

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
Sum:	587,794	2,200,113	(2,593,965)	1,612,319

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)	
			TOTAL	1,612,319

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.

Income Stream	Latest Budget 2022/23 £000	Forecast 2022/23 £000	Forecast Variance £000	Comments
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
Total Current Capital Programme		58,771	17,422	3,978	26,614	13,582	5,399

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:

Post	Date Vacant	FTE	Comments
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	
Total		5	

Place Directorate Capital Scheme Detail

Capital Scheme	Latest Budget 2022/23	Forecast Outturn 2022/23	Forecast Variance	Actual 2022/23	Scheme Update
	£	£	£	£	
Transport & Infrastructure					
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.
Development Control					
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	
Corporate Asset Management					
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.
Watford Business Park					
Watford Business Park Phase 2	14,553,787	7,000,000	(7,553,787)	1,023,291	Service request for rephasing into 2023/24.
Watford Riverwell					
Watford Riverwell	11,945,342	262,000	(11,683,342)	32,912	Service request for rephasings into future financial years.
Property Investment Board					
PIB Investment Board	132,931	0	(132,931)	0	Identified budget saving.
Property Management					
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	Forecast	Forecast	Actual	Scheme Update
	2022/23	Outturn	Variance	2022/23	
	£	£	£	£	
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.
Waste & Recycling (inc Veolia)					
Veolia Contract Fleet Requirements	1,143,391	1,143,391	0	361,814	
Veolia Capital Improvements	70,000	70,000	0	30,095	
Parks & Open Spaces					
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	
Cemeteries					
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	
Leisure & Play					
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	
Culture & Heritage					
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.
Community Projects					
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.
Commissioning					
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.
Town Hall Quarter (Concept)					
Regeneration Project	187,000	187,000	0	45,262	
Town Hall Quarter (Delivery)					
Museum & Heritage	150,000	150,000	0	47,426	
Colosseum Retender	34,000	34,000	0	77,577	
Total	58,771,797	17,422,294	(41,349,503)	3,977,741	