committee), £0.408 (45%) is under one month and is expected that most of this debt will be settled. The total debt over one year is £0.039m (4.3%). This has reduced from £0.061m at 30 September 2022. The Council's debt recovery team will continue to chase these debts and initiate payment plans to enable debtors to pay by instalments wherever possible.

## 4.7 Vacancy Monitoring

4.7.1 A major risk of non-delivery of service is where key staff leave the Council's employ and there is a delay or difficulty in recruiting suitable candidates to fill the vacant post. The graph below summarises the level of vacancies at the end of November 2022 with a detailed analysis by service within appendices 1 to 4. The total vacancies at 30 November was 17.0 FTE compared to 26.69 FTE at 30 September.



## 5.0 Implications

### 5.1 Financial

5.1.1 The Shared Director of Finance comments that the financial implications are set out in the main body of the report.

### 5.2 Legal Issues (Monitoring Officer)

5.2.1 The Group Head of Democracy and Governance comments that there are no legal implications directly arising from this report.

### 5.3 Equalities, Human Rights and Data Protection

5.3.1 Under s149 (1) of the Equality Act the council must have due regard, in the exercise of its functions, to the need to –

- eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act
- advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share them
- foster good relations between persons who share relevant protected characteristics and persons who do not share them.

5.3.2 Having had regard to the council's obligations under s149, it is considered there are no relevant issues arising directly from this report.

5.3.3 Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

#### 5.4 **Staffing**

5.4.1 There are no staffing implications arising from this report.

#### 5.5 **Accommodation**

5.5.1 There are no accommodation implications arising from this report.

#### 5.6 **Community Safety/Crime and Disorder**

5.6.1 Section 17 of the Crime and Disorder Act 1998 requires the council to give due regard to the likely effect of the exercise of its functions on crime and disorder in its area and to do all it reasonably can to prevent these. There are no issues arising from this report.

#### 5.7 **Sustainability**

5.7.1 There are no sustainability implications arising from this report.

### **Appendices**

- Appendix 1 Corporate, Housing and Wellbeing Services Directorate Monitoring Report
- Appendix 2 Place Directorate Monitoring Report
- Appendix 3 Democracy, Strategy and Initiatives Monitoring Report
- Appendix 4 Strategic Finance
- Appendix 5 Capital Finance
- Appendix 6 Earmarked Reserves
- Appendix 7 Key Budgetary Risks

## Corporate, Housing and Wellbeing Services Directorate

### 1. Revenue Summary

	Latest Budget £	Forecast £	Actuals £	Variance - Forecast to Latest Budget £
Customer & Corporate Services	1,744,753	1,767,308	1,117,982	22,555
Housing & Wellbeing	3,541,283	2,281,102	(324,632)	(1,260,181)
ICT & Shared Services	1,011,998	1,090,311	974,099	78,313
<b>Sum:</b>	<b>6,298,034</b>	<b>5,138,721</b>	<b>1,767,450</b>	<b>(1,159,313)</b>

At the end of Quarter 2 an underspend of £1.159m is forecast for the Corporate, Housing and Wellbeing Services Directorate.

### 2. Revenue Variances

Reported variances are itemised in the table below:

Description	Details of Variances	£
Customer Services Centre	Call handling costs for garden waste and recycling. Income allocation from Recycling Kerbside	(23,350)
ICT Services	Efficiency saving target for 2022/23 will not be met	61,568
Project Resource	Approved funding allocation for sustainable strategy - from budgets in Strategic Finance	37,698
Housing	Anticipated demand on housing following Covid19 has not reached levels as first projected.	(894,300)
Environmental Health Team	Income from costs awarded following successful prosecution of a fatal accident at work.	(475,000)
Commercial Contract Costs	Contract costs income budgets updated with current agreed charges	45,000
Climate Change	Approved funding from Strategic Finance and Sustainability reserve to fund projects and additional resources	119,400
Printing Section	Decrease in spend on print materials and in-house printing costs	(43,000)
WBC Properties	Net decrease on the cost of maintenance	(71,900)
Employee costs	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	61,869
	Other Variances	22,702
	<b>TOTAL</b>	<b>(1,159,313)</b>

In addition to the reported variances the Directorate is managing the risk of additional pressure on the Housing budget with demand expected to increase during the year.

### 3. Significant Income Streams

Particular income generating items can fluctuate depending on the economic climate, popularity and affordability. Licencing income has been identified as a significant income stream for this directorate. It is currently forecast to be on target to achieve budgeted income levels for 2022/23.

