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FINANCE AND RESOURCES OVERVIEW AND SCRUTINY AGENDA

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

TUESDAY 6 DECEMBER 2022 AT 7.30 PM

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 Chapman
Councillor Guest
Councillor Tindall
Councillor Adeleke
Councillor Arslan
Councillor So Mahmood
Councillor Su Mahmood

Councillor Sinha
Councillor Townsend
Councillor Cloughton (Vice-Chairman)
Councillor Symington
Councillor Douris (Chairman)
Councillor Freedman

For further information, please contact Corporate and Democratic Support on 01442 228209 or email member.support@dacorum.gov.uk

AGENDA

1. **MINUTES** (Pages 3 - 18)
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. ACTION POINTS FROM THE PREVIOUS MEETING (Pages 19 - 23)

7. DRAFT 2023/24 BUDGET PROPOSALS (Pages 24 - 63)

8. QUARTER 2 FINANCIAL MONITORING REPORT 2022-23 (Pages 64 - 75)

9. WORK PROGRAMME (Pages 76 - 77)

10. LEISURE CONTRACT (Pages 78 - 87)

MINUTES

FINANCE & RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

1 NOVEMBER 2022

Present:

Cllr Adeleke	Cllr Suqlain Mahmood
Cllr Douris (Chairman)	Cllr Stevens
Cllr Freedman	Cllr Symington
Cllr Guest	Cllr Wilkie
Cllr Sobaan Mahmood	

Officers:

Catherine Silva-Donayre (Strategic Director, Corporate and Commercial)
Aidan Wilkie (Strategic Director, People and Transformation)
Nigel Howcutt (Chief Finance Officer)
Mark Brookes (Assistant Director, Legal and Democratic Services)
Matt Rawdon (Assistant Director, People)
Ben Hosier (Head of Commercial Development)
Hannah Peacock (Head of Transformation)
Kelvin Soley (Head of Communications and Engagement)
Trudi Angel (Corporate and Democratic Support Officer)

Also in attendance:

Cllr Andrew Williams (Leader of the Council and Portfolio Holder for Commercial Strategy and Delivery)

The meeting started at 7.30 pm.

1. MINUTES

The minutes of the previous meeting were agreed by the members present and then signed by the Chairman.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Chapman, Claughton, Elliot, Tindall and Townsend.

Councillor Stevens substituted for Councillor Townsend.

Councilor Wilkie substituted for Councillor Tindall.

3. DECLARATIONS OF INTEREST

The Chairman declared an interest as the Company he owns rents a garage from DBC.

Councillor Guest advised that one of the performance reports made reference to a TRO in Old Fishery Lane. She declared an interest as that work was being funded by her HCC locality budget.

4. PUBLIC PARTICIPATION

There was no public participation.

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

None.

6. ACTION POINTS FROM THE PREVIOUS MEETING

The Chairman drew attention to the two sets of action points that had been circulated prior to the meeting. He advised that responses to questions raised at the meeting should be replied to within 14 days. Officers should notify the Chairman of any delays.

7. QUARTER 2 PERFORMANCE REPORT – FINANCIAL SERVICES

N Howcutt introduced the report. Of the 9 KPIs (key performance indicators), 1 is currently red and is regarding the time taken for debtors to pay. This has become a regular occurrence since the onset of Covid. Due to changes in government policy on the collection of debt, debt levels have therefore increased and a larger number of clients are now on payment plans. In response to this, they are looking at changing the KPI target as well as breaking this KPI down to measure performance against new and old debt. The government's Covid policy on debt recovery for commercial property and rent has changed since October and this KPI should therefore start to improve.

The scores have not changed in the Operational and Risk Report from quarter 1 to quarter 2 and performance remains strong. There are vulnerabilities, particularly around income generated from commercial assets due to bad debt and the current economic status. Overall, the risk targets for quarter 2 have been achieved.

The Chairman referred to FIN06 on page 14 of the report, noting that the position is of end of June. He asked if it was appropriate that the report should only run up to June given that it is now November, and whether this report was now irrelevant.

N Howcutt responded that it was not completely irrelevant, though the report could be timelier. N Howcutt advised that the original agenda included the quarter 2 budget monitoring report, though this was removed due to the pay award announcement made

today, as the report would've changed significantly in light of this. This report will therefore come back to the Committee next month with a more up-to-date position. N Howcutt added that comments included in the report do take the more recent economic situation into account and that there has not been a significant change since quarter 2, notwithstanding the pay award change made today.

Cllr Guest referred to FIN02a on page 10 of the report regarding the time taken for debtors to pay, and asked if there were any announcements regarding other types of debt.

N Howcutt commented that other than commercial property and CIL (Community Infrastructure Levy) payments, all other areas are achieving the target, and that the issue is primarily linked to commercial debt. As commercial debt is around 80% of overall debt, it therefore overlaps all other areas.

Cllr Guest advised that she is Chair of the Development Management Committee and asked if any actions are being taken to achieve CIL payments.

N Howcutt confirmed that there is an additional KPI regarding CIL payments and it is being monitored closely. CIL payments are generally very large and are due as soon as development starts, though this is the hardest point for developers from a cash flow perspective, and 1-2 CIL payments not being made can affect 60-70% of overall CIL payments. This is being monitored separately and has significantly improved over recent years.

The Chairman commented on the new infrastructure levy proposed by the government and asked if it would make it less onerous on developers in terms of timing.

In response, N Howcutt stated that the new infrastructure charge will come in when planning permission is approved, which will make it easier for the council team to manage as they will not need to monitor when developments have begun.

Cllr Freedman commented that the report was more reassuring than previous. On the red KPI, it was asked when this may affect commercial decisions and if there is any change in the provision of bad debt in relation to this KPI.

N Howcutt confirmed that there is no cash flow issue currently. On provision for bad debt, N Howcutt advised that they had to make more provisions during Covid and it will have no impact on the bottom line. The key is to ensure that the council liaises with commercial property partners given that they drive the local economy, and the aim is to ensure that they are sustainable and support the local economy. This may require looking at historic debt going forward and whether this can be written off or paid through longer-term payment plans.

Cllr Guest referred to RBF01 on page 16 regarding the average time taken to respond to benefit-related contact and asked what '14.64' was referring to. It was also noted that there is no RAG rating or target included.

N Howcutt confirmed that the measure is for internal performance management and relates to 14.6 working days. The benefits service is facing additional work, particularly with asylum and refugee work, causing delays to the service. The service is also receiving an increase in queries regarding potential benefit claimants. Work has been undertaken to help educate residents on when they should contact the council and signpost them to relevant organisations. There is no overall target, though individuals in the team have their own targets, and cases are looked at on an individual basis given the complex nature of some issues.

Cllr Stevens commented on RBF01 and asked if it would be beneficial for the Committee to understand how many people are involved in the days stated. The number of days had increased by 50% in the quarter.

N Howcutt noted that there is a lot of information behind the days stated and that the figure is to help give members an indication of how much time is spent on that service. There is no more resource going into the team and it is experiencing an increase in workload.

Cllr Freedman commented on the FIN06 target, noting that it was green due to not spending as much on major projects as initially planned. He asked if other projects are being discussed and decisions are being made on money between projects.

N Howcutt advised that no capital spending is on hold and that HRA capital expenditure is around 50% higher than in pre-Covid years, and the council is getting new contracts approved. On inflation, construction inflation was high before overall inflation increased and this is now starting to tail off with demand for construction reducing across the sector. There may be an impact on affordability and the medium-term capital programme may require review to decide what is affordable. This will be assessed as part of budget setting and it is currently felt that the existing capital programme is affordable and sustainable.

Cllr Suqlain Mahmood queried the process around recovering debt from local businesses.

N Howcutt confirmed that there is a debt process and policy in place and that the debt collection team will be in touch with the business if a debt hasn't been paid within 30 days. A period of time will then be set for a payment plan, and if new terms aren't met then the case will be escalated to the Head of Service who will look at a historical payment plan or any external impact. Any changes to payment plans over £15,000 will be escalated to the Assistant Director. The business' impact on the community is always

assessed as an increase in vacant properties should be avoided and therefore there is a commercial reason to liaise with businesses as much as possible. Prior to Covid, arrears were around 8% and this has now increased to around 19%, with a target to reduce them back to pre-Covid levels by quarter 3, 2023-24. There is currently double the amount of debt on pre-payment plans and the aim is to avoid sustainable businesses becoming bankrupt due to historical debt and so there is some leniency around payment plans.

Cllr Suqlain Mahmood asked if debts are ever sold on.

N Howcutt advised that they do go to court and evict businesses, though this is much further down the line compared to other organisations.

Cllr Symington noted the pay award and asked if this was in line with expectation.

N Howcutt confirmed that it is and that the effect on the council will be approximately 5.90%. Now that confirmation on the pay award has been received, the numbers will be reviewed, though the impact is expected to be the same.

Cllr Adeleke commented on the aim to return to pre-Covid levels for arrears and queried what impact this would have on the medium-term forecast if this isn't achieved.

N Howcutt advised that he is less concerned about arrears given the healthy provision for bad debt. If occupancy and rental income starts to fall then this will have an impact on the short and medium term budget. There is an expected income stream of around £5.5m and any decrease would then need to be found from other service areas or income streams. The impact of the wider economy will be felt if there is an impact on commercial rentals and people start to use fewer discretionary services, such as leisure and car parking.

Outcome:

The report was noted.

8. QUARTER 2 PERFORMANCE REPORT – LEGAL AND DEMOCRATIC SERVICES

M Brookes introduced the report and welcomed questions from the committee.

Cllr Guest referred to page 28 regarding animal licensing reports and enforcement. She asked how the team were currently processing that work if the officer mentioned in the report hadn't yet completed the training course.

M Brookes advised that there was another officer within the team who was already trained.

Cllr Guest referred to page 29 in relation to the print and post room processing 73,170 mail items at a cost of £37,082. She questioned if the mail was checked to ensure everything was sent out, as some residents within her ward had not received post regarding a mobile mast.

M Brookes advised that the team receive mail from all teams across the council who cross-check what is sent against their records, and therefore checks are conducted at departmental level.

Cllr Guest noted the statement on page 29 that 609 cheques were processed with an income of £140,071.90. She asked what payments were being made by cheque and whether people were being encouraged to pay by more efficient means.

M Brookes advised he was unsure what the cheque payments were for as they were from across the council. He added that the council does encourage people to pay via electronic means where possible.

Cllr Freedman referred to animal control and advised of a number of links on the DBC website and those of other organisations that refer issues to the dog warden email address, which then states that the email is not monitored.

M Brookes advised that this comes under Environmental Services, though he would pass the comment on. **Action.**

Cllr Freedman noted the data regarding Legal cases and asked if this is a highlight reel or if other cases had not been reported.

M Brookes confirmed that these were the cases that went to Court during the quarter.

Cllr Freedman referred to the Mayoralty budget, noting that Berkhamsted Town Council have decided, given the current climate, to reduce the budget and scope in terms of Mayoral engagements, and recommended that a similar discussion be had at borough level.

The Chairman suggested that this is not a question that M Brookes could answer as he had presented an operational report and that the question was a policy decision.

Cllr Freedman acknowledged the comment and noted that his question was if the discussion was being had.

The Leader of the Council stated that he did not envisage that the Mayoralty budget would be reduced in the next financial year.

Cllr Adeleke commented on item 4 of the report and asked how the council is getting value for money and measures its success rate.

M Brookes advised that the fines are received by the HM Treasury and not income-producing in any way. They act as a deterrent to prevent inappropriate behaviour across the borough and that the individuals receive a permanent criminal record. Improvements are measured by the teams and prosecution is a key part of this.

Cllr Suqlain Mahmood questioned if two of the fly-tipping prosecutions were the same case.

M Brookes stated that his understanding was that they took place at different times and are therefore listed as separate offences.

Cllr Suqlain Mahmood explained that a taxi driver had contacted him recently regarding an officer following him and then questioned him when he got home. He said he felt harassed by the officer.

M Brookes suggested that Cllr Mahmood email him the details of this case so he can look in to it.

Cllr Stevens referred to a sentence on page 30 that read 'manual checks on over 76 markers have been completed' and asked what a marker was.

M Brookes said he would need to check with his team and would provide a written response. **Action.**

Cllr Stevens commented on the 2023 Election and expressed concern that this will clash with the Coronation for King Charles III and Bank Holiday. He was unsure how this would impact the Election count, which typically takes place overnight.

M Brookes confirmed that representations have been put in by the LGA (Local Government Association) and that they are awaiting guidance.

Outcome:

The report was noted.

9. QUARTER 2 PERFORMANCE REPORT – COMMERCIAL DEVELOPMENT SERVICES

B Hosier presented the report, particularly noting the red KPI on car parking income and that this is running 20% below target as at the end of quarter 2. Usage is yet to pick up since Covid, suggesting that customer behaviour has changed.

Cllr Symington referred to pages 34-35 regarding procurement activity and asked how the information could be presented if they are still going out to tender.

B Hosier confirmed that the values have been taken to the contract register, which is published online. Once it goes out to tender, the amount may change as this will depend on the market and what is required, so the value provides an indication for the committee on the value of the contract.

Cllr Symington asked what price inflation they are expecting to see on the values indicated.

