



Public Document Pack Housing and Community Overview and Scrutiny Agenda

Scrutiny making a positive difference: Member led and independent, Overview & Scrutiny Committee promote service improvements, influence policy development & hold Executive to account for the benefit of the Community of Dacorum

Tuesday 3 December 2019 at 7.30 pm

DBC Council Chamber - The Forum

The Councillors listed below are requested to attend the above meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Membership

Councillor Adeleke (Vice-Chairman)
Councillor Mrs Bassadone
Councillor England
Councillor Imarni (Chairman)
Councillor Mahmood
Councillor Pringle
Councillor Arslan

Councillor Durrant
Councillor Johnson
Councillor Oguchi
Councillor Hollinghurst
Councillor Barry
Councillor Freedman

For further information, please contact Corporate and Democratic Support on (01442) 228209.

AGENDA

1. MINUTES

To confirm the minutes from the previous meeting

2. APOLOGIES FOR ABSENCE

To receive any apologies for absence

3. DECLARATIONS OF INTEREST

To receive any declarations of interest

A member with a disclosable pecuniary interest or a personal interest in a matter who attends a meeting of the authority at which the matter is considered -

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent

and, if the interest is a disclosable pecuniary interest, or a personal interest which is also prejudicial

- (ii) may not participate in any discussion or vote on the matter (and must withdraw to the public seating area) unless they have been granted a dispensation.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Members' Register of Interests, or is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal and prejudicial interests are defined in Part 2 of the Code of Conduct For Members

[If a member is in any doubt as to whether they have an interest which should be declared they should seek the advice of the Monitoring Officer before the start of the meeting]

4. PUBLIC PARTICIPATION

An opportunity for members of the public to make statements or ask questions in accordance with the rules as to public participation

5. CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO CALL-IN

6. BUDGET PREPARATIONS 2020/21 (Pages 3 - 27)

7. WORK PROGRAMME (Pages 28 - 30)



AGENDA ITEM:

SUMMARY

Report for:	Joint Overview & Scrutiny Committee- Housing and Community
Date of meeting:	3rd December 2019
PART:	1
If Part II, reason:	

Title of report:	BUDGET PREPARATION 2020/21
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance & Resources James Deane, Corporate Director (Finance & Operations) Nigel Howcutt, Assistant Director (Finance & Resources)
Purpose of report:	To provide Members with an overview of the draft budget and provide the opportunity to scrutinise and provide feedback to Cabinet.
Recommendations	That Scrutiny Committees review and scrutinise the draft budget proposals for 2020/21 and provide feedback, to be considered by Cabinet, for each Committee's specific area of responsibility.
Corporate Objectives:	All. Setting a balanced budget supports all of the Council's corporate objectives.
Implications:	The financial and value for money implications are set out in the body of the report.
Risk Implications	The Council is required to set a balanced budget and scrutiny of the overall budget proposals will assist in the challenge process required.
Community Impact Assessments	Where appropriate, Community Impact Assessments for proposed budgets amendments have been undertaken by relevant service areas.
Health And Safety Implications	None.
Consultees:	Budget Review Group; Portfolio Holders; Chief Officer Group; Corporate Management Team; Group Managers.
Background Papers:	Agenda item 9 Medium Term Financial Strategy 2019/20 – 2023/24, July 2019 Cabinet.
Key Terms,	GF – General Fund

Definitions & Acronyms	HRA – Housing Revenue Account MTFS – Medium Term Financial Strategy OSC – Overview and Scrutiny Committee RSG – Revenue Support Grant
------------------------	--

Introduction

1. The purpose of this report is to present for scrutiny and review the draft budget proposals for 2020/21.
2. Budget detail for every area of the Council has been made available to all Members. A glossary of what is grouped under headings is set out in Annexe A.
3. With the exception of the Finance & Resources committee, which scrutinises all budgets, individual Overview and Scrutiny Committees (OSCs) will focus only on those appendices and that portion of the Capital Programme that relate directly to their remit.
4. A senior Finance Officer will be present in each of the committees to support the Chair.
5. The following appendices are relevant to the draft budget proposals for 2020/21:

Corporate view

- Appendix A – General Fund Budget Summary 2020/21
- Appendix Bi – Budget Change Analysis 2019/20 – 2020/21
- Appendix Bii – Summary by Committee

Housing & Community

- Appendix Di – Housing and Community GF Budgets Summary 2020/21
- Appendix Dii – Housing and Community GF Budgets Detail 2020/21

Housing Revenue Account

- Appendix F – Housing Revenue Account Budget 2020/21
- Appendix G – Housing Revenue Account Movements 2019/20 – 2020/21

Capital Programme

- Appendix Hii – Housing and Community Capital Programme: Summary of new and amended projects
- Appendix lii – Housing and Community Capital Programme 2020/21 - 2024/25

Medium Term Financial Strategy (MTFS)

6. The current MTFS was approved by Council in July 2019 and contained the following key decisions which have informed the budget-setting process for 2019/20:
 - A General Fund savings target of £777k for 2020/21
 - A General Fund savings target of £2.9m over the duration of the MTFS period
 - A General Fund balance of between 5% and 15% of Net Service Expenditure
 - A minimum HRA working balance of 5% of turnover

7. The draft budget presented in Appendix A has a balanced position. At this stage, this remains subject to a number of budgetary assumptions. Work continues on these assumptions, and the finalised position will be reported to Members at the Joint OSC in February.
8. Council has delegated authority to the S151 Officer to revise the MTFS if material changes to forecasts are required as a result of future government announcements.
9. Prior to seeking Member approval for the budget in February 2020, further consultation and communication will be undertaken, including the following:
 - Briefings to Town and Parish Clerks and Parish Councillors
 - Use of the Council's web site
 - Social Network Media
 - Citizen Forum events