Service Area	Income Stream	Latest Budget 2022/23 £000	Forecast 2022/23 £000	Forecast Variance £000	Comments
Corporate, Housing & Wellbeing	Licensing	(246)	(255)	(9)	Minor Change in Fees & Charges Income

### 4. Capital Investment Programme

Budget Responsibility	Services	Latest Budget 2022/23 £'000	Forecast Outturn 2022/23 £'000	Actual to date £'000	Latest Budget 2023/24 (Including rephasings & savings) £'000	Latest Budget 2024/25 (Including rephasings & savings) £'000	Latest Budget 2025/26 (Including rephasings & savings) £'000
Associate Director of ICT & Shared Services	ICT Shared Services	304	304	256	45	45	0
	ICT Client Services	1,110	1,110	1	198	485	0
	Town Hall Quarter	17,029	12,720	6,968	14,562	337	0
Associate Director of Housing & Wellbeing	Environmental Health	1,298	1,040	794	200	200	0
	Housing	245	87	0	50	50	0
<b>Total Current Capital Programme</b>		<b>19,985</b>	<b>15,260</b>	<b>8,018</b>	<b>15,055</b>	<b>1,117</b>	<b>0</b>

The scheme detail is provided at Annex A

### 5. Vacancy Monitoring

A major risk of non-delivery of service is where key staff leave the Council's employ and there is a delay or difficulty in recruiting suitable candidates to fill the vacant post. There are no service impacts to report as a result of current vacancies.

The following table sets out the vacancies on 30 November 2022:

<b>Post</b>	<b>Date Vacant</b>	<b>FTE</b>	<b>Comments</b>
Business Compliance Officer 01	01/11/2021	1	Held pending service review in December 2022
Covid Response Officer 01	20/04/2022	1	
Covid Response Officer 05	20/04/2022	1	
Environmental Health Officer 05	22/11/2021	1	
Environmental Health Officer 11	11/09/2021	1	Recruitment underway with amended role profile due to failure to recruit previously
Housing Caseworker 02	14/08/2021	1	Permanent recruitment underway post review of role
Housing Caseworker 03	22/06/2021	1	Permanent recruitment underway post review of role
Housing Caseworker 05	21/05/2021	1	Permanent recruitment underway post review of role
Housing Solutions Officer 01	13/08/2022	1	Permanent recruitment underway post review of role
Housing Solutions Officer 03	21/06/2022	1	Permanent recruitment underway post review of role
ICT Project Manager	01/01/2022	1	
Senior Surveyor 01	01/10/2022	1	
<b>Total</b>		<b>12</b>	



## Corporate, Housing and Wellbeing Services Directorate Capital Scheme Detail

Capital Scheme	Latest Budget 2022/23	Forecast Outturn 2022/23	Forecast Variance	Actual 2022/23	Scheme Update
	£	£	£	£	
<b>ICT Shared Services</b>					
ShS-ICT Modernisation	0	0	0	32,004	
ShS-Migration To The Cloud	156,000	156,000	0	0	
ShS-Hardware Replacement Programme	147,729	147,729	0	223,626	
<b>ICT Client Services</b>					
ICT-Hardware Replacement Programme	603,287	603,287	0	500	
ICT-Business Application Upgrade	386,270	386,270	0	0	
ICT-Project Management Provision	120,000	120,000	0	0	
<b>Town Hall Quarter (Concept)</b>					
Town Hall & Colosseum Projects	4,308,800	0	(4,308,800)	0	Service request for rephasing into related THQ cost centres, namely £2.472m (2023/24) and £1.837m (2024/25).
<b>Town Hall Quarter (Delivery)</b>					
Town Hall Refurbishment	850,000	850,200	200	321,252	Forecast mitigated within existing cost centres.
Colosseum Refurbishment	4,700,000	4,700,000	0	451,217	
Annexe Refurbishment	1,750,000	1,750,000	0	1,616,119	
Thq Programme Delivery	400,000	399,800	(200)	221,172	Forecast mitigated within existing cost centres.
Reimagining Watford	20,000	20,000	0	1,273	
Decarbonisation Project Salix	5,000,000	5,000,000	0	4,320,383	
Innovation & Incubation Hub	0	0	0	0	
Town Hall / Colosseum Fabric Works	0	0	0	36,450	
<b>Environmental Health</b>					
Decent Homes Assistance	813,223	813,223	0	707,597	
Private Sector Housing Renewal	227,240	227,240	0	86,367	
Street Improvement Programme	257,694	0	(257,694)	0	No location identified for 2022/23 and budget not required.
<b>Housing</b>					
Private Sector Stock Condition	16,534	16,534	0	0	
Retained Housing Stock	153,687	50,000	(103,687)	0	Identified budget saving.
York House Boiler Replacement	75,000	0	(75,000)	0	Identified budget saving.
Housing First - Phase 2	0	20,000	20,000	0	Funding approved from Section 106 receipts.
<b>Total</b>	<b>19,985,464</b>	<b>15,260,283</b>	<b>(4,725,181)</b>	<b>8,017,960</b>	

## Place Directorate

## 1. Revenue Summary

	Latest Budget £	Forecast £	Actuals £	Variance - Forecast to Latest Budget £
Environment	7,783,513	8,517,419	5,274,375	733,906
Planning, Infrastructure & Eco	1,455,071	1,539,969	538,376	84,898
Property & Asset Management	(8,650,790)	(7,857,275)	(8,406,717)	793,515
<b>Sum:</b>	<b>587,794</b>	<b>2,200,113</b>	<b>(2,593,965)</b>	<b>1,612,319</b>

At the end of Period 8 an overspend of £1.612m is forecast for the Place Directorate.