B Hosier stated that he would not know until they have been through the commissioning process. Whilst inflation will impact the value, it will also depend on how the requirement is packaged. There is a budget in place and commissioning must be within that.

Cllr Symington commented on non-compliant expenditure, noting that this was raised in the audit report. Cllr Symington asked why commissioning didn't take place before a contract expired and why this wasn't being reduced.

B Hosier advised that a commissioning and procurement period are built in, and there can be slippage in terms of client officers and workloads. A commissioning plan has been developed, and any activities that are 2-3 years overdue are flagged, though there will be some slippage.

Cllr Freedman asked for further information on the tree maintenance service contract and the facilities management services contract.

B Hosier stated that the current facilities management contract is due to expire and recommissioning has commenced where they assess the level of service required. On the tree maintenance contract, B Hosier noted that it was reported in quarter 1 that there were standing orders to award a direct contract on the basis that one contractor was struggling post-Covid and therefore a direct contract was offered rather than going out to tender. The tree maintenance service is split between rural and woodland.

Cllr Freedman made reference to the maintenance work provided to other Councils on behalf of HCC and asked if this was being carried out by the internal team or by outsourced teams.

B Hosier stated that he would need to confirm this, though he would assume that work is carried out by both. **Action.**

Cllr Freedman asked if procurement decisions are benchmarked against bringing the work in-house.

B Hosier advised that this would be undertaken as part of the commissioning stage where there is an assessment on whether the council has the capacity and capability to bring work in-house. Typically, the approach to market is only done once a decision is made that the service can't be delivered in-house.

Cllr Freedman commented that he would like to see the decision-making process and asked for reassurance that there is a review taking place.

B Hosier confirmed that they look at the capability of the market to help make a decision on whether to go out to tender and to better understand the capacity of the market. It was noted that a full tender evaluation would take place at the end of the process and if it was found that the value coming back from the market was considerably different than the one assumed during commissioning then a review would take place.

Cllr Guest commented on nurse-led absence management and asked what professional will provide the service if an in-house service is provided.

M Rawdon advised that the nurse-led system gives an opportunity for staff to contact a nurse if they are unwell, and if staff require advice then they can contact the Occupational Health service, though they are finding that people will get similar advice when calling 111, and they are therefore looking at the costs of this option.

Cllr Guest asked what profession the Occupational Health service would be.

M Rawdon confirmed that Occupational Health advisors are qualified nurses.

Cllr Guest asked if work is being done to compare costs of a nurse-led versus an in-house service.

M Rawdon confirmed that a paper is being taken to the strategic meeting this month.

Cllr Adeleke commented on the car parking income and that they are unlikely to return to pre-Covid levels. He asked if they had contacted other councils to find out what measures they were looking into to counteract this reduction.

B Hosier advised that he had not done this research but agreed that it would be worthwhile contacting other local councils to identify their shortfalls and the actions they are taking.

Cllr Freedman commented that part of the mitigation should be around EV charging points as this will help encourage people to use spaces. The Chairman noted that some of these items would be brought to the March committee meeting.

Cllr Symington referred to the reduction in car parking income, noting that the biggest drop was for on-street parking, and that the place strategies should be looking at ensuring people are coming into these areas. Cllr Symington continued that the quarter 2 figures for PCNs (penalty charge notices) were down nearly 60%, noting that they are due to go to tender for a £4m contract for parking enforcement. She asked how this would work in terms of financial return.

B Hosier advised there is a shortage of Civil Enforcement Officers, which is causing a drop in PCNs, and that the number of on-street parking sessions has also dropped, which is where PCNs are typically issued. Whilst there is cost to the parking enforcement contractor for not providing sufficient staff, this does not cover the loss of revenue generated through PCNs. Regarding a new contract, it is difficult to put a value on the performance of a contractor based on income, as covering an area with officers will deter illegal parking and the streets would be safer, and whilst the council would not receive any income, the purpose of enforcement is to make people safer. The council has looked at introducing technology to reduce the cost of enforcement, though this isn't currently possible.

Cllr Symington observed that the garage service has not moved on and requested that this be discussed at a later date.

In relation to PCNs, Councillor Stevens asked if the annual monitoring report was still produced.

B Hosier confirmed that the annual report was still produced. Last year we were highly commended by PATROL for how the report was written. The latest report is available on the website, and the 2021-22 report is due to published in the coming weeks. The Chairman asked that the link be circulated to members when available. **Action.**

Outcome

The report was noted.

10. QUARTER 2 PERFORMANCE REPORT – PEOPLE AND TRANSFORMATION

A Wilkie introduced the report. In relation to People, sickness continues to be higher than they would like, though this is being experienced across all sectors. An action plan has been signed off by the SLT (Senior Leadership Team) and it is hoped this will soon have a positive impact on numbers. Turnover remains consistent, notwithstanding that

recruitment continues to be challenging. On transformation, customer service performance is below the desired level, though recruitment gaps have now been filled, and the Customer Service Strategy is now in delivery phase. On communication, there was a large programme of events over summer, and having events fall under the People and Transformation team has been successful. A new Head of Digital will start next week. Performance has been strong over the quarter.

Cllr Freedman asked how many current vacancies there are, how long it takes to fill a vacancy on average, and the percentage of vacancies versus total staff numbers.

M Rawdon advised he would collate the data and circulate it to the committee. **Action.**

Cllr Adeleke commended the team and noted the improvements in communication with the community. He also commented that the playground refurbishment in Berkhamsted was well received.

An observation was made regarding sickness reducing and it was suggested that this may be a result of the new wellness programme.

M Rawdon confirmed that there has been a focus on staff wellbeing and signposting staff to mental health support.

Cllr Symington commented that it would be useful to understand if staff are returning to the office and whether this is being monitored.

A Wilkie advised that there has been a recent increase in staff returning to the office. A new project has begun; this will focus on what working looks like for different groups of staff and for different roles. M Rawdon noted that a session was held with the leadership team to discuss this and that they want to ensure that there is a hybrid approach that supports staff, customers and the overall service, and therefore the aim is to empower managers to work with directors to put a business case forward on the new way of working.

Cllr Symington asked for an update on the situation last week where staff were unable to work remotely.

A Wilkie explained there was an initial issue with the server that was identified quickly and was rectified. Another policy became corrupted and therefore needed to be fixed, and Microsoft had issued an update that, in conjunction with other security features, meant they were unable to deploy the fix remotely. A corporate decision had to be made to bring everyone into the office, which was largely well received. A Wilkie confirmed they are now looking at a lessons learned piece, and whilst the risk of the issue occurring again is minimal, a number of improvements have been identified.

The Chairman observed the large reliance on digitalisation and electronic communication, and they therefore need a facility that is 100% reliable.

Cllr Symington commented on item 5.1 regarding the climate and ecological emergency and queried the current policy following previous discussions around rolling out EV (electric vehicle) charging to car parks.

The Chairman advised that a report would be received in March 2023, to which Cllr Symington responded that this was counter to what was stated in June/July 2022.

The Portfolio Holder advised that they are in the advanced stages of negotiations with 2 suppliers to provide both fast and rapid chargers to car parks. The necessary application for funding has been submitted and a response is expected in the coming weeks. The Portfolio Holder confirmed that, by March 2023, they will be able to proceed. The importance of the situation was acknowledged.

Outcome:

The report was noted.

11. TRANSFORMATION STRATEGIES – PEOPLE, DIGITAL AND COMMUNICATIONS

A Wilkie presented the Digital Strategy, Communication Strategy and People Strategy, noting that they should provide the foundation for both transformation and delivery programmes. Due to being in a rapidly changing environment, items may need to be updated in future, and members were asked to take the strategies collectively and understand the need for agility whilst they are implemented. Delivery programmes are in place for most with development ongoing where required.

First looking at the Digital Strategy, A Wilkie advised that they need to harness the opportunities that digital presents to deliver efficient and effective services for their communities and businesses. This requires focus on internal processes, service design to avoid jumping to solutions, and making strategic decisions, such as reusing equipment and systems where possible. There will be a move towards the cloud, mobile first to allow officers to work away from the office, and having an IT system that focuses on how residents interact with the council.

M Rawdon next looked at the People Strategy, noting that it sets out to enable the workforce to have the greatest impact on meeting corporate objectives and DBC's transformation journey. There will be a focus on recruitment attention, as well as developing skills to support the current change process. It recognises the organisation's broader transformation, particularly commercialisation, and HR (Human Resources) will support this from a people perspective. There is also a lot of work around leadership

and organisational culture, and the programme that has looked at leadership culture will now filter down to middle-management level. Cost of living and the job market will also be covered by the strategy to look at how DBC is in the best position to support vacancies and bring in the right workforce. Investment is also required into HR to ensure they have the capabilities to support the transformation journey.

K Soley presented the Communication Strategy, which focuses on the strong communication foundation at DBC and will help with the creation of a more proactive communications service. Digital channels have become critical in local government communications and these therefore feature heavily in the strategy, and whilst it is imperative that the strategy ensures the council keeps pace with digital transformation, it also needs to ensure that no resident is left behind. The strategy also encompasses wider work on events and filming, and there will be a focus on how to develop these areas of work, such as the recent Halloween event in the Old Town.

Cllr Suqlain Mahmood noted that a new Head of ICT was in place and asked how they can make a document when they've had no input into the work.

A Wilkie advised that the new Head of ICT has seen the document and is comfortable with it, and it is expected that the strategy will remain under review so she can bring in further ideas.

Cllr Adeleke asked if there was any member input on the Transformation Board.

H Peacock advised that her team supports the Board and is also responsible for the project management office, which is the key administrative function for the Transformation Board to ensure that they scrutinise programme and project performance. On member input, H Peacock advised that bringing the strategies to this committee was to gain member input, and that some projects may come back through member groups to provide updates and gain further input. Input will depend on the nature of the individual projects within the strategies and it will be sought where appropriate.

Cllr Adeleke asked if the IT department was now fully staffed.

A Wilkie stated that there may be 1 outstanding vacancy, and once the new Head of Service has come in, they can look at whether further resourcing is required. Those conversations are expected in the coming months and any updates will be brought to the committee.

Cllr Adeleke suggested that the majority of our communications related to Hemel Hempstead. He asked if this could be expanded to include Berkhamsted, Tring and the surrounding villages.

K Soley advised that this is part of the strategy to ensure that every corner of the borough is included in all the work that is being done and that communication covers all channels.

Cllr Symington commended the reports and asked if all strategies were produced internally.

A Wilkie confirmed that some external support was sought for the People Strategy. M Rawdon explained that this was on how to support the team in terms of skillset through staff focus sessions to help generate ideas. It was confirmed that around 80-90% of the strategies were created internally.

Cllr Symington commented on the challenges faced by older residents, and whilst the vast majority will engage online, she asked if the council understands its responsibility to communicate with all residents or it would fall to the voluntary sector to support the older community.

A Wilkie confirmed that the Digital Strategy recognises that different cohorts will behave in different ways and that DBC needs to be organised in the most efficient way to meet this. There is no intention to digitalise every process immediately, and instead the aim is to bring in efficiencies and meet the needs of the community.

H Peacock added that the Digital Strategy also has to marry up with the Customer and People Strategies with an understanding of how residents wish to communicate. Whilst there is a gradual move to digital first, this is not the case for all residents and that is recognised across the strategies. A Wilkie confirmed that the core of the strategies is user-centred design through understanding what residents want and then building the service based on this feedback.

Outcome:

The report was noted.

12. COMPLAINTS POLICY

H Peacock presented the updated Complaints Policy, noting that this is part of the Customer Strategy that is now in implementation. The main changes to the policy are around response times and on levels of responsibility, it also recognises that more customer contact is required to help reduce the number of formal complaints that the council receives. The draft policy will be presented to all OSCs before being presented to Cabinet in November.

Cllr Adeleke asked how realistic it is to have 1 December 2022 as the launch date and how they intend to train staff in time.

H Peacock stated that they believe the launch date is realistic and that work has been undertaken throughout the policy development to ensure that it is ready for 1 December. All templates have been revised to ensure they are in line with the Customer Policy and training has taken place through the intranet for all staff members. There will also be individual training with team leaders and above. She added that the Customer Services unit will have a central complaints team.

Cllr Adeleke referred to item 3.1 in the report and the definition of a complaint. He noted his concern around the use of 'expression' as there could be dissatisfaction without being expressed.

H Peacock acknowledged the comment. She explained that they need to encourage people to vocalise their dissatisfaction to ensure that the matter can be investigated, and any unexpressed dissatisfaction will be picked up through customer satisfaction surveys.

Cllr Freedman commented on the escalation to a formal complaint, particularly regarding a resident's view of who they have complained to. Cllr Freedman noted that sometimes residents will complain to a member and that members may treat these conversations as informal so won't note it down.

H Peacock acknowledged the comment and noted that some conversations may escalate into a complaint, which is highlighted within the policy and the fact that some complaints may come in on behalf of residents. Once this dissatisfaction is expressed, members have one team that they can direct people to for complaints handling rather than seeking an outcome themselves.

Cllr Freedman stated that they need to ensure that when a formal complaint is made, they bring in all the conversations that led up to it as residents will feel they started the process a lot earlier even if it is not treated in this way.

H Peacock agreed, adding that it is beneficial to see the history of the conversation to help gain this context and understand the nature of the complaint. The Complaints Management System is also in place to add background notes relating to the complaint.