Key Assumptions included in draft General Fund Budget

10. The following assumptions are incorporated within the draft budget:
 - £5 increase in Council Tax and 1% increase in taxbase
 - An average 2.9% pay settlement
 - Vacancy factor of 5% for non-front-line services
 - Zero Revenue Support Grant (see paragraphs 11 - 16)
 - New Homes Bonus reduced by 20% (£450k)
 - Inflation freeze on Supplies and Services
11. A technical consultation on the Local Government Finance Settlement 2020/21 issued by MHCLG in October 2019 indicated that the Government is minded to suspend 'negative RSG' payments for 2020/21. If implemented in full, this suspension would represent an unbudgeted, one-off funding benefit to the Council of £1.6m for 2020/21. Final confirmation of this decision is expected as part of the Local Government Finance Settlement 2020/21.
12. Whatever financial benefit the Council may receive from the full or partial suspension of negative RSG in 2020/21 should be seen as a one-year benefit for 2020/21. This position is explained in the paragraphs below.
13. The concept of 'negative RSG' was introduced to enable Government to reduce the level of funding paid to an authority when there was no further RSG left to reduce. The idea was that the negative RSG would net off against the Business Rates funding to bring total authority funding down to a level, which, in Government's opinion, reflected its level of need.
14. In this respect 'negative RSG' was only ever a transitional tool until each authority's needs-level funding is captured and baselined within the Business Rates future funding methodology. Government has previously stated that RSG will cease to exist as a funding stream once the new funding model is rolled out.
15. It is prudent to assume that Government has not fundamentally changed its medium-term assessment of Dacorum's level of need, and therefore that the suspension of negative RSG is a temporary relief, and not guaranteed to be reflected in the funding methodology beyond 2021.

16. As a one-off funding benefit, which, still, at the time of writing remains uncertain, it is recommended that the full amount of £1.6m is contributed to reserves as follows:
- Technology Reserve £0.5m
 - Local Development Framework Reserve £0.4m
 - Training and Development Reserve £0.4m
 - Climate Change and Sustainability Reserve £0.3m
17. Any additional changes to the 2020/21 funding levels announced within the Local Government Finance Settlement will be incorporated within the second draft budget brought for Members' scrutiny in February 2020.

Key General Fund budget savings since last year

18. Detailed budget changes between 2019/20 and 2020/21 are shown in Appendix B. Key items include:
- £180k total staff efficiency savings
 - £1.3m increase in income generated
 - £150k increase in contributions and reimbursements

Key General Fund budget growth since last year

19. Detailed ongoing growth areas (i.e. not one-off items of expenditure to be funded from reserves) are shown in Appendix B. Key items include:
- £390k Employees; includes assumed pension contribution increase (tbc)
 - £160k Premises
 - £380k Income reduction (Garages and Commercial Waste)
20. In order to assist Members in their scrutiny, the draft Housing and Community budget is set out at a detailed Service level in appendices Di and Dii.

Housing Revenue Account

21. The draft HRA Budget for 2020/21 is attached at Appendix F, with explanations of major movements between the Original Budget 2020/21 and Draft Budget 2020/21 shown in Appendix G.
22. Key assumptions incorporated into the draft budget, reflecting assumptions in the HRA Business Plan approved in October 2019 are:
- Rent increase of CPI + 1% on all properties (£1.7m)
 - Reduction in investment income due to an accelerated capital programme (£240k)
 - Increase in depreciation (£240k)

Capital Programme

23. The draft Housing and Community Capital Programme is set out in Appendix Iii.

24. There have been a number of bids for new capital projects from across Housing and Community services. The financial implications of the new bids are summarised in Appendix Hii and total £2.2m in 20/21 and £6.0m between 2020/21-2024/25.

Next Steps

25. Members are asked to review and scrutinise the draft budget proposal for 2020/21, and to provide feedback for Cabinet to consider ahead of the next Joint OSC, in February 2020.

Annexe A
Explanation of expenditure categories used in appendices
Budget Categories Glossary

Employees

This group includes the cost of employee expenses, both direct and indirect, for example:

- Salaries
- Employer's National Insurance and pension contributions
- Agency staff
- Employee allowances (not including travel and subsistence)
- Training
- Advertising
- Severance payments

Premises

This group includes expenses directly related to the running of premises and land:

- Repairs, alterations and maintenance
- Energy costs
- Rent
- Business Rates
- Water
- Fixture and fittings
- Premises insurance
- Cleaning and domestic supplies
- Grounds maintenance

Transport

This group includes all costs associated with the hire or use of transport, including travel allowances:

- Repair and maintenance of vehicles
- Vehicle licensing
- Fuel
- Vehicle hire
- Vehicle insurance
- Employee mileage

Third Party Payments

Third party payments are contracts with external providers for the provision of a specific service. Examples for the Council include the Call Centre, Payroll Services, and Parking Enforcement.

Supplies & Services

This group includes all direct supplies and service expenses to the authority:

- Equipment, furniture and materials
- Catering/Vending
- Clothing and uniforms
- Printing, stationery and general office expenses
- External services (consultancy, professional advisors)
- Communications and computing (eg software maintenance, telephones and postage)
- Members allowances
- Conferences and seminars
- Grants and subscriptions

Capital Charges

These statutory accounting adjustments reflect a notional charge to the service for the use of a Councils asset. An example is Cupid Depot, for which a charge is made to Waste Services, for as long as the service uses the asset. These charges are reversed out centrally and do not impact on Council Tax.

Transfer Payments

This includes the cost of payments to individuals for which no goods or services are received. For the Council this only relates to Housing Benefit payments.