## 2. Revenue Variances

Reported variances are itemised in the table below:

Service Area	Description	Details of Variances	£	
PLACE	Building Control	Professional fees - consultancy to cover additional business needs	20,000	
		Decrease in building reg. application fees due to downturn in market and lower demand on inspections	61,000	
	Development Control	Lower than expected income from Planning Application Fees due to current economic climate	50,000	
	Policy Team	Saving on employee costs due to vacant post	(50,000)	
	Land Charges	Search fee income not expected to meet budget target due to current market conditions	50,000	
	Economic Development	Resource funding agree from renewal funding held Strategic Finance	75,000	
	CCTV	Additional income from third parties for use of security cameras	(18,200)	
	Implementation Team	Partnership working has now come to an end. No further income expected.	25,000	
	Travel Delivery Income	Income received from Third Party for services provided on projects	(140,000)	
	Investments - Core	Loss of rental income for the year on Intu Watford due to cost recovery	360,000	
	Valuations & Estates Group	Additional staffing costs for agency appointments	80,000	
		Additional costs for the Watford Junction Project - Allocation from agreed budgets in Strategic Finance	120,000	
		Saving on employee costs due to vacant post	(25,000)	
	Highways	External contract management costs for rental income portfolio	135,000	
	Highways	Funding from HCC for highways	(45,000)	
	Town Hall Carpark	Loss of income due to suspended charging for parking	33,000	
	Town Hall offices & Council Suites	Increase in expenditure on utilities due to price increases and varying market conditions	43,000	
		Reduction in rental income from the Annex	80,000	
	SLM (Central & Woodside)	Loss of income from service provider due to the impact of Covid19 on business recovery	463,000	
	Recycling - Kerbside	Call handling costs for garden waste and recycling. Income credited to customer & Corporate services	23,350	
	New Market	Increase electricity costs due to economic climate and increase in number of units being occupied	96,000	
		Christmas decorations - Allocation from agreed budgets in Strategic Finance	16,278	
	Parking	Additional costs on the enforcement contract, costs to be funded as part of the Car Parking Reserve	112,000	
	Employee Costs	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	61,495	
		Other Variances	(13,604)	
			<b>TOTAL</b>	<b>1,612,319</b>

Within the reported position is a reduction in income of £0.463m in relation to the Leisure Management Contract following the agreement to reprofile the management fee as a result of the ongoing impact of COVID-19. This is partially offset by additional budget of £0.350m brought forward from 2021/22 to fund this shortfall.

The reprofiling of the management fee recognises that activity levels remain below the initial expectations when contract commenced due to a lack of growth during the period of the COVID-19 pandemic. This agreement results in a reduced fee for 2022/23 that will be recovered over the life of the contract.

The Leisure Management Contract includes a utilities price mechanism. However, any discussions in relation to additional support for the operator will recognise the existing support that is in place for 2022/23.

**3. Significant Income Streams**

Particular income generating items can fluctuate depending on the economic climate, popularity and affordability. The main risks that are considered the most critical and their financial position are shown in the table below. All income streams are currently forecast to be on target to achieve budgeted income levels for 2022/23. However, they will continue to be closely monitored throughout the year as the impact of the cost of living crisis on businesses and households is likely to make income targets harder to achieve.

<b>Income Stream</b>	<b>Latest Budget 2022/23 £000</b>	<b>Forecast 2022/23 £000</b>	<b>Forecast Variance £000</b>	<b>Comments</b>
Commercial Rent	(9,490)	(9,199)	291	Net change mainly due to loss from Intu Income
Development Control Fees	(780)	(730)	50	
Building Control Fees	(278)	(221)	57	
Car Parking Charges	(1,540)	(1,540)	0	