The Chairman suggested that the point when a complaint becomes a formal complaint be reviewed, noting that members may need to ask residents if they wish to make a formal complaint. The Chairman continued that if a complaint is made online then the 10 days starts at this point, and if a complaint is made by letter then the 10 days starts from the date of the original letter, meaning they are potentially disadvantaged by having a shorter time for investigation.

H Peacock said she would take the Chairman's comments on board and feedback with any amendments if appropriate. **Action.**

Cllr Symington asked what quantum of complaints they receive.

H Peacock added that the KPI is noted under M Brookes' report and they are transitioning to the new central team, meaning that a new report will come from her team in future. The metrics are also being looked at to provide more detail on the number of complaints received and what issues they highlight. These reports will be brought back to members with further detail.

Outcome:

The report was noted.

13. WORK PROGRAMME

The Chairman noted the work programme, highlighting that the Leisure Contract will be covered in December.

The meeting ended at 10.20 pm.

Finance and Resources OSC Action Points - November

Date of meeting	Action point	Responsible officer	Date action completed	Response
01/11/22	<p><u>Item 8 – Q2 Performance Report, Legal and Democratic Services</u></p> <p>Councillor Stevens referred to paragraph 7 under Electoral Services where it stated ‘Manual checks on the over 76 markers have been completed with 5000 electors records checked and updated accordingly.’ He questioned what a marker was.</p>	M Brookes	02/11/22	If someone has a 76 ‘marker’ on the register it means they are over 76yrs old and therefore exempt from Jury Service.
01/11/22	<p><u>Item 9 – Q2 Performance Report, Commercial Development Service</u></p> <p>Councillor Freedman made reference to the maintenance work provided to other Councils on behalf of HCC and asked if this was being carried out by the internal team or by outsourced teams.</p>	B Hosier	09/11/22	<p>For programmed works, our Tree Maintenance Services contract covers all of our trees / woodlands and all of HCC’s that are within the term agency agreement.</p> <p>Emergency works (out of office hours) on the highway is usually undertaken by the HCC contractor. Those same works in office hours is usually our contractor.</p>
01/11/22	<p><u>Item 8 – Q2 Performance Report, Legal and Democratic Services</u></p> <p>Cllr Freedman referred to animal control and advised of a number</p>	M Brookes	24/11/22	Emailed query to the relevant team to investigate and action.

	<p>of links on the DBC website and those of other organisations that refer issues to the dog warden email address, which then states that the email is not monitored.</p> <p>M Brookes advised that this comes under Environmental Services, though he would pass the comment on.</p>			
01/11/22	<p><u>Item 9 – Q2 Performance Report, Commercial Development Service</u></p> <p>In relation to PCNs, Councillor Stevens asked if the annual monitoring report was still produced.</p> <p>B Hosier confirmed that the annual report was still produced. Last year we were highly recommended in terms of Patrol for how the report was written. The latest report is available on the website, and the 2021-22 report is due to published in the coming weeks. The Chairman asked that the link be circulated to members when available.</p>	B Hosier	09/11/22	<p>The Council publishes an annual parking enforcement report which is available on the following link (along with all previous years reports)</p> <p>http://www.dacorum.gov.uk/home/community-living/parking-and-travel</p>
01/11/22	<p><u>Item 10 – Q2 Performance Report, People And Transformation</u></p>	M Rawdon	16/11/22	<p>Job Vacancy Data – November 2022 Active recruitment/in progress - 68 vacant roles showing</p>

Cllr Freedman asked how many current vacancies there were, how long it takes to fill a vacancy on average, and the percentage of vacancies versus total staff numbers.

on establishment list which the HR team is currently working on: either at vacancy approval stage, advertising, offer stage, or awaiting advertising documentation.

Remain part of establishment: 79 roles remain part of establishment – reasons below

Reason for position staying open	Count - total
Agency covering position	21
Post should remain in the structure, although there are no imminent plans for recruitment to them. The justification would be due to: a pending restructure, service redesign so holding vacancies to lower staff impact on structural changes, using the salary costs flexibly to support ongoing service provision for peaks in demand, to offer posts as part of saving efficiencies for the forthcoming financial year.	40
Remain in structure - acting up into new position	4
Remain open - Casual role	4
Remain open - employee on secondment	7
Unsuccessful recruitment	3
Grand Total	79

Establishment – 757 posts

KPIs - The Strategic Leadership Team is currently reviewing all KPIs, and job vacancy KPI data is part of the data being reviewed.

Staff Turnover - Over the past 12 months we have had 136 new starters and 132 leavers and staff turnover for voluntary resignations is 10-15% per annum which is considered healthy.

01/11/22	<p><u>Item 12 – Complaints Policy</u> The Chairman suggested that the point when a complaint becomes a formal complaint be reviewed, noting that members may need to ask residents if they wish to make a formal complaint. The Chairman continued that if a complaint is made online then the 10 days starts at this point, and if a complaint is made by letter then the 10 days starts from the date of the original letter, meaning they are potentially disadvantaged by having a shorter time for investigation.</p>	H Peacock	16/11/22	<p>In the draft Complaints Policy we have stated that if we receive a complaints via letter, they will receive a written acknowledgement within 5 working days of us receiving the letter. Depending on the stage of the complaint, the investigating officer will have 10 working days or 20 working days following receipt of the letter to investigate and respond to their letter.</p> <p>Following discussion at OSC we have added the note below to recognise that there will be a slight disadvantage for customers who choose to provide a physical written complaint.</p> <p style="padding-left: 40px;">1.1 If you correspond with us via letter, postal delivery will add two to three working days to response times for both stage one and two.</p> <p>Due to the challenges of the postal system, we aren't able to build in the 2-3 days it might take to deliver the response into the 10 days / 20 days. It would also make it very difficult for us to track if the officer is keeping to the 10/20 days, if we try and incorporate the timing of the post into our response rates.</p> <p>In terms of total proportion of complaints we receive, the number of letters we receive are very low – and both the policy and our new internet pages will be directing customers towards the e-form as the main way for them to make a complaint. In addition, if in their correspondence, the customer provides an alternative contact method (e.g. telephone / email address), then the investigating officer would be expected to use those to provide updates / send</p>



				through the written response electronically, which would avoid the delay of sending it in the post.
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Overview and Scrutiny Committee

Report for:	Budget Overview and Scrutiny Committee
Title of report:	Draft 2023/24 Budget Proposals
Date:	6 th December
Report on behalf of:	Councillor Graeme Elliot, Portfolio Holder for Corporate Services
Part:	I
If Part II, reason:	N/A
Appendices:	<p>Appendix A General Fund Revenue Summary 2023/24</p> <p>Appendix B General Fund Budget Change Analysis 2023/24</p> <p>Appendix Bi Finance and Resources GF Changes</p> <p>Appendix Bii Housing & Community GF Changes</p> <p>Appendix Biii Strategic Planning and Environment GF Changes</p> <p>Appendix C General Fund Budget Summary by committee 2023/24</p> <p>Appendix D HRA Revenue Summary 2023/24</p> <p>Appendix E HRA budget Change Analysis 2023/24</p> <p>Appendix F Capital Programme New and Amended Projects 2023/2028</p> <p>Appendix Fi Capital Programme Housing & Community (New and amended) 2023/2028</p> <p>Appendix Fii Capital Programme Strategic Planning and Environment (New and Amended)2023-2028</p> <p>Appendix G Overall Revised Capital Programme 2023/28</p> <p>Appendix H Reserves Summary 2023/24</p> <p>Appendix I Fees and Charges 2023/24</p> <p>Appendix Ii Finance and Resources Fees and Charges 2023/24</p> <p>Appendix Iii Housing & Community Fees and Charges 2023/24</p> <p>Appendix Iiii Strategic Planning and Environment Fees and Charges 2023/24</p>

Background papers:	2022/23 Budget Report, Cabinet February 2022 http://dbcgfeshare:9070/documents/s32753/Budget%20Cabinet%20February%202022%20Covering%20Report%20-FINAL.pdf 2022 Medium Term Financial Strategy, Cabinet October 2022 http://dbcgfeshare:9070/documents/s36420/FINAL%20-%20October%20Cabinet%20MTFS%202022-2026.27%20Report%20V5%20Final.pdf
Glossary of acronyms and any other abbreviations used in this report:	GF – General Fund HRA – Housing Revenue Account MTFS – Medium Term Financial Strategy OSC – Overview and Scrutiny Committee RSG – Revenue Support Grant MHCLG- Ministry for Housing, Communities and Local Government DLUHC- Department for Levelling Up, Housing and Communities

Report Author / Responsible Officer Nigel Howcutt, Chief Finance Officer   Nigel.howcutt@dacorum.gov.uk / 01442 228236 (ext. 2236)
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Corporate Priorities	A clean, safe and enjoyable environment Building strong and vibrant communities Ensuring economic growth and prosperity Providing good quality affordable homes, in particular for those most in need Ensuring efficient, effective and modern service delivery Climate and ecological emergency
Wards affected	All Wards
Purpose of the report:	To provide Members with an overview of the draft budget strategy and proposals in order to provide Members the opportunity to scrutinise them and provide feedback to Cabinet.
Recommendation (s) to the decision maker (s):	That the Scrutiny Committee reviews and scrutinises the draft budget proposals for 2023/24 and provides

	feedback, to be considered by Cabinet, for each Committee's specific area of responsibility.
Period for post policy/project review:	

1. Introduction

This report includes information culminating from work that was first initiated in March 2022, with the corporate service planning process undertaken by all services for 2023/24 and the draft General Fund and HRA budget proposals which were developed following this exercise. It also sets out the key assumptions which have been used to develop the budget and highlights the position in relation to reserves and the management of risk.

The report provides financial information on the development of the Council's Core strategies including;
 Commercial Strategy
 People Strategy
 Digital Strategy, and
 Transformation/Change Programme

These represent a significant step change in approach for the Council; designed to provide improved customer experiences and services as well as longer-term financial resilience.

2. Background

This report presents the draft budget proposals for 2023/24 for scrutiny and review.

2.1 Budget detail at a strategic level has been provided for every area of the Council and this has been made available to all Members. A glossary of budget categories, and specific budget section groupings, is set out in Appendix A.

2.2 With the exception of the Finance & Resources Committee, which scrutinises all budgets, individual Overview and Scrutiny Committees (OSCs) will focus only on those budget changes and Capital Programme elements which relate directly to their remit.

2.3 A senior Finance Officer will be present at each of the committees to support the Chair.

2.4 The following appendices are relevant to the draft budget proposals for 2022/23:

General Fund

- Appendix A – General Fund Budget Summary 2022/23
- Appendices B, Bi, Bii and Biii – Budget Change Analysis 2021/22 – 2022/23
- Appendix C – General Fund Budget Change Summary by Committee

Housing Revenue Account

- Appendix D – Housing Revenue Account Budget 2022/23
- Appendix E – Housing Revenue Account Movements 2021/22 – 2022/23

Capital Programme

- Appendix F, Fi and Fii – Capital Programme by OSC: Summary of new and amended projects 2022/23 - 2026/27
- Appendix G – Capital Programme 2022/23 - 2026/27

Reserves

- Appendix H – Statement of Earmarked Reserves

Fees and Charges

- Appendices Ii, Iii and Iiii- 2023/24 Proposed Fees and Charges

3. Budget Setting Process 2023/24

- 3.1 As outlined in the MTFs, which was approved by Council in October 2022, there are significant medium term financial pressures which need to be addressed in order to deliver a sustainable medium term financial strategy for the Council. To ensure good financial planning and astute budget setting, the budget setting process started with the Corporate Service Planning process in April 2022.
- 3.2 A Corporate Service Planning process was undertaken to develop specific priorities and opportunities for service areas over a 3-year period. This process was then used to inform savings and commercial opportunities for the budget planning process.
- 3.3 The resulting service plans identified a number of consistent themes across service areas, including: Climate change action; Improving customer focus; Improving processes through digitisation and the development of a Digital Strategy; Developing positive leadership and culture and the need for a new People Strategy; Community Safety; Economic Recovery and a refreshed focus on the Council's place shaping programme. The majority of these areas have seen further strategic development throughout 2022.

4. Dacorum Core Strategic Drivers

- 4.1 The Corporate Plan is the driving mandate that the Council strives to achieve. It is essential that corporate strategies evolve and develop as an intrinsic part of delivering the Corporate Plan, and the budget set supports those strategies. During the last year the Council has been developing several core strategies that form the foundations of the 2023/24 Budget, in particular the savings identified to date.
- 4.2 There are 3 developing strategies that make a contribution to the 2023/24 balanced budget. These are;
- Commercial Strategy
 - Transformation Strategy
 - Place Strategy

These three strategies are at different development stages at present and either have or will be presented to Members in detail, but their role in the MTFs assumptions at this stage is significant.