Income

This group includes all income received by the service from external users or by way of charges:

- Rental income
- Sales of goods or services (eg the sale of recyclables and waste sacks)
- Fees and charges (eg Planning, Parking and Burials)

Grants and Contributions

This group includes all income received by the service from external bodies:

- Specific Government grants
- Income for jointly run projects/services
- Reimbursement of costs (eg recovery of legal costs)
- Other contributions (eg recycling credits from Herts County Council)

Recharges

This statutory accounting adjustment charges out the back office functions (such as Finance and Legal) to the front line services. These adjustments are based on timesheet information provided by Group Managers and are subject to changes each year. The recharges overall will come back to zero, with the only impact on Council Tax being the overall charge to the Housing Revenue Account, as shown in Appendix A.

DRAFT GENERAL FUND BUDGET SUMMARY 2020/21

	Original 2019/20	Growth / (Savings)	Estimate 2020/21
	£000	£000	£000
Service Expenditure & Income			
Employees	24,625	1,887	26,512
Premises	4,448	273	4,721
Transport	1,429	(22)	1,407
Supplies & Services	7,348	(254)	7,094
Third-Parties	756	66	822
Transfer Payments	47,199	(50)	47,149
Capital Charges & Bad Debts	4,917	0	4,917
Income	(17,778)	(652)	(18,430)
Grants and Contributions	(51,537)	157	(51,380)
Recharge to HRA	(4,213)	(216)	(4,429)
Net Cost Of Services	17,194	1,188	18,382
Less:			
Interest Receipts	(188)	(225)	(413)
Interest Payments & MRP	970	(4)	966
Reversal of Capital Charges	(4,802)	(0)	(4,802)
Net movement to/(from) Earmarked Reserves	4,464	(2,240)	2,224
Budget Requirement General Fund	17,638	(1,281)	16,357
Parish Precepts	816	29	845
Budget Requirement Including Parishes	18,454	(1,252)	17,202
Funded by:			
Revenue Support Grant/Tariff	0	0	0
Business Rates Retained	(3,789)	174	(3,615)
New Homes Bonus/Government Grants	(2,179)	449	(1,730)
Council Tax (Surplus)/Deficit	(139)	139	0
Business Rates (Surplus)/Deficit	0	1,000	1,000
Net Expenditure before Council Tax	12,347	510	12,857
Demand on the Collection Fund	(12,348)	(509)	(12,857)
Net Change in General Fund Balance	(1)	1	0
General Fund Balance B/Fwd	(2,502)		(2,503)
In year use	(1)		0
General Fund Balance C/Fwd	(2,503)		(2,503)

GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
EMPLOYEE EXPENDITURE

2019/20 Employee Budget		24,625
<u>Inflation</u>		
Pay award of 2.9% per annum (estimate)		640
Increments		179
Sub total - Inflation		819
<u>Growth items</u>		
Increase in pension contribution rate from 18.5% to 19.5%	Fiona Jump	200
Private Sector Housing Team Leader	Natasha Beresford	61
Climate Change Officer	Ben Hosier	60
Opposition Group Support Officer	Farida Hussain	15
Strategic Housing Pre-Tenancy Team review	Natasha Beresford	15
Other growth items under £15k		35
Sub total - Growth items		386
<u>Removal of 2019/20 one-off items (reserve / grant funded)</u>		
Borough Elections employees costs	Mark Brookes	(90)
Homeless Prevention and Assessment Team grant funded posts	Natasha Beresford	(60)
Local Development Framework fixed term posts	Chris Taylor	(146)
Short term growth required in Building Control	Sara Whelan	(60)
Waste Services - food waste project team	Craig Thorpe	(55)
Training budget funded from reserves	Matthew Rawdon	(23)
Sub total - Removal of 2019/20 one-off items		(434)
<u>2020/21 one-off items (reserve / grant funded)</u>		
Pension liability following 3 yearly actuarial review	Fiona Jump	1,500
Training budget funded from reserves	Matt Rawdon	20
Homeless Prevention and Assessment Team - 2 grant funded posts	Natasha Beresford	86
Private Sector Housing 1 year fixed term post	Natasha Beresford	50
Caravan storage - additional resource to generate additional income	Richard Rice	15
Sub total - 2020/21 one-off items		1,671
<u>Efficiency savings</u>		
Customer Services operational review	Matthew Rawdon	(10)
Financial Services review	Fiona Jump	(30)
Strategic Planning review	Chris Taylor	(65)
Revenues and Benefits service review	Chris Baker	(55)
Other minor items under £15k		(16)
Sub total - Efficiency savings		(176)
<u>Other</u>		
Tree work for Housing HRA	Craig Thorpe	42
Internal movement of budget (no growth or efficiencies to services)		(421)
Sub total - Other		(379)
Total change year on year		1,887
2020/21 Employee Budget		26,512

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
PREMISES EXPENDITURE**

2019/20 Premises Budget		4,448
<u>Inflation</u>		
General inflation		83
Sub total - Inflation		83
<u>Growth items</u>		
Business Rates - impact of revaluations on DBC premises		40
Business Rates on Commercial Properties	Richard Rice	20
Water charges at garages (drainage costs)	Alan Mortimer	100
Sub total - Growth items		160
<u>Removal of 2019/20 one-off items (reserve / grant funded)</u>		
Borough Elections premises costs	Mark Brookes	(30)
Sub total - Removal of 2019/20 one-off items		(30)
<u>2020/21 one-off items (reserve / grant funded)</u>		
Parking signage	Ben Hosier	20
Sub total - 2020/21 one-off items		20
<u>Other</u>		
Internal movement of budget (no growth or efficiencies to services)		40
Sub total - Other		40
Total change year on year		273
2020/21 Premises Budget		4,721