#### 4. Capital Investment Programme

Budget Responsibility	Services	Latest Budget 2022/23	Forecast Outturn 2022/23	Actual to date	Latest Budget 2023/24 (Including rephasings & savings)	Latest Budget 2024/25 (Including rephasings & savings)	Latest Budget 2025/26 (Including rephasings & savings)
		£'000	£'000	£'000	£'000	£'000	£'000
Associate Director of Planning, Infrastructure & Economy	Transport & Infrastructure	3,417	1,825	882	1,573	250	0
	Development Control	0	161	17	0	0	0
Associate Director of Property & Asset Management	Corporate Asset Management	1,699	456	375	250	250	500
	Watford Business Park	14,553	7,000	1,023	8,554	0	0
	Watford Riverwell	11,945	262	33	8,765	4,353	4,899
	Property Investment Board	133	0	0	0	0	0
	Property Management	11,988	2,260	271	3,641	1,500	0
	Town Hall Quarter	187	187	45	0	0	0
Associate Director of Environment	Waste & Recycling (inc Veolia)	1,213	1,213	392	71	72	0
	Parks & Open Spaces	2,062	1,545	548	935	635	0
	Cemeteries	350	210	85	0	0	0
	Leisure & Play	8,537	780	168	2,225	4,522	0
	Culture & Heritage	289	190	16	0	0	0
	Community Projects	1,150	1,125	(2)	0	0	0
	Commissioning	1,060	24	0	500	500	0
	Town Hall Quarter	187	184	125	100	1,500	0
<b>Total Current Capital Programme</b>		<b>58,771</b>	<b>17,422</b>	<b>3,978</b>	<b>26,614</b>	<b>13,582</b>	<b>5,399</b>

The forecast for the Riverwell joint venture (Watford Health Campus LLP) has been updated to reflect the latest business plan as approved by Cabinet.

The scheme detail is provided at Annex A.

#### 5. Vacancy Monitoring

A major risk of non-delivery of service is where key staff leave the Council's employ and there is a delay or difficulty in recruiting suitable candidates to fill the vacant post. There are no service impacts to report as a result of current vacancies.

The following table sets out the vacancies on 30 November 2022:

<b>Post</b>	<b>Date Vacant</b>	<b>FTE</b>	<b>Comments</b>
Building Surveyor 03	27/04/2021	1	
Planning Officer (Development Management) 02	12/09/2022	1	
Contract and Relationship Manager	22/08/2022	1	
Partnerships and Funding Manager	07/06/2021	1	post holder on secondment
Property Development Project Manager 02	16/02/2022	1	
<b>Total</b>		<b>5</b>	

## Place Directorate Capital Scheme Detail

Capital Scheme	Latest Budget 2022/23	Forecast Outturn 2022/23	Forecast Variance	Actual 2022/23	Scheme Update
	£	£	£	£	
<b>Transport &amp; Infrastructure</b>					
Public Realm (High Street)	1,234	1,234	0	0	
Public Realm (Clarendon Rd Phase III)	298,312	298,312	0	41,771	
St Albans Rd Improvement Works	6,307	0	(6,307)	0	Budget transfer to related cost centre.
CCTV Site Equipment	2,634	15,000	12,366	0	
Public Realm - Market St South	217,580	217,580	0	158,069	
Camera Enforcement - High St	159,483	159,483	0	67,548	
Public Realm - Queens Rd, The Broadway	100,000	100,000	0	150,000	
Public Realm - Market St North	250,000	226,655	(23,345)	226,655	Identified budget saving.
TTIW Delivery Programme	675,817	275,817	(400,000)	78,262	Identified budget saving.
St Albans Rd Imp Works (Ph 2)	300,000	56,307	(243,693)	33,910	Service request for rephasing into 2024/25.
Wayfinding & Public Art Strategy	221,500	200,500	(21,000)	53,005	Service request for rephasing £21k into 2023/24.
EV Rapid Charging Points Programme	100,000	403	(99,597)	403	Service request for rephasing £100k into 2023/24.
CCTV Control Room Strategy	500,000	100,000	(400,000)	27,323	Service request for rephasing £400k into 2023/24.
Watford Junction Masterplan	13,548	13,548	0	0	
Watford 3D Planning Model	12,909	12,909	0	0	
High St Phase 2 (St Mary's)	546,808	146,808	(400,000)	45,166	Service request for rephasing £400k into 2023/24.
Match Funding Capital Projects	3,863	0	(3,863)	0	Identified budget saving.
Watford Junction Cycle Park Hub	7,110	0	(7,110)	0	Identified budget saving.
<b>Development Control</b>					
CIL Review	0	0	0	10,600	
Section 106 - Herts CC Schemes	0	6,000	6,000	6,000	
CIL Grant Funded Projects	0	154,932	154,932	0	
<b>Corporate Asset Management</b>					
Community Asset Review	1,356,303	356,303	(1,000,000)	317,512	Service request for rephasing into future financial years.
Building Investment Programme	342,696	100,000	(242,696)	57,434	Identified budget saving.
<b>Watford Business Park</b>					
Watford Business Park Phase 2	14,553,787	7,000,000	(7,553,787)	1,023,291	Service request for rephasing into 2023/24.
<b>Watford Riverwell</b>					
Watford Riverwell	11,945,342	262,000	(11,683,342)	32,912	Service request for rephasings into future financial years.
<b>Property Investment Board</b>					
PIB Investment Board	132,931	0	(132,931)	0	Identified budget saving.
<b>Property Management</b>					
Redevelopment Town Hall	0	0	0	3,516	
Charter Place	0	0	0	2,339	
Temp Housing Accommodation	146,385	50,000	(96,385)	51,867	Identified budget saving.
Surplus Sites	825,214	225,214	(600,000)	163,170	Identified capital budget saving of £200k plus rephasing request of £400k into 2023/24.
Croxley Park Asset	0	0	0	43,722	Funded by PPM contribution that formed part of the original Croxley Business Park transaction.
Exchange Road	1,000,000	0	(1,000,000)	0	Budget re-alignment involving Watford Business Park.
Lower High Street	4,985,000	1,985,000	(3,000,000)	5,965	Service request to rephase £1.5m into 2023/24 and £1.5m to 2024/25 as the Council ascertains the implications of land acquisition, a sustainable transport hub, public realm works and feasibility studies.