Commercial Strategy

- 4.3 The Commercial Strategy was approved by Cabinet in September 2022> It is a wide ranging strategy which aims to deliver a change in culture and approach to a more agile and commercially aware operating model, that will leverage maximum value from the Council's assets and resources, to support a financially sustainable organisation that meets the needs and expectations of residents.
- 4.4 At present officers are developing Business Cases for a range of opportunities identified during the initiation of the Commercial Strategy. The Business Cases will be completed over the winter of 2022-23 and will form part of an ongoing commercial programme of work to explore opportunities to improve services and their cost effectiveness, whilst also identifying ways of generating additional financial income.
- 4.5 Until the initial Business Cases are completed, the potential for efficiencies and income generation cannot be confirmed, but the draft budget has assumptions built in that will be reviewed over the coming months, as part of the ongoing budget-setting process and financial monitoring. The MTFs anticipates at present that this programme of work will develop and expand from a savings delivery of £385k in 2023/24 to deliver £1m by 2026/27.

- 4.6 In addition to the savings projected for 2023/24 the draft budget provides additional capital to support the potential investment required to support the successful business cases to implementation.
- 4.7 A detailed review of Council fees and charges has been undertaken as part of the Commercial Strategy. Proposals for Council fees and charges can be found at Appendices Ii, Iii and Iii to this report.
- 4.8 The principle of cost recovery has formed the basis of this review. Fees and charges proposals for 2023/24 reflect expected increase in staffing and other costs, where the Council has the discretion to do so. This approach will support the continued delivery of valued Council services going forward.

Transformation/Change Strategy

- 4.9 The Council is also developing a wide ranging Transformation/Change agenda to develop and modernise current service delivery. This programme has a strong focus on the customer and the workforce, as outlined in the recent Customer and People strategies.
- 4.10 The revised Corporate Programme Management team is supporting Change and Development projects across the Council, and resources are being provided to support this programme.
- 4.11 The two largest Change projects included in the current 2022/23 MTFS are;
- Customer Services Strategy. A new focused approach on customer contact and interaction across the Council, putting the customer first. This project is expected to achieve efficiency savings of circa £200k in 23/24.
 - Waste Transformation Strategy. The Waste service is the largest front line service in the Council and hence has the largest regular customer contact and the largest use of Council resources. This service has been under significant service pressures throughout the pandemic and this project aims to transform the service processes and operational activities. The project is aiming to reduce Council Waste Service costs by over £1.4m over the next 2 years with a budgeted saving of circa £600k in 2023/24 as a result of the implementation of the charging for green waste collection. The wider project is reviewing all elements of the Waste collection service.

Place Strategy

- 4.12 The Place Strategy is still under development, with both officers and members involved in the Strategy development. The overall Place Strategy will include large projects such as;
- Hemel Garden communities programme,
 - Town Centre Strategy
 - Old Town project and a Town Centre Strategy.
- 4.13 The draft 2023/24 budget assumes that any direct investment required to deliver the Place strategy will make a return that covers the costs of that investment. As this Strategy evolves, the financial impact and sustainability will be assessed and reported to Members.

5. 2023/24 Budget Setting and Medium Term Financial Strategy (MTFS)

- 5.1 The current MTFS was approved by Council in October 2022 and contained the following key decisions which have informed the budget-setting process for 2022/23:
- A General Fund savings target of £1.8m for 2023/24
 - A General Fund savings target of £3.6m over the duration of the MTFS period

- A General Fund balance of between 5% and 15% of Net Cost of Services
 - A minimum HRA working balance of at least 5% of turnover
- 5.2 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.
- 5.3 The projected Dacorum 2023/24 government funding level has been set at the same level as assumed in the MTFS in October and at present the Autumn statement has not impacted the current assumptions.
- 5.4 The Council's MTFS forecasts that the Council will become financially self-sustainable from 2025/26.
- 5.5 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. Members receive regular financial monitoring updates throughout the financial year. These will be supplemented by MTFS updates to Cabinet, as considered appropriate by the S151 Officer. The plan is to provide a refreshed MTFS to Cabinet in the spring of 2023, following the development of the Council's Commercial Strategy and Programme.

Key Assumptions included in draft General Fund Budget

5.6 The following assumptions are incorporated within the draft budget:

- A Council Tax Increase of 2.9% (£6.27) plus a 1% increase in taxbase
- An average 4% pay settlement
- Vacancy factor of 5% for non-front-line services
- Baseline Government funding set at £2m in 2023/24
- New Homes Bonus reduced to £450k, a 65% year on year reduction (See para 6.5-6.6)
- An inflationary increase in utilities and fuel of 20%
- An increase in Supplies and Services of 5%

6. Council Tax

6.1 The government's autumn statement on the 17th November 2022 created additional Council tax flexibilities for local authorities for 2023-25. This revised policy allowed district authorities to increase Council tax by up to 2.99%; an increase of up to 1% on the previous policy of the greater of 2% or £5.

6.2 The current government funding model assesses an authority's ability to raise income, including from Council tax, when assessing the level of funding required from central government. Hence if Local Authorities do not maximise their Council tax income they are creating a budget reduction that may require savings efficiencies. Therefore the Council's tax policy is to maximise the income from Council tax to support essential service provision.

6.3 As a result of this it is proposed to increase Council tax by 2.9% for 2023/24 - an increase of £6.27 P.A. for a band D property.

7. Government funding

7.1 The Council's previous last multi-year funding assessment was issued for the 4 year period 2016 - 2019/20. The government ascertained at the time that Dacorum's assessed Level of Need was £2m per annum of government funding.

7.2 The Council's 2023/24 budget assumes this is the level of funding the Council will receive in the Local government finance settlement as a combination of revenue support grant and business rates retention. The MTFS assumes the level of government funding would reduce year on year in real terms from that point onwards in line with recent government funding policy.

7.3 The current economic environment is uncertain. The current cost of living pressures combined with the expectation that the Government will need to reduce spending, is likely to reduce Local Government funding from Government in real terms year on year.

7.4 Confirmation of the funding allocation for 2023/24 is expected in December 2022. Any additional information given at that time regarding future years' funding will be reported to Members as part of the budget-setting process.

Government funding – New Homes Bonus

7.5 New Homes Bonus (NHB) was also planned for review under the now-delayed Fair Funding Review. In the absence of any further updates, this budget assumes no change to Government's previous commitments on future years' payments, i.e. that NHB will cease after 2023/24.

7.6 In line with the approved MTFs, this budget assumes a continuation of the Council's current strategy, i.e. due to its time-limited nature NHB funding is not used to support ongoing service provision, but is instead contributed to the Dacorum Development Reserve for future one-off spending.

Key General Fund budget savings since last year

7.7 Detailed budget changes between 2022/23 and 2023/24 are shown in Appendix B. Key items include:

- £200k Customer Strategy delivery,
- £650k Charging for Green Waste Services.
- £385k Commercial Programme delivery
- £500k Increased Treasury Management returns and reduced capital financing costs

7.8 In addition to these savings there are a number of income generating services that are impacted by the rolling back of the support provided from reserves, in particular the Economic Recovery Reserve. These are:

- Leisure Income - £335k
- Commercial Rents - £500k
- Garage Rents - £125k
- Commercial Waste - £25k

For more detail, see the Reserves section later in this report. As the cost of living crisis continues to impact demand for discretionary services, customer demand and performance of these services will need to be closely monitored during 2023-24, for early identification of issues.

Key General Fund budget growth since last year

6.9 Detailed ongoing growth areas (i.e. not one-off items of expenditure to be funded from reserves or additional grants) are shown in Appendix B. Key items include:

- £2.3m Employee pay award impact for 2023-25.
- £2.5m "One off" triennial pension payment (Funded through reserve allocation)
- £375k Inflationary pressures including utilities, fuel and supplies and services
- £450k reduction in car parking income due to reduced demand
- £200k to support the People Strategy
- £150k to include the graduate and apprenticeship scheme in the baseline budget.

7.1 As part of the budget setting process, inherent and potential financial risks are assessed and mitigations applied to the budget where required. These risks require ongoing monitoring and reporting as part of the ongoing corporate financial reporting processes.

7.2 The most significant risk to Dacorum's budget setting would be if approved government funding did not meet the budgeted expectations. This risk is considered low following the Autumn Spending review announcements. The Council's projected government funding levels for 23/24 are prudent when compared to the wider Local Government sector.

7.3 At present, the Council faces uncertain times and hence projections are more open to challenge and change than in previous years. As a result, there are a number of service risks where financial performance and service development processes remain under careful scrutiny and monitoring and will be reported back to Members if performance differs from expectations. The high risk areas include;

- The impact of the wider economic pressures on demand for Council services and income generating services. This is due to a combination of the impact of the current cost of living pressures and the ongoing economic recovery from covid.
- Car parking income. Income projections, as at period 7 22/23, are 15% down on pre-covid levels. The 2023/24 budget has provided growth to mitigate this risk, and this continues to be monitored.
- Refuse Service. There are a multitude of pressures in the refuse service including increased demand for waste routes, increased volumes of waste collection/disposal and the ongoing threat of additional government policy change. The service transformation programme is projected to reduce ongoing waste revenue pressures and deliver improvements in the commercial waste service.
- Impact of increasing utility costs. The budget proposals include a number of inflationary budget increases, but prices will continue to be monitored.

8 Housing Revenue Account

8.1 The draft HRA Budget for 2023/24 is attached at Appendix D, with explanations of major movements between the Original Budget 2022/23 and Draft Budget 2023/24 shown in Appendix E.

8.2 Key assumptions have been incorporated into the draft budget. These include the short term assumptions being reviewed at present as part of the HRA 30 year Business Plan, which will be reviewed by Cabinet in line with the 2023/24 budget setting reports;

- Annual rent increase of 7% on all properties, £3.6m
- An increase in repairs and maintenance budgets of £2.6m
- An increase in Supervision and Management budget to support service delivery (£2m), including:
 - An increase in senior management support (C£670k)
 - Pay award 2022/23 and 23/24 and Increased partnership support from core support services has increased the annual recharge (£1,000k).
 - Circa £250k on improved tenancy support and management.
- Reduction in the revenue contribution to capital (£1.1m)

8.3 In line with government policy the HRA business plan had previously modelled annual rent increases at CPI+1%. The current inflationary pressures raised concerns in regards to the affordability of 23/24 social housing rent increases of 11 - 12%. As a result as part of the autumn statement the government announced that it was capping annual rental increases at 7% for 2023/24, 4% current inflation.

8.4 This HRA is not exempt from the current increase in cost pressures and balancing the HRA budget going forward will be increasingly challenging, with significant increases in costs for 2023 and beyond modelled which include;

- Repairs and Maintenance cost increases of circa 25%,

- The 2022 and 2023 pay award projected to exceed 10% in totality,
- An increase in the new build construction costs in excess of 20%.

8.5 The 7% rental increase is;

An increase in rental charges of 7% is;

- 4% behind current inflation levels,
- 2.7% behind 23/24 benefit uplifts for those residents supported by benefit payments,
- 2.7% behind 23/24 national living wage increase.

9 Capital Programme

9.1 The draft Capital Programme is set out in Appendix G.

9.2 There have been a small number of proposed new capital projects from across the Council's services. The financial implications of the new bids and amendments are summarised in Appendix F. The new bids total £1.7m in 23/24 and are predominantly either ongoing maintenance of the Council's existing assets or to support the revised digital strategy.

The General Fund capital programme 2023-2028 totals circa £67m, £39m of this relates to commercially sensitive investments that will be discussed in detail in the Finance and resources OSC as a part 2 item, the other larger capital programmes are;

- £8.1m for the ongoing fleet replacement programme
- £2.5m for the provision of a new DEN's One stop shop and foodbank.
- £2.7m for continued investment in IT and the digital strategy.
- £1.7m for continued investment in the Commercial property portfolio.
- £1.75m investment into Adventure playgrounds and local play areas.

10 Reserves

10.1 The draft 2023/24 budget includes a net contribution from reserves of £2.7m for 2023/24. The largest 2 elements of this contribution is the projected £2.3m one off pension contribution and the circa £900k final year support provided by the Economic recovery reserve.

10.2 The detailed proposed movements in General Fund reserves are set out in Appendix H. The significant reserve movements within the 2023/24 budget are detailed below:

- **Economic Recovery Reserve** – This reserve was created in 2020/21 to fund the forecast financial implications of Covid over the medium-term.

The reserve originally had a balance of £5.14m at the start of 21/22 to support income generating services in their recovery from the pandemic. A final year £900k contribution to the General fund budget will be provided in 23/24 to support;

Commercial Property - £500k
 Garage rental - £125k
 Commercial Waste - £25k
 Leisure Services - £250k

- **Management of Change Reserve** – This reserve was created to support the significant investment required when preparing and implementing service redesign and changes. This reserve will no longer be supported by annual revenue contributions, but will continue where affordable, to support Change initiatives going forward.
- **Technology Reserve** – This reserve was set up to be utilised with the Management of Change Reserve to invest in technology improvements to improve efficiency and resilience across the Council.
- **Savings Efficiency Reserve** – This reserve was created from the achievement of savings made by the Council in advance of need, and is retained to offset the risk of delays to initiatives

planned to generate future savings. The 2023/24 financial year will require the Council to deliver more than double the savings/income generation than in previous years. This reserve could be fundamental to supporting this programme of work. This figure includes a £130k contribution achieved on the cost of pensions by making an upfront contribution payment to the pension fund.

- **Local Development Framework** – net drawdown of £80k. This reserve was created to support the significant research and consultancy costs associated with the development of the Council's Local Plan through to its conclusion in 2024.
- **Dacorum Development Reserve** – net drawdown of £326k. This reserve was created to support regeneration and economic development initiatives across the borough and in recent years has been funded primarily through one-off, growth-related funding streams.