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
TRANSPORT EXPENDITURE**

2019/20 Transport Budget		1,429
<u>Inflation</u>		
General inflation		58
Sub total - Inflation		58
<u>Other</u>		
Waste collections from Housing Voids	Craig Thorpe	5
Internal movement of budget (no growth or efficiencies to services)		(85)
Sub total - Other		(80)
Total change year on year		(80)
2020/21 Transport Budget		1,407

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
SUPPLIES & SERVICES EXPENDITURE**

2019/20 Supplies & Services Budget		7,348
<u>Inflation</u>		
Inflation on contracted services		31
Sub total - Inflation		31
<u>Growth items</u>		
Waste Services - equipment for food waste collection from flats	Craig Thorpe	7
Building Control	Sara Whelan	12
Sub total - Growth items		19
<u>Removal of 2019/20 one-off items (reserve / grant funded)</u>		
Water Gardens grant funded budget	Chris Taylor	(41)
Housing Conditions Survey	Natasha Beresford	(50)
Controlled Parking Zones	Ben Hosier	(56)
Parking Access and Movement project costs	Chris Taylor	(25)
Waste Services - one-off costs for food waste collection from flats	Craig Thorpe	(6)
Sustainability budget funded from reserves	Nigel Howcutt	(10)
Armed Forces Day	Matthew Rawdon	(20)
Sub total - Removal of 2019/20 one-off items		(208)
<u>2020/21 one-off items (reserve / grant funded)</u>		
Armed Forces Day	Matthew Rawdon	20
Caravan storage - additional resource to implement proposal	Richard Rice	5
Review and improvement of planning process	Sara Whelan	50
Sub total - 2020/21 one-off items		75
<u>Efficiency savings</u>		
ICT relocation of data centre	Ben Trueman	(10)
Planning Software maintenance	Sara Whelan	(10)
Legal expenditure	Farida Hussain	(17)
ICT Support and Maintenance efficiencies	Ben Trueman	(10)
Customer Services - ICT support and maintenance budget	Matthew Rawdon	(10)
Efficiencies in equipment budget Environmental Protection	Emma Walker	(10)
Professional fees Financial Services	Fiona Jump	(5)
Sub total - Efficiency savings		(72)
<u>Other</u>		
Tree work for Housing HRA	Alan Mortimer	5
Internal movement of budget (no growth or efficiencies to services)		(104)
Sub total - Other		(99)
Total change year on year		(254)
2020/21 Supplies & Services Budget		7,094

GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21 THIRD-PARTY PAYMENTS	
2019/20 Third Party Payments Budget	756
Inflation	
Contractual inflation	15
Sub total - Inflation	15
Growth items	
Facilities Management costs of The Bury	Richard Rice 15
Building Control	Sara Whelan 28
Sub total - Growth items	15
Other	
Internal movement of budget (no growth or efficiencies to services)	8
Sub total - Other	8
Total change year on year	66
2020/21 Third Party Payments Budget	822
GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21 TRANSFER PAYMENTS	
2019/20 Transfer Payments Budget	47,199
Other	
Internal movement of budget (no growth or efficiencies to services)	(50)
Sub total - Other	(50)
Total change year on year	(50)
2020/21 Transfer Payments Budget	47,149

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
INCOME**

2019/20 Income Budget		(17,778)
<u>Inflation</u>		
General inflation		(184)
Sub total - Inflation		(184)
<u>Growth items</u>		
Garages income	Alan Mortimer	200
Commercial Waste income	Craig Thorpe	180
Sub total - Growth items		380
<u>Increased income</u>		
Berkhamsted Multi-storey car park	Ben Hosier	(250)
Parking pricing review	Ben Hosier	(130)
Pricing review parking permits	Ben Hosier	(36)
Leisure contract	Ben Hosier	(308)
Additional income from Leisure contract following Business Rates Reduction	Ben Hosier	(70)
Temporary Accommodation	Natasha Beresford	(306)
Planning fee income	Sara Whelan	(50)
Playing pitches income generation Adventure Playgrounds	Matthew Rawdon	(20)
Caravan Storage income	Richard Rice	(30)
Cesspool emptying fees and charges review	Craig Thorpe	(35)
Bulky Waste charges review	Craig Thorpe	(15)
Legal income	Farida Hussain	(10)
Insurance income	Fiona Jump	(20)
Sub total - Increased income		(1,280)
<u>Other</u>		
Insurance income	Fiona Jump	(80)
Internal movement of budget (no growth or efficiencies to services)		512
Sub total - Other		432
Total change year on year		(652)
2020/21 Income Budget		(18,430)