Capital Scheme	Latest Budget 2022/23	Forecast Outturn 2022/23	Forecast Variance	Actual 2022/23	Scheme Update
	£	£	£	£	
Scenery Store Redevelopment	1,500,000	0	(1,500,000)	0	Identified budget saving.
Infill Sites (LEP funded)	840,675	0	(840,675)	0	Service request to rephase £841k into 2023/24 to accelerate housing delivery.
Surplus Site - Land Acquisition (Site A)	1,670,000	0	(1,670,000)	0	Identified budget saving of £770k plus rephasing request of £900k into 2023/24.
Surplus Site - Land Acquisition (Site B)	1,021,439	0	(1,021,439)	0	Identified budget saving.
<b>Waste &amp; Recycling (inc Veolia)</b>					
Veolia Contract Fleet Requirements	1,143,391	1,143,391	0	361,814	
Veolia Capital Improvements	70,000	70,000	0	30,095	
<b>Parks &amp; Open Spaces</b>					
Whippendell Woods SSSI Enhancement	13,000	0	(13,000)	0	Identified budget saving.
Green Spaces Strategy	249,778	149,778	(100,000)	(5,818)	Identified in year budget saving. Project deliverables unaffected.
Oxhey Park North	38,948	38,948	0	(3,155)	
Tree Planting Programme	95,000	60,000	(35,000)	51,385	Identified budget saving.
River Colne Restoration	311,993	311,993	0	84,469	
Nascot Grange Open Space	10,000	10,000	0	3,896	
Cassiobury Park Performance Space	40,000	0	(40,000)	0	Identified in year budget saving post feedback and lessons learnt from prior event.
Parks Litter Bin Replacements	10,000	10,000	0	1,817	
Meriden Park Improvements	145,556	145,556	0	7,720	
Cassiobury Park Wetlands	133,000	133,000	0	26,607	
Biodiversity - Parks & Open Spaces	50,000	0	(50,000)	0	Identified budget saving.
Cassiobury Park Ad Hoc Works	25,000	25,000	0	0	
Meriden Park Barrier	55,000	55,000	0	0	
Parks Litter Bins	0	0	0	2,428	
Footpaths - Cassiobury Park Nature Reserve	330,000	230,000	(100,000)	132,506	Service request for rephasing £100k into 2023/24.
Footpaths - Cassiobury Park	238,000	138,000	(100,000)	110,870	Service request for rephasing £100k into 2023/24.
Allotment Provision	50,000	0	(50,000)	0	Service request for rephasing £50k into 2023/24.
Shrub Replacement (Open Space)	50,000	25,000	(25,000)	1,623	Identified in year saving.
Parks - Building Investment	150,000	150,000	0	91,115	
Oxhey Activity Pk- Modular Unit	0	63,110	63,110	42,074	Additional funding obtained from Sport England.
Wider Footpaths-Parks Refurbishment	0	0	0	541	
Oxhey Grange Footpath	30,000	0	(30,000)	0	Identified budget savings.
River Gade Management Works	32,000	0	(32,000)	0	
Water Fountains in Green Flag Parks	5,000	0	(5,000)	0	
<b>Cemeteries</b>					
Cemetery Reprovision	141,000	75,000	(66,000)	44,692	Net Identified budget savings.
North Watford Cemetery Improvements	57,563	30,000	(27,563)	9,720	
New Cemetery Provision	109,776	45,000	(64,776)	30,637	
Vicarage Rd - WFC Memorial Area	42,000	60,000	18,000	0	
<b>Leisure &amp; Play</b>					
Leisure & Cultural Venues	60,521	0	(60,521)	0	Identified budget saving.
Watford Tennis Partnership	25,000	25,000	0	0	
Oxhey Grange-Bowling Gr'N Imps	110,000	0	(110,000)	1,750	Service request for rephasing into 2023/24
Cassiobury Park Tennis Courts	40,000	0	(40,000)	0	Service request for rephasing into 2023/24
Orchard Park & Callowland Cricket Improvements	20,000	20,000	0	0	
King George V Muga	20,000	20,000	0	19,349	
Leavesden Green Rec Ground Improvements	50,000	50,000	0	0	
Woodside Sports Village	7,861,733	415,000	(7,446,733)	117,239	Identified in year budget saving of £1m and service request for budget rephasing of £2m into 2023/24 and £4.447m into 2024/25.
Play Area Improvements	337,890	237,890	(100,000)	29,314	Identified in year budget saving. Programme under review.
Lea Farm Recreation Improvements	12,000	12,000	0	0	
<b>Culture &amp; Heritage</b>					
Watford Museum	128,795	60,000	(68,795)	0	Identified budget savings.
Improvements Community Centres	13,980	0	(13,980)	0	
Cultural Quarter Phase 1	10,000	0	(10,000)	0	
Heritage Trail	97,987	105,437	7,450	4,707	Additional funding obtained from central government.
Watford Market	38,673	25,000	(13,673)	11,174	Identified budget saving.
<b>Community Projects</b>					
Cycle Hub	111,099	111,099	0	0	
All Saints Churchyard Improvements	1,000	0	(1,000)	0	Identified budget saving.
Paddock Road Depot Enhancements	1,013,503	1,013,503	0	(1,534)	
Derby Rd Skate Park Blockade	25,000	0	(25,000)	0	Identified budget saving.
<b>Commissioning</b>					
Transport App	25,550	0	(25,550)	0	Identified budget savings.
Departmental Vehicle Renewal	11,600	0	(11,600)	0	
Cycle & Road Infrastructure Improvements	1,023,584	23,584	(1,000,000)	0	Service request for rephasing £500k into 2023/24 and 2024/25 respectively.
<b>Town Hall Quarter (Concept)</b>					
Regeneration Project	187,000	187,000	0	45,262	
<b>Town Hall Quarter (Delivery)</b>					
Museum & Heritage	150,000	150,000	0	47,426	
Colosseum Retender	34,000	34,000	0	77,577	
<b>Total</b>	<b>58,771,797</b>	<b>17,422,294</b>	<b>(41,349,503)</b>	<b>3,977,741</b>	