The planned movements in 23/24 comprise a £450k contribution of New Homes Bonus offset by:

- £300k draw down to fund costs associated with the Hemel Garden Communities Programme
 - £125k Support the ongoing garage strategy
 - £125k contribution towards the development of a Dacorum bike scheme
 - £80k transfer of the Local Development Framework reserve to support the Local Plan
 - £146k to support projects relating to economic development and regeneration.
- **Vehicle Replacement Reserve-** This reserve helps fund the replacement of the Council's fleet, revenue contributions to this reserve will no longer be made with the programme being fully funded through capital financing.
 - **Funding Equalisation Reserve** - £1.11m forecast allocation to this reserve. This surplus arises from the annual timing differences in the receipt of Collection Fund income to the Council. Balances on this reserve are held in part to support these deficits when they arise, funded by any prior year surpluses on the Collection Fund.
 - **Pension Reserve** – Contribution of £200k. This reserve is used to support one-off pension contribution payments following triennial pension fund valuation, to smooth out these costs. The next potential payment is due in 2023/24 following the 2022 triennial valuation report.
 - **Training and Development reserve-** draw down of £58k to support the organisational development service in the roll out of the new people strategy.

10.3 The HRA retains a working balance of at least 5% of turnover as part of the Council's reserves strategy. A transfer of £165k to the HRA earmarked reserves in 2023/24 is proposed in order to maintain the working balance at this level.

10.4 The budget presented in draft in this document is robust in its formulation and the level of reserves set for 2023/24 adequate to mitigate the foreseeable risks to the organisation at this point in the process.

11 Governance Statement

11.1 The DBC Annual Governance Statement (AGS) was reviewed as part of the 2021/22 external audit of the financial processes and statements, and a draft was presented to the Audit Committee in September. The external Auditor raised no issues with the content or processes included. The external auditor confirmed the AGS was prepared in line with CIPFA Code and supporting guidance and were consistent with the financial statements.

12 Next Steps/Consultation

12.1 Members of the individual OSCs are asked to review and scrutinise the draft budget proposal for 2023/24, and to provide feedback for Cabinet to consider ahead of the next Joint OSC, in February 2023.

13 Financial Comments

This is a S151 Officer report and financial details are included in the body of the report. This is a draft budget report created for member and residents feedback.

14 Legal Implications

N/A

15 Risk implications:

The significant budget risks related to these draft proposals at this point in time are detailed in the risk section of the report. As with any financial estimates they include a set of assumptions and projections utilising both internal and external professional advice and guidance but are subject to changes due to internal and external forces.

16 Equalities, Community Impact and Human Rights:

The relevant Community Impact Assessments will be undertaken as the individual projects that form the Council's budget are implemented.

17 Sustainability implications (including climate change, health and wellbeing, community safety)

N/A at this stage.

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 2023/24

Appendix A

	Original 2022/23	Growth / (Savings)	Estimate 2023/24 1st OSC 6.12.22
	£000	£000	£000
Service Expenditure & Income			
Employees	27,600	5,120	32,720
Premises	5,199	196	5,395
Transport	1,800	129	1,929
Supplies & Services	8,018	194	8,212
Third-Parties	987	(156)	831
Transfer Payments	47,146	0	47,146
Capital Charges & Bad Debts	4,917	5	4,922
Income	(17,665)	(2,448)	(20,113)
Grants and Contributions	(51,504)	97	(51,407)
Recharge to HRA	(5,084)	(1,031)	(6,115)
Net Cost Of Services	21,415	2,106	23,521
Less:			
Interest Receipts	(300)	(305)	(605)
Interest Payments & MRP	1,029	54	1,083
Reversal of Capital Charges	(4,802)	(0)	(4,802)
Revenue Contributions to Capital	0	0	
Net movement to/(from) Earmarked Reserves	(1,390)	(1,272)	(2,662)
Budget Requirement General Fund	15,952	583	16,534
Parish Precepts	1,015	59	1,074
Budget Requirement Including Parishes	16,967	642	17,609
Funded by:			
Business Rates Retained	(2,904)	(377)	(3,281)
Revenue Support Grant	0	1,514	1,514
New Homes Bonus/Government Grants	(1,429)	979	(450)
Other Government Grants	(208)	142	(66)
Council Tax (Surplus)/Deficit	402	(202)	200
Business Rates (Surplus)/Deficit	1,023	(2,134)	(1,111)
Net Expenditure before Council Tax	13,851	564	14,415
Demand on the Collection Fund	(13,851)	(564)	(14,415)
Net Change in General Fund Balance	0	(0)	(0)
General Fund Balance B/Fwd	(2,502)		(2,502)
In year use	0		(0)
General Fund Balance C/Fwd	(2,502)		(2,502)

GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24		
EMPLOYEE EXPENDITURE		
2022/23 Employee Budget		27,600
<u>Inflation</u>		
Estimated pay award of 4%		1,272
Pay Award for 2022/23 above previous MTFS forecast		880
Increments		99
Inflation on indirect employee costs		9
Sub total - Inflation		2,260
<u>Growth items</u>		
Resource to Deliver Income from Pre-App Advice and Premium Service	AD Planning	21
Market Supplements	AD People	200
Digital Web Improvement Support Officer	HO Digital	50
Graduate and Apprentice Programme	AD People	150
Estates Technician Trainee	HO Property Services	30
Creation of Project Management Office Team	HO Transformation	177
Leadership Training	AD People	50
HRA Funded Posts	Deputy Chief Executive	153
Corporate Leadership Team growth	Chief Executive	74
Senior Leadership Team increments	Chief Executive	18
Sub total - Growth items		923
<u>Removal of 2022/23 one-off items (reserve / grant funded)</u>		
Apprentice scheme	AD People	(139)
Secondary Payment Contribution	HO Financial Services	(39)
Junior Web Developer Post	HO Digital	(45)
National Graduate Development Programme	AD People	(75)
Joint Strategic Plan Employee Costs	SD Place	(70)
Planning Enforcement 1 year FTC	AD Planning	(34)
Planning Officer 1 year FTC	AD Planning	(39)
Strategic Housing Fixed Term Grant Funded Posts	AD Strategic Housing	(75)
Sub total - Removal of 2022/23 one-off items		(516)
<u>2023/24 one-off items (reserve / grant funded)</u>		
Staffing for Borough Election	HO Legal & Democratic Services	120
Pension - triennial payment	HO Financial Services	2,500
Surveyor - Regeneration Projects	HO Property Services	60
Waste Services Transformation Delays	HO Environmental Services	100
Garage Strategy Year 2 Employee Costs	HO Commercial Development	125
Occupational Development Support 1 Year FTC	AD People	58
Sub total - 2023/24 one-off items		2,963
<u>Efficiency savings</u>		
Removal of National Insurance Increase for Social Care	HO Financial Services	(280)
Customer Strategy	SD People & Transformation	(200)
Employee Training	AD People	(40)
Waste Transformation	HO Environmental Services	(35)
Other minor items under £15k		(7)
Sub total - Efficiency savings		(562)
<u>Other</u>		
Internal movement of budget (no growth or efficiencies to services)		52
Sub total - Other		52
Total change year on year		5,120
2023/24 Employee Budget		32,720

GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 PREMISES EXPENDITURE	
2022/23 Premises Budget	5,199
Inflation	
General inflation	176
Sub total - Inflation	176
2023/24 one-off items (reserve / grant funded)	
Borough Election	HO Legal and Democratic Services 20
Sub total - 2023/24 one-off items	20
Total change year on year	196
2023/24 Premises Budget	5,395
GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 TRANSPORT EXPENDITURE	
2022/23 Transport Budget	1,800
Inflation	
General inflation	165
Sub total - Inflation	165
Efficiency savings	
Waste Transformation	HO Environmental Services (99)
Employee Travel	(37)
Sub total - Efficiency savings	(136)
2023/24 one-off items (reserve / grant funded)	
Waste Services Transformation Delays	HO Environmental Services 100
Sub total - 2023/24 one-off items	100
Total change year on year	129
2023/24 Transport Budget	1,929

GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 SUPPLIES & SERVICES EXPENDITURE		
2022/23 Supplies & Services Budget		8,018
<u>Inflation</u>		
Inflation		393
Sub total - Inflation		393
<u>Growth items</u>		
Digital Cloud Migration	HO Digital	50
Digital Warehouse Pilot	HO Digital	40
Transformation projects funding	HO Transformation	73
Customer Relationship Management Digital Licences	HO Digital	100
Sub total - Growth items		263
<u>Removal of 2022/23 one-off items (reserve / grant funded)</u>		
Joint Strategic Plan Costs	SD Place	(98)
Hemel Place Strategy	SD Place	(250)
Service Reviews	HO Transformation	(80)
Waste Transformation	HO Environmental Services	(85)
Local Plan Funding	SD Place	(140)
Residents Survey	HO Communications and Engagement	(40)
Sub total - Removal of 2022/23 one-off items		(693)
<u>2023/24 one-off items (reserve / grant funded)</u>		
Borough Election Premises Costs	HO Legal and Democratic Services	20
Itrent Upgrade	AD People	20
Beryl Bikes	AD Place, Communities and Enterprise	125
Maylands Shuttle	AD Place, Communities and Enterprise	100
Strategic Asset Review	HO Property Services	40
Sub total - 2023/24 one-off items		305
<u>Efficiency savings</u>		
Review of Digital Contracts and Automation	HO Digital	(15)
Customer Service Unit Supplies and Services Underspends	HO Transformation	(10)
Sub total - Efficiency savings		(25)
<u>Other</u>		
Internal movement of budget (no growth or efficiencies to services)		(49)
Sub total - Other		(49)
Total change year on year		195
2023/24 Supplies & Services Budget		8,213
GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 THIRD-PARTY PAYMENTS		
2022/23 Third Party Payments Budget		987
<u>Inflation</u>		
Contractual inflation		17
Sub total - Inflation		17
<u>Removal of 2022/23 one-off items (reserve / grant funded)</u>		
Energy Performance Certificate Programme	HO Property Services	(160)
Sub total - Removal of 2022/23 one-off items		(160)
<u>Efficiency savings</u>		
Apprenticeships and Goodshape Contract Costs	AD People	(12)
Sub total - Efficiency savings		(12)
Total change year on year		(155)
2023/24 Third Party Payments Budget		832

GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 TRANSFER PAYMENTS		
2022/23 Transfer Payments Budget		47,146
Total change year on year		0
2023/24 Transfer Payments Budget		47,146
GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 INCOME		
2022/23 Income Budget		(17,665)
Inflation		
General inflation		(170)
Sub total - Inflation		(170)
Growth items		
Planning Performance Agreement Income	AD Planning	200
Car parking Income - change in demand	HO Commercial Development	350
Sub total - Growth items		550
Increased income		
Commercial Waste Income - recovery over 4 years of Covid-19 impact	HO Environmental Services	(25)
Commercial Rents Income - recovery over 4 years of Covid-19 impact	HO Property Services	(302)
Garage Rents Income - recovery over 4 years of Covid-19 impact	HO Commercial Development	(125)
Leisure Income - recovery from Covid-19 impact	HO Commercial Development	(335)
Planning Income - increase in fees, Local Plan sites and Non-statutory Services	AD Planning	(137)
Forum Rental Income	HO Property Services	(200)
Pre-App Advice and Premium Services	AD Planning	(30)
Investment Income / Capital Strategy	HO Financial Services	(292)
Commercial Rent Income	HO Property Services	(112)
Garage Rental Income	HO Commercial Development	(120)
Other Fees and charges Increase	HO Financial Services	(30)
Green Waste Charging	HO Environmental Services	(650)
CCTV Commercial Service	HO Community Safety	(85)
Commercial Programme	HO Commercial Development	(385)
Sub total - Increased income		(2,828)
Total change year on year		(2,448)
2022/23 Income Budget		(20,113)
GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 GRANTS, REIMBURSEMENTS AND CONTRIBUTIONS		
2022/23 Grants, Reimbursements and Contributions Budget		(51,504)
Inflation		
General inflation		(111)
Sub total - Inflation		(111)
Growth items		
Benefits Admin Grant	HO Revenues and Benefits	40
Joint Strategic Plan Grant Funding	SD Place	168
Sub total - Growth items		208
Total change year on year		97
2023/24 Grants, Reimbursements and Contributions Budget		(51,407)

GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 RECHARGE TO THE HRA	
2022/23 Recharge to the HRA	(5,084)
Other	
HRA posts moved to GF as part of restructure still to be funded by HRA	(360)
Funding of Corporate Leadership Team	(74)
Removal of HRA Supervision of Garages - Managed within General fund	(60)
Annual Uplift in HRA recharge in line with salaries inflation	(356)
Review of General Fund Staffing Support	(181)
Sub total - Other	(1,031)
Total change year on year	(1,031)
2023/24 Recharge to the HRA	(6,115)

GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 EMPLOYEE EXPENDITURE		
2022/23 Employee Budget		11,711
Growth items		
Market Supplements	AD People	200
Digital Web Improvement Support Officer	HO Digital	50
Graduate and Apprentice Programme	AD People	150
Estates Technician Trainee	HO Property Services	30
Creation of Project Management Office Team	HO Transformation	177
Leadership Training	AD People	50
Corporate Leadership Team growth	Chief Executive	74
Senior Leadership Team increments	Chief Executive	18
Sub total - Growth items		749
Removal of 2022/23 one-off items (reserve / grant funded)		
Apprentice scheme	AD People	(139)
Secondary Payment Contribution	HO Financial Services	(39)
Junior Web Developer Post	HO Digital	(45)
National Graduate Development Programme	AD People	(75)
Sub total - Removal of 2022/23 one-off items		(298)
2023/24 one-off items (reserve / grant funded)		
Staffing for Borough Election	HO Legal & Democratic Services	120
Pension - triennial payment	HO Financial Services	2,500
Surveyor - Regeneration Projects	HO Property Services	60
Occupational Development Support 1 Year FTC	AD People	58
Sub total - 2023/24 one-off items		2,738
Efficiency savings		
Removal of National Insurance Increase for Social Care	HO Financial Services	(280)
Customer Strategy	SD People & Transformation	(200)
Employee Training	AD People	(40)
Sub total - Efficiency savings		(520)
Total change year on year		2,668
GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 PREMISES EXPENDITURE		
2022/23 Premises Budget		3,072
2023/24 one-off items (reserve / grant funded)		
Borough Election	HO Legal and Democratic Services	20
Sub total - 2023/24 one-off items		20
Total change year on year		20
GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 TRANSPORT EXPENDITURE		
2022/23 Transport Budget		357
Inflation		
General inflation		165
Sub total - Inflation		165
Efficiency savings		
Employee Travel		(37)
Sub total - Efficiency savings		(37)
Total change year on year		128

GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 SUPPLIES & SERVICES EXPENDITURE		
2022/23 Supplies & Services Budget		4,004
Growth items		
Digital Cloud Migration	HO Digital	50
Digital Warehouse Pilot	HO Digital	40
Transformation projects funding	HO Transformation	73
Customer Relationship Management Digital Licences	HO Digital	100
Sub total - Growth items		263
Removal of 2022/23 one-off items (reserve / grant funded)		
Service Reviews	HO Transformation	(80)
Residents Survey	HO Communications and Engagement	(40)
Sub total - Removal of 2022/23 one-off items		(120)
2023/24 one-off items (reserve / grant funded)		
Borough Election Premises Costs	HO Legal and Democratic Services	20
Strategic Asset Review	HO Property Services	40
Sub total - 2023/24 one-off items		60
Efficiency savings		
Review of Digital Contracts and Automation	HO Digital	(15)
Customer Service Unit Supplies and Services Underspends	HO Transformation	(10)
Sub total - Efficiency savings		(25)
Total change year on year		178
GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 THIRD-PARTY PAYMENTS		
2022/23 Third Party Payments Budget		899
Removal of 2022/23 one-off items (reserve / grant funded)		
Customer Relationship Management Digital Licences	HO Property Services	(160)
Sub total - Removal of 2022/23 one-off items		(160)
Total change year on year		(160)
GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 TRANSFER PAYMENTS		
2022/23 Transfer Payments Budget		47,146
Total change year on year		0
GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 INCOME		
2022/23 Income Budget		(9,052)
Growth items		
Car parking Income - change in demand	HO Commercial Development	350
Sub total - Growth items		350
Increased income		
Commercial Rents Income - recovery over 4 years of Covid-19 impact	HO Property Services	(302)
Leisure Income - recovery from Covid-19 impact	HO Commercial Development	(335)
Forum Rental Income	HO Property Services	(200)
Investment Income / Capital Strategy	HO Financial Services	(292)
Commercial Rent Income	HO Property Services	(112)
Other Fees and charges Increase	HO Financial Services	(30)
Commercial Programme	HO Commercial Development	(385)
Sub total - Increased income		(1,656)
Total change year on year		(1,306)

GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 GRANTS, REIMBURSEMENTS AND CONTRIBUTIONS	
2022/23 Grants, Reimbursements and Contributions Budget	(48,480)
Total change year on year	0
GENERAL FUND BUDGET CHANGE ANALYSIS 2023/24 RECHARGE TO THE HRA	
2022/23 Recharge to the HRA	(7,009)
Other	
HRA posts moved to GF as part of restructure still to be funded by HRA	(360)
Funding of Corporate Leadership Team	(74)
Removal of HRA Supervision of Garages - Managed within General fund	(60)
Annual Uplift in HRA recharge in line with salaries inflation	(491)
Review of General Fund Staffing Support	(181)
Sub total - Other	(1,166)
Total change year on year	(1,166)

OVERVIEW AND SCRUTINY COMMITTEE GENERAL FUND BUDGETS 2023/24				
	Finance & Resources 2023/24 (£'000s)	Housing & Community 2023/24 (£'000s)	Planning & Environment 2023/24 (£'000s)	Total (£'000s)
Employees	15,566	4,946	12,208	32,720
Premises	3,185	1,118	1,093	5,395
Transport	352	6	1,571	1,929
Supplies & Services	4,458	1,169	2,586	8,212
Third-Parties	742	0	90	831
Transfer Payments	47,144	2	0	47,146
Capital Charges	1,812	955	2,155	4,922
Income	(10,476)	(5,333)	(4,655)	(20,463)
Grants and Contributions	(48,446)	(964)	(1,647)	(51,057)
Recharges	(8,063)	163	1,785	(6,115)
Net Expenditure by Committee	6,274	2,062	15,185	23,521

SUMMARY OF MAJOR MOVEMENTS IN HOUSING REVENUE ACCOUNT BUDGET 2022/23 - 2023/24**Note 1 - Dwelling Rents**

Rents for 2023/24 have been set at 7% the maximum cap set by government for 2023/24. The average dwelling rent is proposed to be £118.62 in 2023/24.

Note 2 - Interest & Investment Income/Interest Payable

Due to increasing interest rates an additional £158K income is expected to be received for HRA treasury investments for 2023/24

A budget reduction of £35k for income payable is proposed based on an updated interest schedule where interest charges are lower than budgeted.

Note 3 - Repairs and Maintenance

Due to increasing costs seen through inflation a 25% increase has been applied to the repairs and maintenance budgets for 2023/24. £168K of the repairs and maintenance budget has been moved to fund employees to manage the asbestos works in house.

Note 4 - Revenue Contribution to Capital

The Revenue Contribution to Capital has been adjusted to balance the HRA in year. A decreased contribution to capital is expected.

Note 5 - Supervision and Management and Corporate and Democratic Core

The draft budget includes the following assumptions and changes :

£155k for Creation of in house Asbestos Team funded through reduced Repairs and Maintenance budget

An increase to the draft budget for 2023/24 due to revised estimates for recharges from the General Fund following full council Restructure in 2022/23.

Introduction of Housing Strategy Investment team approved during 2022/23 £443K

Senior Management Team approved during 2022/23 £232K

Growth of £236K for Tenancy Sustainment and Tenancy Management Posts.

Note 6 - Rent, Rates, Taxes & Other Charges

A budget increase has been put forward to provide for a suitable budget for void costs.

Note 6 - Housing Revenue Account Balance

The HRA Working Balance is maintained by the Council at a level of not below 5% of turnover, as approved by Members as part of the MTFs Reserves Strategy. Due to the increase in income to maintain this balance a contribution to the HRA working balance of £165K is required

Note 7 - Contribution from / to Reserves

A contribution is proposed to contribute £165k to the HRA working balance to ensure this is maintained at 5% of turnover.

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2023/24 - 2027/28

Summary	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Current Overall Programme	27,424	15,233	8,122	2,895	0	53,674
New Bids	1,724	580	50	511	3,316	6,182
Rephased and Amended Schemes	24	8,813	(2,352)	269	0	6,755
Revised Overall Programme	29,172	24,626	5,820	3,676	3,316	66,610

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2023/24 - 2027/28

NEW BIDS	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
<u>FINANCE & RESOURCES</u>						
Head of Property Services						
Stone Works Charter Tower	15					15
Commercial Properties Projects	754	50	50	50	50	954
Damp proofing improvements to commercial properties	30					30
Head of Digital						
Renewal of data Centre Hardware		40				40
Digital Strategy (CRM Solution)	590	490				1,080
Rolling Programme - Hardware	150				75	225
Software Licences - Right of Use					40	40

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2023/24 - 2027/28

NEW BIDS	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
<u>STRATEGIC PLANNING & ENVIRONMENT</u>						
Head of Environmental Services						
New Wheeled Bins					100	100
Fleet Replacement Programme				461	2,265	2,727
Litter Bin Replacement Programme	50					50
Water Gardens Fencing	25					25
Splash Park	70					70
Head of Regulatory Services						
Air Quality Monitoring	40					40
<u>HOUSING & COMMUNITY</u>						
Head of Community Safety						
Rolling Programme - CCTV Cameras					25	25
Capital Grants - Community Groups					20	20
Verge Hardening Programme						0
Head of Housing Property						
Disabled Facilities Grants					741	741
TOTAL - NEW BIDS	1,724	580	50	511	3,316	6,182

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2023/24 - 2027/28

REPHASED AND AMENDED SCHEMES	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
<u>FINANCE & RESOURCES</u>						
Chief Finance Officer (S151)						
Various commercial ventures (commercially sensitive)- rephased	(2,948)	8,672	(2,408)	12		3,328
Head of Property Services						
Long Chaulden Roof	55					55
Bennettsgate - Window Renewal- amended	75					75
Broadwater Road Resurfacing - amended	93					93
Creation of new Community Facility and Foodbank at The Hub (Dens)	625					625
Bellgate Canopy Renewal - Highfield - amended	200					200
Allotment Improvement Programme - amended	57					57
Stone Works to Charter Tower - amended	18					18
<u>HOUSING & COMMUNITY</u>						
Head of Community Safety						
Verge Hardening Programme- amended	164					164
Rolling Programme - CCTV Cameras	11					11
Alarm Receiving Centre	34					34
CCTV Equipment Refresh	55					55
<u>STRATEGIC PLANNING & ENVIRONMENT</u>						
Head of Environmental Services						
Fleet Replacement Programme- amended	923	141	56	257		1,378
AD Place, Community and Enterprise						
The Bury - Residential Development- rephased	53					53
Adventure Playground Improvement Programme	500					500
Urban Park/Education Centre (Durrants Lakes)- rephased	109					109
TOTAL - REPHASED AND AMENDED BIDS	24	8,813	(2,352)	269	0	6,755

DRAFT CAPITAL PROGRAMME BY OSC 2023/24 - 2027/28

Scheme		23/24 £'000	24/25 £'000	25/26 £'000	26/27 £'000	27/28 £'000
	GENERAL FUND					
	FINANCE & RESOURCES					
	Chief Finance Officer (S151)					
1	Various commercial ventures (commercially sensitive)	15,952	19,672	3,592	12	-
	Head of Property Services					
2	Service Lease Domestic Properties	30	-	30	-	-
3	Commercial Properties Projects	754	50	50	50	50
4	Bennettsgate Shopping Centre Render Improvement	15	-	-	-	-
5	Boiler Replacement Programme	22	-	-	-	-
6	Bennettsgate - Window Renewal	285	-	-	-	-
7	Allotment Improvement Programme	57	-	-	-	-
8	Void Refurbishment Properties for Temporary Accommodation	70	70	-	-	-
9	Bellgate Canopy Renewal - Highfield	200	-	-	-	-
10	Creation of new Community Facility and Foodbank at The Hub (Dens)	2,500	-	-	-	-
11	Damp proofing improvements to commercial properties	30	-	-	-	-
12	Door Entry Access System Upgrade Programme - Shopping Precincts	20	-	-	-	-
13	Long Chaulden Roof	55	-	-	-	-
14	Broadwater Road Resurfacing	93	-	-	-	-
15	Stone Works to Charter Tower	33	-	-	-	-
		20,116	19,792	3,672	62	50

DRAFT CAPITAL PROGRAMME BY OSC 2023/24 - 2027/28

Scheme		23/24 £'000	24/25 £'000	25/26 £'000	26/27 £'000	27/28 £'000
	FINANCE & RESOURCES					
	Head of Digital					
16	Rolling Programme - Hardware	675	75	75	75	75
17	Software Licences - Right of Use	40	40	40	40	40
18	Future vision of CRM	590	490	-	-	-
19	Renewal of Data Centre Hardware	-	390	-	-	-
20	Automation Programme	85	-	-	-	-
21	Civica Customer Experience Software (Flare replacement)	50	-	-	-	-
		1,440	995	115	115	115
	TOTAL - FINANCE & RESOURCES	5,604	1,115	195	165	165

DRAFT CAPITAL PROGRAMME BY OSC 2023/24 - 2027/28

Scheme		23/24 £'000	24/25 £'000	25/26 £'000	26/27 £'000	27/28 £'000
STRATEGIC PLANNING & ENVIRONMENT						
Head of Environmental Services						
22	New Wheeled Bins	100	100	100	100	100
23	Fleet Replacement Programme	1,904	773	897	2,363	2,265
24	Play Area Investment Income	250	-	-	-	-
25	Water Gardens Fencing	25	-	-	-	-
26	Litter Bin Replacement Programme	85	-	-	-	-
27	Splash Park	70	-	-	-	-
		2,434	873	997	2,463	2,365
Head of Regulatory Services						
28	Air Quality Monitoring	40	-	-	-	-
		40	-	-	-	-
AD Place, Community and Enterprise						
29	Urban Park/Education Centre (Durrants Lakes)	109	-	-	-	-
30	The Bury - Conversion into Museum and Gallery	2,623	975	-	-	-
		2,732	975	-	-	-
TOTAL - STRATEGIC PLANNING & ENVIRONMENT		5,206	1,848	997	2,463	2,365