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
GRANTS, REIMBURSEMENTS AND CONTRIBUTIONS**

2019/20 Grants, Reimbursements and Contributions Budget		(51,537)
<u>Inflation</u>		
General inflation		(54)
Sub total - Inflation		(54)
<u>Removal of 2019/20 one-off items (reserve / grant funded)</u>		
Homeless Prevention and Assessment Team grant funded posts	Natasha Beresford	60
Removal of grant funding Water Gardens	Chris Taylor	51
Sub total - Removal of 2019/20 one-off items		111
<u>2020/21 one-off items (reserve / grant funded)</u>		
Homeless Prevention and Assessment Team - 2 grant funded posts	Natasha Beresford	(86)
Sub total - 2020/21 one-off items		(86)
<u>Growth items</u>		
Reduction to Benefits Administration Subsidy grant	Chris Baker	60
Waste Services Alternative Financial Model (AFM)	Craig Thorpe	160
Sub total - Growth items		220
<u>Increased income</u>		
New Cemetery site	Richard Rice	(90)
Legal income	Farida Hussain	(23)
Sponsorship of Parks and Open Spaces	Craig Thorpe	(30)
CCTV income	Ben Hosier	(10)
Sub total - Increased income		(153)
<u>Other</u>		
CCTV	Ben Hosier	19
Internal movement of budget (no growth or efficiencies to services)		100
Sub total - Other		119
Total change year on year		157
2020/21 Grants, Reimbursements and Contributions Budget		(51,380)
GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21 RECHARGE TO THE HRA		
2019/20 Recharge to the HRA		(4,213)
<u>Other</u>		
CCTV recharges to HRA	Ben Hosier	(19)
Housing Voids Garden Clearances	Craig Thorpe	(50)
Collections from Housing Voids	Craig Thorpe	(25)
Tree work for Housing	Alan Mortimer	(47)
Annual HRA inflationary uplift		(75)
Sub total - Other		(216)
Total change year on year		(216)
2020/21 Recharge to the HRA		(4,429)

OVERVIEW AND SCRUTINY COMMITTEE GENERAL FUND BUDGETS 2020/21				
	Finance & Resources 2020/21 (£)	Housing & Community 2020/21 (£)	Planning & Environment 2020/21 (£)	Total (£)
Employees	12,502	4,227	9,783	26,512
Premises	2,721	1,006	994	4,721
Transport	226	19	1,162	1,407
Supplies & Services	3,713	1,189	2,192	7,094
Third-Parties	709	0	113	822
Transfer Payments	47,144	5	0	47,149
Capital Charges	2,131	1,083	1,704	4,917
Income	(9,886)	(5,065)	(3,479)	(18,430)
Grants and Contributions	(48,872)	(674)	(1,834)	(51,380)
Recharges	(6,047)	(34)	1,652	(4,429)
Net Expenditure by Committee	4,341	1,756	12,286	18,382

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGETS 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
Housing & Community					
Employees	3,965,099	3,944,583	4,227,209	262,110	7%
Premises	885,880	664,720	1,006,470	120,590	14%
Transport	17,650	19,154	18,730	1,080	6%
Supplies & Services	1,280,430	1,361,744	1,188,560	(91,870)	(7%)
Capital Charges	1,083,200	1,083,200	1,083,200	0	0%
Transfer Payments	55,000	5,000	5,000	(50,000)	(91%)
Income	(4,909,470)	(4,605,210)	(5,065,390)	(155,920)	(3%)
Grants and Contributions	(692,140)	(595,390)	(673,930)	18,210	3%
Recharges	(50,252)	(39,574)	(34,079)	16,173	32%
Net Expenditure: Housing & Community	1,635,397	1,838,226	1,755,770	120,373	7%

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
--	----------------------------	----------------------------	-------------------------	--------------------------------------	--

Housing & Community

Corporate and Contracted Services

Community Safety (CCTV) (Ben Hosier)

Employees	402,430	394,086	414,120	11,690	+3%
Premises	94,630	94,630	96,520	1,890	+2%
Transport	230	230	230	0	+0%
Supplies & Services	11,060	11,060	11,160	100	+1%
Capital Charges	85,300	85,300	85,300	0	+0%
Grants and Contributions	(28,800)	(4,000)	(20,380)	8,420	+29%
Recharges	(483,670)	(483,670)	(534,042)	(50,372)	(10%)
Net Expenditure: Community Safety (CCTV)	81,181	97,637	52,909	(28,272)	(35%)

Regulatory Services (Licensing) (Farida Hussain)

Employees	246,820	253,824	256,290	9,470	+4%
Transport	2,660	2,660	2,710	50	+2%
Supplies & Services	19,020	19,020	15,120	(3,900)	(21%)
Income	(288,370)	(288,370)	(291,990)	(3,620)	(1%)
Grants and Contributions	(2,820)	(2,820)	(2,880)	(60)	(2%)
Recharges	91,910	86,224	101,300	9,390	+10%
Net Expenditure: Regulatory Services (Licensing)	69,220	70,539	80,550	11,330	+16%

Community Development (Parish Liaison) (Farida Hussain)

Employees	31,030	0	0	(31,030)	(100%)
Transport	280	0	0	(280)	(100%)
Supplies & Services	830	0	0	(830)	(100%)
Recharges	7,724	0	0	(7,724)	(100%)
Net Expenditure: Community Development (Parish Liaison)	39,864	0	0	(39,864)	(100%)

Net Expenditure: Corporate and Contracted Services	190,264	168,176	133,458	(56,806)	(30%)
---	----------------	----------------	----------------	-----------------	--------------

Housing Landlord (Fiona Williamson)

Housing Standards (Alan Mortimer)

Employees	45,340	45,950	50,520	5,180	+11%
Transport	0	1,000	0	0	+0%
Supplies & Services	0	1,100	0	0	+0%
Income	(34,420)	(17,210)	(35,110)	(690)	(2%)
Recharges	6,332	9,819	10,865	4,533	+72%
Net Expenditure: Housing Standards	17,252	40,659	26,275	9,023	+52%

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
--	----------------------------	----------------------------	-------------------------	--------------------------------------	--

Garages (Alan Mortimer)					
Employees	40,290	48,440	41,840	1,550	+4%
Premises	573,970	370,513	685,440	111,470	+19%
Supplies & Services	0	5,307	0	0	+0%
Capital Charges	719,300	719,300	719,300	0	+0%
Income	(3,770,370)	(3,385,370)	(3,570,370)	200,000	+5%
Recharges	433,199	426,226	435,113	1,913	+0%
Net Expenditure: Garages	(2,003,611)	(1,815,584)	(1,688,678)	314,933	+16%