## Democracy, Strategy and Initiatives

### 1. Revenue Summary

	Latest Budget £	Forecast £	Actuals £	Variance - Forecast to Latest Budget £
<b>Corporate Strategy &amp; Comms</b>				
Corporate Management	519,194	470,378	358,371	(48,816)
Partnerships & Performance	870,490	998,690	757,498	128,200
<b>Sum:</b>	<b>1,389,684</b>	<b>1,469,068</b>	<b>1,115,869</b>	<b>79,384</b>
<b>Democracy &amp; Governance</b>				
Legal And Democratic	2,017,210	2,029,251	1,311,905	12,041
<b>Sum:</b>	<b>2,017,210</b>	<b>2,029,251</b>	<b>1,311,905</b>	<b>12,041</b>
<b>Human Resources</b>				
Hr Shared Service	480,667	457,898	369,922	(22,769)
Human Resources Client	54,017	54,017	55,959	0
<b>Sum:</b>	<b>534,684</b>	<b>511,915</b>	<b>425,881</b>	<b>(22,769)</b>
<b>TOTAL</b>	<b>3,941,578</b>	<b>4,010,234</b>	<b>2,853,654</b>	<b>68,656</b>

At the end of Quarter 2 an overspend of £0.099m is forecast, details of variances for individual services as per table below.

### 2. Revenue Variances

Reported variances are itemised in the table below:

Description	Details of Variances	£
<b>Corporate Strategy &amp; Communications</b>		
Civic Events	Net increase on costs funding the Centenary event	21,041
Projects	Allocation of agreed budgets to fund projects/resources across the services	70,000
Employee	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	(11,657)
	<b>TOTAL</b>	<b>79,384</b>
<b>Democracy &amp; Governance</b>		
Legal Services	Contribution to the new Iken case management system as part of shared services	4,000
Employee	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	6,922
	Other Variances	1,119
	<b>TOTAL</b>	<b>12,041</b>
<b>HUMAN RESOURCES</b>		
HR Shared Service	Net increase in payroll contract costs	8,000
Employee	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	(30,769)
	<b>TOTAL</b>	<b>(22,769)</b>



### 3. Capital Investment Programme

There is one small capital budget within this service area relating to town boundary signage. This budget has been rephased for use in 2023/24.

EH-COMMUNICATIONS, PARTNERSHIPS & COMMUNITY					
Capital Scheme	Latest Budget 2022/23	Forecast Outturn 2022/23	Forecast Variance	Actual 2022/23	Scheme Update
	£	£	£	£	
<b>Corporate Communications</b>					
Town Boundary Signage	65,000	0	(65,000)	0	Service request for rephasing into 2023/24.
<b>Total</b>	<b>65,000</b>	<b>0</b>	<b>(65,000)</b>	<b>0</b>	

There are no capital investment budgets for this service area for 2023/24 and 2024/25.

### 4. Vacancy Monitoring

A major risk of non-delivery of service is where key staff leave the Council's employ and there is a delay or difficulty in recruiting suitable candidates to fill the vacant post. There are no service impacts to report as a result of current vacancies.