DRAFT CAPITAL PROGRAMME BY OSC 2023/24 - 2027/28

Scheme		23/24 £'000	24/25 £'000	25/26 £'000	26/27 £'000	27/28 £'000
HOUSING & COMMUNITY						
Head of Community Safety						
31	Verge Hardening Programme	414	250	250	250	-
32	Adventure Playgrounds Improvement programme	1,000	500	-	-	-
33	Capital Grants - Community Groups	20	20	20	20	20
34	Rolling Programme - CCTV Cameras	36	25	25	25	25
	Alarm Receiving Centre	34	-	-	-	-
35	CCTV equipment refresh	165	455	-	-	-
Head of Housing Property						
36	Disabled Facilities Grants	741	741	741	741	741
TOTAL - HOUSING & COMMUNITY		2,409	1,991	1,036	1,036	786
TOTAL - GENERAL FUND		29,172	24,626	5,820	3,676	3,316

DRAFT CAPITAL PROGRAMME BY OSC 2023/24 - 2027/28

APPENDIX G

Scheme		23/24	24/25	25/26	26/27	27/28
		£'000	£'000	£'000	£'000	£'000
	HOUSING REVENUE ACCOUNT					
	Head of Housing Property					
37	Planned Fixed Expenditure	13,320	13,320	13,320	13,320	13,320
38	DBC Commissioned Capital Works	4,780	5,204	4,203	1,986	1,986
		18,100	18,524	17,523	15,306	15,306
	Head of Development					
39	New Build - General Expenditure	46,300	39,845	15,649	22,000	22,000
		46,300	39,845	15,649	22,000	22,000
	TOTAL - HOUSING REVENUE ACCOUNT	64,400	58,369	33,172	37,306	37,306
	TOTAL CAPITAL PROGRAMME	93,572	82,995	38,992	40,982	40,622

GENERAL FUND RESERVE MOVEMENTS 2023/24 TO 2024/25

General Fund Reserves Summary	Balance as at	Budgeted Reserve Movement	In Year Amendments	Net Reserve Movement	Balance as at	Net Reserve Movement	Balance as at	Net Reserve Movement	Balance as at
	31/03/2022 £'000	2022/23 £'000		2022/23 £'000	31/03/2023 £'000	2023/24 £'000	31/03/2024 £'000	2024/25 £'000	31/03/2025 £'000
Civic Buildings Major Repairs Reserve	60			60		60		60	
Capital Development Reserve	300	(300)		(300)	0	0		0	
Earmarked Grants Reserve	44			44		44		44	
Management of Change Reserve	257	768	(586)	182	439	(103)	336	336	
Technology Reserve	752	(45)		(45)	707		707	707	
Savings Efficiencies Reserve	907	(175)	(384)	(559)	348	26	374	153	527
On Street Car Parking Reserve	108	40		40	148	40	188	40	228
Local Development Framework Reserve	477	(150)		(150)	327	(80)	247	(130)	117
Dacorum Development Reserve	2,707	717	(505)	212	2,919	(326)	2,593		2,593
Climate Change and Sustainability Reserve	212		(46)	(46)	166		166		166
Litigation Reserve	317			317			317		317
Vehicle Replacement Reserve	0	350		350	350	25	375	25	400
Invest to Save Reserve	62	(20)		(20)	42	(20)	22		22
Youth Provision Reserve	44			44			44		44
Election Reserve	80	40		40	120	(120)		40	40
Uninsured Loss Reserve	360			360			360		360
Training & Development Reserve	133	(75)		(75)	58	(58)	0		0
Housing Conditions Survey Reserve	76	15		15	91	15	106	15	121
Dacorum Rent Aid - Guarantee Scheme	15	(15)		(15)	0		0		0
Rent Guarantee Scheme Reserve	15	(15)		(15)	0		0		0
Funding Equalisation Reserve	10,048	(1,023)	(7,059)	(8,082)	1,966	1,111	3,077		3,077
Pensions Reserve	2,573	200		200	2,773	(2,300)	473	200	673
Maylands Plus Reserve	46	23		23	69	23	92	23	115
Covid 19 Hardship Fund	133			133			133		133
Economic Recovery Reserve	2,807	(1,725)		(1,725)	1,082	(895)	187		187
Inflationary Pressures Reservce	565			565			565		565
Total Earmarked Reserves	23,098	(1,390)	(8,580)	(9,970)	13,128	(2,662)	10,466	366	10,832
Working Balance	2,502			2,502			2,502		2,502
Total General Fund Reserves	25,600	(1,390)	(8,580)	(9,970)	15,630	(2,662)	12,968	366	13,334

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2023/24

	Unit Measurement	2022/23 Charge	2023/24 Proposed Charge	% Change
Revenues				
Summons Costs		70.00	70.00	0.0%
Liability Orders		30.00	30.00	0.0%
Berkhamsted Civic Centre				
Weddings - Full Day	Day	680.00	700.50	3.0%
Extended from 11.30pm to midnight	Half Hour	70.50	72.50	2.8%
Community Use - Day	Hour	23.50	24.00	2.1%
Community Use - Monday to Thursday Evening (after 6pm)	Hour	27.50	28.50	3.6%
Community Use - Friday Evenings & Weekends	Hour	32.50	33.50	3.1%
Commercial Use - Day	Hour	29.50	30.50	3.4%
Commercial Use - Monday to Thursday Evening (after 6pm)	Hour	36.50	37.50	2.7%
Commercial Use - Friday Evenings & Weekends	Hour	45.00	46.50	3.3%
Sale of Goods - Commercial - Evenings (after 6pm)	Evening	283.00	291.50	3.0%
Sale of Goods - Commercial	Day	294.00	303.00	3.1%
Victoria Hall				
Day Fayres - inc. Assembly Room, Victoria Room and main kitchen (9am to 5.30pm)	Day	510.00	525.50	3.0%
Day Fayres - inc. Assembly Room, Victoria Room and main kitchen (9am to 5.30pm) Charity	Day	286.00	294.50	3.0%
Refundable Deposit (If required)	Per Hire	200.00	206.00	3.0%
All Events Extra Time 11:30pm - 12.00am.	Half Hour	66.50	69.00	3.8%
Assembly Room - Community Use - Day	Hour	23.50	24.00	2.1%
Assembly Room - Community Use - Evening/Weekends	Hour	26.50	27.50	3.8%
Assembly Room - Commercial Use - Day	Hour	27.50	28.50	3.6%
Assembly Room - Commercial Use - week night Monday to Thursday	Hour	34.50	35.50	2.9%
Assembly Rooms - Commercial Use - Evening/Weekends	Hour	41.00	42.00	2.4%
Everyone Active Bowls and Table Tennis	Session 2.5 hours	36.50	37.50	2.7%
Private Bowls and Table Tennis	Session 2.5 hours	36.50	37.50	2.7%
Kitchen Use - Washing Up	Day	34.50	35.50	2.9%
Kitchen Use - Full Catering	Day	66.50	68.50	3.0%
Victoria Room - Commercial Use - Weekdays to 6pm	Hour	24.50	25.00	2.0%
Victoria Room - Commercial Use - Weekdays after 6pm and Weekends	Hour	28.50	29.50	3.5%
Victoria Room - Community Use - Weekdays to 6pm	Hour	20.50	21.00	2.4%
Victoria Room - Community Use - Weekdays after 6pm and Weekends	Hour	22.50	23.00	2.2%
Albert Room - Community Use - Weekdays to 6pm	Hour	15.50	16.00	3.2%
Albert Room - Community Use - Weekdays after 6pm and Weekends	Hour	17.50	18.00	2.9%
Edward Room - Weekdays	Hour	12.00	12.50	4.2%
Edward Room Office	Hour	9.00	9.50	5.6%
Tring Park School Assembly Room	Hour	20.50	21.00	2.4%
Tring Park School Victoria Room	Hour	17.50	18.00	2.9%
Tring Park School Albert Room	Hour	11.00	11.50	4.5%
Tring U3A Table Tennis	Session 2.5 hours	36.50	37.50	2.7%
Football Season				
Adult - Including Pavilion	13 Games	908.00	930.00	2.4%
Adult - Excluding Pavilion	13 Games	650.00	670.00	3.1%
Junior (aged 11 to 18) - Including Pavilion	13 Games	469.00	482.00	2.8%
Junior (aged 11 to 18) - Excluding Pavilion	13 Games	326.00	336.00	3.1%
Mini (aged 7 to 10) - Including Pavilion	13 Games	288.00	299.00	3.8%
Mini (aged 7 to 10) - Excluding Pavilion	13 Games	199.00	206.00	3.5%
Sports Pitch Hire - Football, Baseball & Rugby				
Adult - Including Pavilion	Match	76.50	78.00	2.0%
Adult - Excluding Pavilion	Match	55.00	56.50	2.7%
Junior (aged 11 to 18) - Including Pavilion	Match	48.00	49.00	2.1%
Junior (aged 11 to 18) - Excluding Pavilion	Match	36.00	37.00	2.8%
Mini (aged 7 to 10) - Including Pavilion	Match	30.50	31.50	3.3%
Mini (aged 7 to 10) - Excluding Pavilion	Match	21.50	22.00	2.3%
Sports Pitch Hire - Cricket				
Adult - Including Pavilion	Match	76.50	78.00	2.0%
Adult - Excluding Pavilion	Match	70.50	72.00	2.1%
Adult - Weekday Evening Match Excluding Pavilion	Match	46.00	47.00	2.2%
Adult - Training (No Marking Required)	Match	36.00	37.00	2.8%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2023/24

	Unit Measurement	2022/23 Charge	2023/24 Proposed Charge	% Change
Miscellaneous				
Hot Air Balloon Launches	Per Launch	55.00	60.00	9.1%
Allotments	Pole	6.00	6.00	0.0%
Commercial Property and Assets				
Land Disposal Enquiry Charge		357.00	370.00	3.6%
Woodwells Caravan Park				
In Borough Resident	Per Annum	437.00	448.00	2.5%
Out of Borough Resident	Per Annum	521.00	538.00	3.3%
Cemeteries				
Exclusive Right of Burial				
Lawn Grave 9ft x 4ft (75 Years)		1,460.00	1,610.00	10.3%
Child & Babies Section (child from 0 to 12 years)		no charge	no charge	0.0%
Muslim Wooden Lined Grave / Muslim Burial ERB		N/A	N/A	0.0%
Pre Purchased				
Lawn Grave (75 Years)		2,525.00	2,780.00	10.1%
Cremated Remains Exclusive Right of Burial				
Cremated Remains Flat Tablet Memorial (75 Years)		545.00	600.00	10.1%
Cremated Remains Desk Memorial (75 Years)		545.00	600.00	10.1%
Cremated Remains 2'6" upright Memorial (75 Years)		785.00	865.00	10.2%
Cremated Remains Family Garden (75 Years)		N/A	N/A	0.0%
Pre Purchased				
Cremated Remains Flat Tablet Memorial (75 Years)		850.00	935.00	10.0%
Cremated Remains Desk Memorial (75 Years)		850.00	935.00	10.0%
Cremated Remains 2'6" upright Memorial (75 Years)		1,095.00	1,205.00	10.0%
Cremated Remains Family Garden (75 Years)		N/A	N/A	0.0%
* All fees are pertinent to the grave owner, if non-resident fees are treble.				
Interment Fees				
Lawn Grave (Burial) - Adult		675.00	745.00	10.4%
Additional Excavation fees - Adult		220.00	245.00	11.4%
Lawn Grave (Burial) - Child		no charge	no charge	0.0%
Woodland Burial including Tree		830.00	915.00	10.2%
Child Grave Child & Baby Section		no charge	no charge	0.0%
Cremated Remains Adult		230.00	255.00	10.9%
Cremated Remains - Double Interment - Adult		460.00	510.00	10.9%
Scattering of Remains - Adult or Child		65.00	75.00	15.4%
* All fees are pertinent to the grave owner, if non-resident fees are treble.				
Cemeteries				
Additional Fees				
ERB (Deed) Transfer (to another)		75.00	85.00	13.3%
Use of Chapel at Tring		95.00	105.00	10.5%
Repurchase expired lease on Right of Burial (75 years)		945.00	1,040.00	10.1%
Repurchase expired lease on Right of Burial (75 years) Cremation Plot		35.00	40.00	14.3%
Additional Fee for out of hours interment (after 2 Mon - Thurs, after 1 Friday)		320.00	355.00	10.9%
Additional Fee for Saturday interment (Until 12.00)		320.00	355.00	10.9%
Memorial Fees				
Memorial Administration Fees				
Headstone (additional or replacement)		215.00	240.00	11.6%
Child's Headstone		no charge	no charge	0.0%
Tablet or Plaque (additional or replacement)		85.00	95.00	11.8%
Desktop (additional or replacement)		85.00	95.00	11.8%
Vase (additional or replacement)		50.00	55.00	10.0%
Headstone (each inscription after the first, inc. memorial test fees)		145.00	160.00	10.3%
Desktops, Tablets and Plaques (each inscription after the first)		55.00	65.00	18.2%
Vase (each inscription after the first)		35.00	40.00	14.3%
Jubilee Bench and installation (inc. 10 year lease)		1,650.00	1,815.00	10.0%
Memorial Seat Extend Lease (additional 5 years)		130.00	145.00	11.5%
Granite Seat Plaque Renewal (5 years)		180.00	200.00	11.1%
Shrub with Inscribed Marker (10 years)		265.00	295.00	11.3%
Shrub renewal (5 years)		140.00	155.00	10.7%
Rose with Inscribed Marker (10 years)		265.00	295.00	11.3%
Rose renewal (5 years)		165.00	185.00	12.1%
* All fees are pertinent to the grave owner, if non-resident fees are treble.				