Supporting People (Alan Mortimer)					
Recharges	7,500	7,500	7,500	0	+0%
Net Expenditure: Supporting People	7,500	7,500	7,500	0	+0%

Homelessness (Natasha Beresford)					
Employees	818,130	753,849	878,760	60,630	+7%
Premises	106,380	92,696	109,950	3,570	+3%
Transport	0	1,704	1,000	1,000	+0%
Supplies & Services	80,300	185,399	65,300	(15,000)	(19%)
Capital Charges	115,000	115,000	115,000	0	+0%
Transfer Payments	50,000	0	0	(50,000)	(100%)
Income	(623,330)	(739,280)	(951,070)	(327,740)	(53%)
Grants and Contributions	(625,060)	(531,253)	(606,920)	18,140	+3%
Recharges	128,590	203,599	199,428	70,838	+55%
Net Expenditure: Homelessness	50,010	81,713	(188,552)	(238,562)	+477%

Housing Advice (Natasha Beresford)					
Employees	95,000	96,635	106,640	11,640	+12%
Transport	0	500	0	0	+0%
Supplies & Services	44,550	21,603	35,230	(9,320)	(21%)
Recharges	195,211	189,062	180,472	(14,739)	(8%)
Net Expenditure: Housing Advice	334,761	307,799	322,342	(12,419)	(4%)

Housing Strategy (Natasha Beresford)					
Employees	419,810	494,463	555,320	135,510	+32%
Transport	2,670	1,250	2,720	50	+2%
Supplies & Services	62,990	64,483	18,020	(44,970)	(71%)
Transfer Payments	5,000	5,000	5,000	0	+0%
Income	(30,000)	(30,000)	(30,600)	(600)	(2%)
Recharges	135,598	134,347	136,460	862	+1%
Net Expenditure: Housing Strategy	596,068	669,543	686,920	90,852	+15%

Net Expenditure: Housing Landlord	(998,020)	(708,370)	(834,193)	163,827	+9%
--	------------------	------------------	------------------	----------------	------------

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
--	----------------------------	----------------------------	-------------------------	--------------------------------------	--

Neighbourhood Delivery (David Austin)

Community Safety (Crime Reduction) (Emma Walker)

Employees	120,859	121,510	117,209	(3,650)	(3%)
Premises	3,240	3,240	3,300	60	+2%
Transport	4,730	4,730	4,840	110	+2%
Supplies & Services	26,700	26,700	16,770	(9,930)	(37%)
Capital Charges	3,200	3,200	3,200	0	+0%
Recharges	6,899	(2,856)	9,908	3,009	+44%
Net Expenditure: Community Safety (Crime Reduction)	165,628	156,525	155,227	(10,401)	(6%)

Net Expenditure: Neighbourhood Delivery

	165,628	156,525	155,227	(10,401)	(6%)
--	----------------	----------------	----------------	-----------------	-------------

Performance and Projects (Linda Roberts)

Heritage (Matt Rawdon)

Supplies & Services	58,000	58,000	58,000	0	+0%
Net Expenditure: Heritage	58,000	58,000	58,000	0	+0%

Theatres and Public Entertainment (Matt Rawdon)

Employees	212,240	212,416	222,160	9,920	+5%
Premises	58,310	59,535	60,260	1,950	+3%
Transport	540	540	550	10	+2%
Supplies & Services	104,200	94,200	104,230	30	+0%
Capital Charges	43,100	43,100	43,100	0	+0%
Income	(79,990)	(79,990)	(81,590)	(1,600)	(2%)
Recharges	98,243	91,543	103,473	5,231	+5%
Net Expenditure: Theatres and Public Entertainment	436,643	421,344	452,183	15,541	+4%

Outdoor Sports & Recreation Facilities (Adventure Playgrounds) (Matt Rawdon)

Employees	320,580	329,520	334,360	13,780	+4%
Premises	48,010	42,766	49,630	1,620	+3%
Transport	3,230	3,230	3,300	70	+2%
Supplies & Services	54,790	54,790	54,910	120	+0%
Capital Charges	9,000	9,000	9,000	0	+0%
Income	(76,240)	(58,240)	(97,770)	(21,530)	(28%)
Grants and Contributions	(190)	(190)	(190)	0	+0%
Recharges	144,193	123,232	149,606	5,413	+4%
Net Expenditure: Outdoor Sports & Recreation Facilities (Adventure Playgrounds)	503,373	504,108	502,846	(527)	(0%)

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
--	----------------------------	----------------------------	-------------------------	--------------------------------------	--

Community Development (Partnerships and Commissioning) (Matt Rawdon)

Employees	143,850	204,028	185,180	41,330	+29%
Transport	800	800	820	20	+3%
Supplies & Services	64,130	85,113	75,500	11,370	+18%
Grants and Contributions	(30,000)	(51,857)	(38,180)	(8,180)	(27%)
Recharges	61,080	54,764	64,027	2,947	+5%
Net Expenditure: Community Development (Partnerships and Commissioning)	239,860	292,848	287,347	47,487	+20%

Community Development (Residents Services & Neighbourhood Action) (Matt Rawdon)

Employees	275,310	218,090	240,600	(34,710)	(13%)
Premises	1,340	1,340	1,370	30	+2%
Transport	1,670	1,670	1,700	30	+2%
Supplies & Services	21,900	18,900	18,940	(2,960)	(14%)
Recharges	50,611	38,824	49,188	(1,423)	(3%)
Net Expenditure: Community Development (Residents Services & Neighbourhood Action)	350,831	278,824	311,798	(39,033)	(11%)

General Grants, Bequests and Donations (Matt Rawdon)