The following table sets out the vacancies at 30 November 2022:

Service Area	Post	Date Vacant	FTE	Comments
Corporate Services	Executive Director	01/08/2022	1	
	<b>Total</b>		<b>1</b>	

## Strategic Finance

### 1. Revenue Summary

SUB DIRECTORATE	Latest Budget £	Forecast £	Actuals £	Variance - Forecast to Latest Budget £
Corporate Costs	1,844,591	1,517,896	(925,390)	(326,695)
Finance & Resources	223,475	223,475	113,567	0
Finance Services Client	1,021,995	1,021,995	567,478	0
Revenues And Benefits Client	988,790	988,790	8,569,691	0
Service Transformation	220,760	70,154	(21,175)	(150,606)
<b>Sum:</b>	<b>4,299,611</b>	<b>3,822,310</b>	<b>8,304,171</b>	<b>(477,301)</b>

Corporate Costs includes the budgets relating to treasury management activity and capital financing costs. The underspend of £0.327m relates to the drawdown of £0.500m from the Renewal Recovery Fund which will now be drawn down in future years, offset by a forecast overspend of £0.150m for capital financing charges.

### 2. Revenue Variances

Description	Details of Variances	£
Budget Strategy Items	Additional staffing costs based on revised pay offer for 2022/23 subject to final approval	362,000
	Allocation of agreed budgets to fund projects/resources across the services	(359,376)
	Renewal fund allocation to reserves to fund projects identified for future years	(500,000)
Employee	Revised employee costs as part of the corporate restructure - No additional pressure on budgets due to alignment across other services	(87,860)
Other		(42,065)
	<b>TOTAL</b>	<b>(627,301)</b>

### 3. Capital Investment Programme

Budget Responsibility	Services	Latest Budget 2022/23	Forecast Outturn 2022/23	Actual to date	Latest Budget 2023/24 (Including rephasings & savings)	Latest Budget 2024/25 (Including rephasings & savings)	Latest Budget 2025/26 (Including rephasings & savings)
		£'000	£'000	£'000	£'000	£'000	£'000
Head of Finance - Strategic Finance	Capital Support Services	682	682	57	677	677	0
	West Herts Crematorium	0	0	1,121	0	0	0
	Hart Homes JV	37,375	11,482	10,132	8,025	0	0
	Capital Budget Contingency	0	1,233	0	0	0	0
<b>TOTAL CURRENT CAPITAL PROGRAMME</b>		<b>38,057</b>	<b>13,397</b>	<b>11,311</b>	<b>8,702</b>	<b>677</b>	<b>0</b>

Expenditure for the West Herts Crematorium will be recovered in fully from the West Herts Crematorium. Costs are regularly recharged.

The forecast for the Hart Homes joint venture has been updated to reflect the latest business plan as approved by Cabinet.

The scheme detail is provided at Annex A.

Capital Scheme	Latest Budget 2022/23	Forecast Outturn 2022/23	Forecast Variance	Actual 2022/23	Scheme Update
	£	£	£	£	
<b>Capitalised Support Services</b>					
Support Services	552,470	552,470	0	0	
Major Projects - FBP and QS	129,550	129,550	0	57,470	
<b>West Herts Crematorium</b>					
West Herts Crem Bedmond Road	0	0	0	1,121,184	Recharged quarterly to West Herts Crematorium for new build.
<b>Hart Homes JV</b>					
Land Transfer - Croxley View Phase 2	3,000,000	0	(3,000,000)	0	Service request for rephasing into 2023/24.
Land Transfer - Croxley View Phase 3	3,130,000	0	(3,130,000)	0	
Land Transfer - Rear Of High St	760,000	0	(760,000)	0	
Land Transfer - Scheme A	605,000	0	(605,000)	0	
Land Transfer - Scheme B	530,000	0	(530,000)	0	
Loan to Hart Homes WDLLP	14,450,000	5,850,000	(8,600,000)	4,500,000	Identified budget savings.
Loan to Hart Homes WDLTD	14,900,000	5,632,010	(9,267,990)	5,632,010	
<b>Capital Budget Contingency</b>					
Capital Contingency	0	1,232,931	1,232,931	0	Capital programme contingency.
<b>Total</b>	<b>38,057,020</b>	<b>13,396,961</b>	<b>(24,660,059)</b>	<b>11,310,664</b>	



## Capital Finance

<b>MEDIUM TERM FINANCIAL STRATEGY</b>	
<b>Medium Term Financial Strategy</b>	<b>2022/23</b>
Latest Budget (including carry forwards)	116,879,281
Variances previously reported	(70,152,216)
Variances this period (Appendix 3)	(647,527)
<b>Forecast Outturn</b>	46,079,538
Funded By :-	
Grants & Contributions, S106 & CIL	(8,457,606)
Local Enterprise Partnership (LEP) Loan	(1,250,000)
Reserves	(23,584)
Capital Receipts (PIB, Non PIB & THQ)	(2,297,685)
Borrowing (Internal & External)	(34,050,664)
<b>Total Funding Used</b>	<b>(46,079,538)</b>