Supplies & Services	624,800	624,800	624,800	0	+0%
Capital Charges	10,900	10,900	10,900	0	+0%
Recharges	53,118	31,072	53,403	286	+1%
Net Expenditure: General Grants, Bequests and Donations	688,818	666,772	689,103	286	+0%

Customer Services (Matt Rawdon)

Employees	553,580	520,623	577,950	24,370	+4%
Transport	410	410	420	10	+2%
Supplies & Services	72,970	46,970	56,110	(16,860)	(23%)
Capital Charges	97,400	97,400	97,400	0	+0%
Recharges	(724,360)	(665,403)	(731,880)	(7,520)	(1%)
Net Expenditure: Customer Services	0	(0)	(0)	(0)	+0%

Communication & Consultation (Matt Rawdon)

Employees	239,830	251,149	246,260	6,430	+3%
Transport	430	430	440	10	+2%
Supplies & Services	34,190	44,300	34,470	280	+1%
Income	(6,750)	(6,750)	(6,890)	(140)	(2%)
Grants and Contributions	(5,270)	(5,270)	(5,380)	(110)	(2%)
Recharges	(262,430)	(283,860)	(268,900)	(6,470)	(2%)
Net Expenditure: Communication & Consultation	0	(0)	0	(0)	

Net Expenditure: Performance and Projects	2,277,525	2,221,896	2,301,278	23,753	+1%
--	------------------	------------------	------------------	---------------	------------

Net Expenditure: Housing & Community	1,635,397	1,838,226	1,755,770	120,373	+7%
---	------------------	------------------	------------------	----------------	------------

SUMMARY OF MAJOR MOVEMENTS IN HOUSING REVENUE ACCOUNT BUDGET 2019/20 - 2020/21

Note 1 - Dwelling Rents

2019/20 was the final year of the 4 year period of 1% rent reduction for social rents. Rents for 2020/21 have been set according to the new MHCLG Rent Standard which provides for an increase of CPI + 1% (2.7% in total). The average weekly dwelling rent is proposed to increase from £100.44 in 2019/20 to £103.14 in 2020/21.

In addition, rental income for 2020/21 is expected to be £258k higher than the previous year due to additional rent from new build properties (additional £242k from 73 new units at Magenta Court and Martindale Fields), less £124k from properties sold under Right to Buy (estimate of 20 units), plus an additional £140k due to an increase in the amount of Housing Benefit subsidy received towards Supported Housing.

Note 2 - Tenants' Service Charges and Leaseholder Charges

These lines broadly offset each other due to a re-alignment of budget between tenants' charges and leaseholder charges, which is due to properties being sold under the Right to Buy scheme.

Note 3 - Interest and Investment Income

The accelerated housing capital programme is expected to result in a reduction in cash balances and hence a reduction in investment income related to these balances of £244k for 2020/21.

Note 4 - Supervision and Management and Corporate and Democratic Core

The draft budget includes the following assumptions:

In line with estimates for the General Fund, salaries budgets include pay inflation of 2.9%.

Growth of £260k to meet service demands including: £65k to fund two new posts in Tenants & Leaseholders to enable 5 year tenancy reviews; £80k Property and Place restructure to support the enhanced capital programme; £45k Supported Housing Officer; £45k Housing tree officer

Note 5 - Revenue Contribution to Capital

The surplus of income over expenditure will be used to support the capital programme through an increased Revenue Contribution to Capital.

Note 6 - Depreciation

The budgets for depreciation have been increased in line with independent valuer's advice to reflect an increase in capital assets as a result of the new build programme, combined with inflation in house prices. This is revalued annually.

HOUSING & COMMUNITY COMMITTEE - NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2020/21 - 2024/25

NEW BIDS	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Procurement and Contracted Services (Ben Hosier)						
Rolling Programme - CCTV Cameras	-	-	-	-	25	25
Property & Place (Alan Mortimer)						
Disabled Facilities Grants	-	-	-	-	741	741
People and Performance (Matthew Rawdon)						
Adventure Playgrounds Improvement programme	-	1,500	-	-	-	1,500
Capital Grants - Community Groups	-	-	-	-	20	20
Verge Hardening Programme	-	-	-	-	350	350
Strategic Housing (David Barrett/Natasha Beresford)						
Affordable Housing Development Fund (fully funded from 141 Capital Receipts)	2,066	787	311	-	-	3,164
Temporary Accommodation - creation of new units	50	55	-	-	-	105
Upgrade to Civica Abritas system (Housing Options)	66	-	-	-	-	66
TOTAL - NEW BIDS	2,182	2,342	311	0	1,136	5,971
REPHASED AND AMENDED SCHEMES	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Procurement and Contracted Services (Ben Hosier)						
CCTV Equipment Refresh	245	-	-	-	-	245
Strategic Housing (David Barrett/Natasha Beresford)						
Northend & Westerdale (Garage Development)	198	-	-	-	-	198
TOTAL - REPHASED AND AMENDED BIDS	443	0	0	0	0	443

HOUSING & COMMUNITY COMMITTEE - DRAFT CAPITAL PROGRAMME BY OSC 2020/21 - 2024/25

Scheme		20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
GENERAL FUND						
People and Performance (Matthew Rawdon)						
1	Capital Grants - Community Groups	20	20	20	20	20
2	Verge Hardening Programme	350	350	350	350	350
3	Adventure Playgrounds Improvement programme	-	1,500	-	-	-
		350	1,850	350	350	350
Procurement and Contracted Services (Ben Hosier)						
4	Rolling Programme - CCTV Cameras	25	25	25	25	25
5	CCTV equipment refresh	362	155	63	70	
		387	180	88	95	25
Strategic Housing (David Barrett)						
	Northend and Westerdale (Garage Development)	198	-	-	-	-
	Affordable Housing Development Fund (fully funded from 141 Capital Receipts)	2,691	829	311	-	-
		2,889	829	311	-	-
Strategic Housing (Natasha Beresford)						
8	Temporary Accommodation - creation of new units	50	55	-	-	-
9	Upgrade to Civica Abritas system (Housing Options)	66	-	-	-	-
		116	55	-	-	-
Property & Place (Alan Mortimer)						
10	Disabled Facilities Grants	741	741	741	741	741
		741	741	741	741	741
TOTAL - GENERAL FUND		4,503	3,675	1,510	1,206	1,136

HOUSING & COMMUNITY COMMITTEE - DRAFT CAPITAL PROGRAMME BY OSC 2020/21 - 2024/25

Scheme		20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
	HOUSING REVENUE ACCOUNT					
	Property & Place (Alan Mortimer)					
11	Planned Fixed Expenditure	17,057	17,023	17,066	17,100	15,101
12	DBC Commissioned Capital Works	750	750	985	750	750
13	Special Projects	52	-	-	-	-
		17,859	17,773	18,051	17,850	15,851
	Strategic Housing (David Barrett)	-	-	-	-	
14	New Build - General Expenditure	8,395	24,215	32,550	24,250	15,360
15	Martindale	3,110	-	-	-	-
16	Stationers Place / Apsley Paper Mill	930	-	-	-	-
		12,435	24,215	32,550	24,250	15,360
	TOTAL - HOUSING REVENUE ACCOUNT	30,294	41,988	50,601	42,100	31,211
	TOTAL CAPITAL PROGRAMME	34,797	45,663	52,111	43,306	32,347

Agenda Item 7

Clerk: Corporate and Democratic Support

Housing & Community Overview & Scrutiny Committee: Work Programme 2019/20

Scrutiny making a positive difference: Member led and independent, Overview & Scrutiny Committee promote service improvements, influence policy development & hold Executive to account for the benefit of the Community of Dacorum.

Meeting Date	Report Deadline	Items	Contact Details	Background information
9 October 2019	25 September 2019	Supported Housing Review	Assistant Director, Housing Fiona.williamson@dacorum.gov.uk	Update on the review of supported housing provision
		Performance Review Total Asset Management Contract & Gas installation and servicing contract	Group Manager Property and Place Alan.Mortimer@dacourm.gov.uk	Review of the performance of the Osborne and Sun Realm Contracts
		Elms Contract Re-tendering	Assistant Director, Housing Fiona.williamson@dacorum.gov.uk	Update on the procurement project for the Elms contract
		Overview of Old Town Hall Service (presentation)	Assistant Director, People, Performance & Innovation Linda.roberts@dacorum.gov.uk	To provide Members with an update on the Old Town Service which will improve understanding of the services we offer to the Community and our future plans
6 November 2019	23 October 2019	Budget Monitoring Report Q2	Assistant Director, Finance & Resources Nigel.howcutt@dacorum.gov.uk	To review and scrutinise quarterly performance
		Housing Q2 Performance Report	Assistant Director, Housing Fiona.williamson@dacorum.gov.uk	To review and scrutinise quarterly performance
		Children Services and Community Safety Partnership, Customer Services, The Old Town Hall, Communications and Community	Assistant Director, People, Performance & Innovation Linda.roberts@dacorum.gov.uk	To review and scrutinise quarterly performance

		Partnerships Q2 Performance Report		
		Flexible Tenancy Update	Assistant Director, Housing Fiona.williamson@dacorum.gov.uk	<i>Update on the review of flexible tenancies</i>
		Rent and other charges	Group Manager, Tenants and Leaseholders Layna.warden@dacorum.gov.uk	<i>Policy update on rent and other charges</i>
Joint Budget		**** Joint Budget **** ****2020-2021**** ***** <i>Ideally no further items to be added</i>	Corporate Director, Finance and Operations James.deane@dacorum.gov.uk	
3 December 2019				
8 January 2020	30 December 2019	Empty Homes	Assistant Director, Housing Fiona.williamson@dacorum.gov.uk	
		HRA Business Plan	Assistant Director, Housing Fiona.williamson@dacorum.gov.uk	
		Help to move to a more suitable home	Assistant Director, Housing Fiona.williamson@dacorum.gov.uk	<i>Update on changes to assist tenants to move to a home more suitable for their needs.</i>
		Physical Activity and Sports Action Plan	Group Manager, People Matt.rawdon@dacorum.gov.uk	
		Berkhamsted Sports Centre		
Joint Budget		**** Joint Budget **** ****2020-2021**** ***** <i>Ideally no further items to be added</i>	Corporate Director, Finance and Operations James.deane@dacorum.gov.uk	
4 February 2020				
		Garages	Assistant Director, People, Performance & Innovation Linda.roberts@dacorum.gov.uk	
4 March 2020	19 February 2020	Budget Monitoring Report Q3	Assistant Director, Finance & Resources Nigel.howcutt@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
		Housing Q3 Performance Report	Assistant Director, Housing Fiona.williamson@dacorum.gov.uk	<i>To review and scrutinise</i>

			<i>quarterly performance</i>
	Children Services and Community Safety Partnership, Customer Services, The Old Town Hall, Communications and Community Partnerships Q3 Performance Report	Assistant Director, People, Performance & Innovation Linda.roberts@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
	Private Sector Housing Strategy	Assistant Director, Housing Fiona.williamson@dacorum.gov.uk	
	Homeless Strategy	Assistant Director, Housing Fiona.williamson@dacorum.gov.uk	
	Acquisition Policy & Private Sector policy	Assistant Director, Housing Fiona.williamson@dacorum.gov.uk	