## Revenue Reserves Forecast 2022/23

Description	Balance at 1 April £000	Movement 2022/23 £000	Balance at 31 March £000	Purpose
<b>Revenue Reserves</b>				
Budget Carry Forward	(1,735)	1,735	0	Budgets carried forward from prior years
Car Parking Zones	(475)	187	(288)	Ring fenced for parking projects
Collection Fund	(9,301)	0	(9,301)	Equalisation fund to smooth impact of surplus / deficit, allocation end of 2022/23
Crematorium	(150)	0	(150)	Funding repairs and maintenance
Economic Impact Reserve	(1,744)	154	(1,590)	Provide resources to offset economic downturn
Housing Benefit Subsidy	(1,583)	0	(1,583)	Provision if Dept for Work & Pensions claw back funds
Housing Planning Delivery Grant	(266)	0	(266)	Improve planning outcomes and delivery of housing
Leisure Structured Maintenance	(57)	0	(57)	Funding unforeseen maintenance not covered in contract
Local Development Framework	(178)	0	(178)	Support local plan production and inspection
Multi-Storey Car Park Repair	(181)	0	(181)	Funding major structural works
Pension Funding	(2,248)	200	(2,048)	Reduction of pension deficit
Rent Deposit Guarantee Scheme	(100)	0	(100)	Assist in providing homelessness accommodation
Riverwell Project	(7,026)	(1,000)	(8,026)	To cover any guarantees, repayments of outstanding loans and fund future investment.
Sustainability Reserve	(500)	79	(421)	Funding sustainable projects for a better environment
Renewal Recovery Fund	(631)	131	(500)	To support the recovery process for additional costs due to COVID19
	(26,175)	1,486	(24,689)	
<b>General Fund Working Balance</b>	(2,000)	0	(2,000)	Prudent balance
<b>Total Revenue Reserves</b>	(28,175)	1,486	(26,689)	

Key Budgetary Risks

No.	Type of Consequence	Comment	Likelihood	Impact	Overall Score
1	The Medium term financial position worsens.	In that the general fund balance falls below the minimum prudent threshold and capital funding is insufficient to meet the capital programme. This appears as item no.8 in the Council's strategic risk register. Recovery from COVID-19 and the current economic climate of rising inflation and rising interest rates continue to put pressure on the finances. However, action is being taken through the budget setting process to ensure a balanced budget for 2023/24 and across the medium term.	3	2	6
2	Revenue balances insufficient to meet estimate pay award increases	The medium term planning period takes into account the pay increases for the period - The Council's 3 year Medium term Financial Strategy includes forecast pay awards for the next three years. The pay award of £1,925 per employee has been agreed for 2022/23 and is factored into the forecast.	3	3	9
3	Revenue balances insufficient to meet other inflationary increases	Other than contractual agreements, budgets have been cash limited where possible.	3	3	9
4	Interest rates resulting in significant variations in estimated interest income	The interest rate has a significant impact on the proceeds from capital receipts that are invested in the money market. The volatility of the global economy following the EU referendum continues to place uncertainty on the investment strategy.	3	2	6
5	Inaccurate estimates of fees and charges income	See Key Income Streams are shown in the latest Financial Monitoring Report. There is an ongoing impact of COVID-19 on some income streams, including offstreet parking and leisure that will place a burden on the Councils Revenue account through loss of income .	3	3	9
6	Revenue balances insufficient to meet loss of partial exemption for VAT	If the council's expenditure on functions for which it receives income that is exempt for VAT purposes exceeds 5% of its total vat able expenditure, then the Council may lose its ability to recover VAT on all of its exempt inputs.	1	4	4
7	Major emergency	Major Emergency requires funds beyond Bellwin scheme and causes serious drain on balances.	3	3	9
8	The estimated cost reductions and additional income gains are not achieved	Savings identified are monitored as part of the monthly budget monitoring process. There is a risk that some of these may not materialise as resources are diverted away to fund unexpected costs.	3	2	6
9	The income received from Commercial rents decreases	The rental income received from the Councils property portfolio is a significant proportion of the total income the Council receives.	4	3	12
10	The amount of government grant is adversely affected	The provisional local government settlement containing details of grant funding from central government has been factored into the MTFS. The fair funding review on hold at the current time.	2	3	6
11	Fluctuations in Business Rates Retention	The Council is legally obliged to cover the first 7.5% loss on its pre determined baseline level. The Council is currently in a safety net position. The system was due to be subject to reset and increase to 75% retention. This has been postponed until 2025/26 at the earliest.	2	2	4

1= VERY LOW RISK 4 = VERY HIGH RISK

	Likelihood	Impact	Overall Score
very low risk	1	1	1
low risk	2	2	4
high risk	3	3	9
very high risk	4	4	16