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2023/24

	Unit Measurement	2022/23 Charge	2023/24 Proposed Charge	% Change
Charges to Watford Residents Using Poppyfields Cemetery				
Exclusive Right of Burial				
Lawn Grave 9ft x 4ft (75 Years)		1,515.00	1,670.00	10.2%
Child & Babies Section (child from 0 to 12 years)		no charge	no charge	0.0%
Pre Purchased				
Lawn Grave (75 Years)		2,525.00	2,780.00	10.1%
Cremated Remains Exclusive Right of Burial				
Cremated Remains Flat Tablet Memorial (50 Years)		545.00	600.00	10.1%
Cremated Remains Desk Memorial (50 Years)		545.00	600.00	10.1%
Cremated Remains 2'6" upright Memorial (50 Years)		785.00	865.00	10.2%
Interment Fees				
Lawn Grave (Burial) - Adult		790.00	870.00	10.1%
Additional Excavation fees - Adult		220.00	245.00	11.4%
Lawn Grave (Burial) - Child		no charge	no charge	0.0%
Child Grave Child & Baby Section		no charge	no charge	0.0%
Cremated Remains Adult		265.00	295.00	11.3%
Cremated Remains - Double Interment - Adult		530.00	585.00	10.4%
Scattering of Remains - Adult or Child		65.00	75.00	15.4%
Additional Fees				
ERB (Deed) Transfer (to another)		75.00	85.00	13.3%
Use of Chapel at Tring		150.00	165.00	10.0%
Repurchase expired lease on Right of Burial (50 years)		465.00	515.00	10.8%
Repurchase expired lease on Right of Burial (50 years) Cremation Plot		165.00	185.00	12.1%
Additional Fee for out of hours interment (after 2 Mon - Thurs, after 1 Friday)		320.00	355.00	10.9%
Additional Fee for Saturday interment (Until 12.00)		320.00	355.00	10.9%
Parking Services				
Off Street Parking - (including VAT @ 20% where applicable)				
Wood Lane End (Previously Duxons Turn)	Up to 2 Hours	0.50	0.50	0.0%
Wood Lane End (Previously Duxons Turn)	Up to 3 Hours	0.80	0.80	0.0%
Wood Lane End (Previously Duxons Turn)	Up to 4 Hours	1.20	1.20	0.0%
Wood Lane End (Previously Duxons Turn)	Up to 10 Hours	2.00	2.00	0.0%
Wood Lane End (Previously Duxons Turn)	Annual season ticket (limited to 30)	250.00	250.00	0.0%
The Gables	Up to 1 Hour	0.60	0.60	0.0%
The Gables	Up to 2 Hours	0.80	0.80	0.0%
The Gables	Up to 3 Hours	1.00	1.00	0.0%
The Gables	Up to 4 Hours	1.20	1.20	0.0%
The Gables	Up to 10 Hours	1.70	1.70	0.0%
High Street	Up to 1 Hour	0.50	0.50	0.0%
High Street	Up to 2 Hours	0.80	0.80	0.0%
High Street	Up to 3 Hours	1.00	1.00	0.0%
High Street	Up to 4 Hours	1.20	1.20	0.0%
High Street	Up to 10 Hours	1.70	1.70	0.0%
High Street	Annual resident permit	80.00	80.00	0.0%
Queensway	Up to 1 Hour	0.60	0.60	0.0%
Queensway	Up to 2 Hours	1.10	1.10	0.0%
Queensway	Up to 3 Hours	1.40	1.40	0.0%
Queensway	Up to 4 Hours	1.80	1.80	0.0%
Queensway	Up to 10 Hours	2.70	2.70	0.0%
Alexandra Road	Up to 1 Hour	0.60	0.60	0.0%
Alexandra Road	Up to 2 Hours	1.10	1.10	0.0%
Alexandra Road	Up to 3 Hours	1.40	1.40	0.0%
Alexandra Road	Up to 4 Hours	1.80	1.80	0.0%
Alexandra Road	Up to 10 Hours	2.70	2.70	0.0%
Water Gardens (North) upper deck	Up to 1 Hour	1.00	1.00	0.0%
Water Gardens (North) upper deck	Up to 2 Hours	1.60	1.60	0.0%
Water Gardens (North) upper deck	Up to 3 Hours	2.20	2.20	0.0%
Water Gardens (North) upper deck	Up to 4 Hours	2.70	2.70	0.0%
Water Gardens (North) upper deck	Up to 10 Hours	4.00	4.00	0.0%
Water Gardens (North) lower deck	Up to 1 Hour	1.00	1.00	0.0%
Water Gardens (North) lower deck	Up to 2 Hours	1.60	1.60	0.0%
Water Gardens (North) lower deck	Up to 3 Hours	2.20	2.20	0.0%
Water Gardens (North) lower deck	Up to 4 Hours	2.70	2.70	0.0%
Water Gardens (North) lower deck	Up to 10 Hours	4.00	4.00	0.0%
Water Gardens (South)	Up to 30 minutes	0.60	0.60	0.0%
Water Gardens (South)	Up to 1 Hour	1.20	1.20	0.0%
Water Gardens (South)	Up to 2 Hours	1.80	1.80	0.0%
Moor End Road	Up to 4 Hours	2.70	2.70	0.0%
Moor End Road	Up to 10 Hours	4.00	4.00	0.0%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2023/24

	Unit Measurement	2022/23 Charge	2023/24 Proposed Charge	% Change
Park Road	Up to 1 Hour	0.70	0.70	0.0%
Park Road	Up to 2 Hours	0.90	0.90	0.0%
Park Road	Up to 3 Hours	1.10	1.10	0.0%
Park Road	Up to 4 Hours	1.40	1.40	0.0%
Park Road	Up to 10 Hours	2.70	2.70	0.0%
Cowper Road	Up to 2 Hours	0.60	0.60	0.0%
Cowper Road	Up to 3 Hours	0.70	0.70	0.0%
Cowper Road	Up to 4 Hours	0.80	0.80	0.0%
Durrants Hill	Up to 2 Hours	0.40	0.40	0.0%
Durrants Hill	Up to 3 Hours	0.80	0.80	0.0%
Durrants Hill	Up to 4 Hours	1.20	1.20	0.0%
Durrants Hill	Up to 10 Hours	1.70	1.70	0.0%
Durrants Hill	Annual season ticket	330.00	330.00	0.0%
Water Lane	Up to 1 Hour	0.90	0.90	0.0%
Water Lane	Up to 2 Hours	1.60	1.60	0.0%
Lower Kings Road multi-storey	Up to 1 Hour	0.80	0.80	0.0%
Lower Kings Road multi-storey	Up to 2 Hours	1.50	1.50	0.0%
Lower Kings Road multi-storey	Up to 3 Hours	2.20	2.20	0.0%
Lower Kings Road multi-storey	Up to 4 Hours	3.00	3.00	0.0%
Lower Kings Road multi-storey	Up to 10 Hours	4.00	4.00	0.0%
Lower Kings Road multi-storey	Business Permits	375.00	375.00	0.0%
Canal Fields	10 day season (limited to 20)	15.00	15.00	0.0%
St John's Well Lane	Up to 1 Hour	0.80	0.80	0.0%
St John's Well Lane	Up to 2 Hours	1.50	1.50	0.0%
St John's Well Lane	Up to 3 Hours	2.20	2.20	0.0%
St John's Well Lane	Up to 4 Hours	3.00	3.00	0.0%
St John's Well Lane	Up to 10 Hours	4.00	4.00	0.0%
The Forge	Up to 2 Hours	1.10	1.10	0.0%
The Forge	Up to 3 Hours	1.30	1.30	0.0%
The Forge	Up to 4 Hours	1.60	1.60	0.0%
The Forge	Up to 10 Hours	2.40	2.40	0.0%
The Forge	Annual season ticket	450.00	450.00	0.0%
The Forge	Annual resident permit	80.00	80.00	0.0%
Church Yard (Previously Frogmore Street East long stay)	Up to 10 Hours	2.40	2.40	0.0%
Frogmore Street (East)	Up to 2 Hours	1.10	1.10	0.0%
Frogmore Street (East)	Up to 3 Hours	1.30	1.30	0.0%
Frogmore Street (East)	Up to 4 Hours	1.60	1.60	0.0%
Frogmore Street (West)	Up to 10 Hours	2.40	2.40	0.0%
Frogmore Street (West)	Annual resident permit	80.00	80.00	0.0%
Victoria Hall	Up to 2 Hours	1.10	1.10	0.0%
Victoria Hall	Up to 3 Hours	1.30	1.30	0.0%
Victoria Hall	Up to 4 Hours	1.60	1.60	0.0%
Old School Yard (Tring Town Council car park)	Up to 2 Hours	1.10	1.10	0.0%
Old School Yard (Tring Town Council car park)	Up to 3 Hours	1.30	1.30	0.0%
Old School Yard (Tring Town Council car park)	Up to 4 Hours	1.60	1.60	0.0%
Annual resident car park permit changes	2nd and more in any year	-	-	0.0%
Bay suspension or dispensation	Per day	25.00	25.00	0.0%
On Street Parking				
Waterhouse Street (certain lengths between Bank Court and bus station)	Up to 30 minutes	1.00	1.00	0.0%
Shared use St John's Road cul-de-sac	Up to 1 Hour	0.50	0.50	0.0%
Shared use St John's Road cul-de-sac	Up to 2 Hours	1.00	1.00	0.0%
Shared use St John's Road cul-de-sac	Up to 3 Hours	2.00	2.00	0.0%
Shared use St John's Road cul-de-sac	Up to 4 Hours	4.00	4.00	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 4 Hours	4.00	4.00	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 4 Hours	4.00	4.00	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 4 Hours	4.00	4.00	0.0%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2023/24



	Unit Measurement	2022/23 Charge	2023/24 Proposed Charge	% Change
Shared use Alexandra Road (adjacent to Christchurch)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Alexandra Road (adjacent to Christchurch)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Alexandra Road (adjacent to Christchurch)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Alexandra Road (adjacent to Christchurch)	Up to 4 Hours	4.00	4.00	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 12 minutes	0.20	0.20	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 24 minutes	0.40	0.40	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 36 minutes	0.60	0.60	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 48 minutes	0.80	0.80	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 60 minutes	1.00	1.00	0.0%
CPZ resident permit 1st	Annual	40.00	40.00	0.0%
CPZ resident permit 2nd	Annual	60.00	60.00	0.0%
CPZ resident permit 3rd	Annual	70.00	70.00	0.0%
CPZ resident permit motorcycle	Annual	20.00	20.00	0.0%
CPZ business permit	Annual	300.00	300.00	0.0%
CPZ visitor permit	5 Hour x 20	13.00	13.00	0.0%
CPZ visitor permit	1 week	4.00	4.00	0.0%
CPZ visitor permit	1 Hour x 25	5.00	5.00	0.0%
CPZ visitor permit applicant Dacorum card holder	5 Hour x 20	6.50	6.50	0.0%
CPZ visitor permit applicant Dacorum card holder	1 Hour x 25	2.50	2.50	0.0%
CPZ visitor permit applicant 60 years old or over	5 Hour x 20	6.50	6.50	0.0%
CPZ visitor permit applicant 60 years old or over	1 week	2.00	2.00	0.0%
CPZ visitor permit postage and handling	1 to 4 books	3.00	3.00	0.0%
CPZ visitor permit postage and handling	5 to 10 books	5.00	5.00	0.0%
CPZ special permit 1st	Annual	40.00	40.00	0.0%
CPZ special permit 2nd	Annual	60.00	60.00	0.0%
CPZ special permit 3rd	Annual	70.00	70.00	0.0%
CPZ doctor health visitor (DHV) permit	Annual	40.00	40.00	0.0%
Bay suspension or dispensation	Per day	25.00	25.00	0.0%
Customer Accounts				
Service Charge Enquiry Fees: Sale-on Charges for provision of leaseholder information packs	Per application	206.00	258.00	25.2%
Address Management				
Charge for registering new developments / properties (plots)				
1 Plot		130.00	145.00	11.5%
2 - 5 Plots		215.00	240.00	11.6%
6 - 25 Plots		450.00	495.00	10.0%
26 - 75 Plots		500.00	550.00	10.0%
76+ Plots		£1000+£10	£1100.00+ £10.00	10.0%
Renaming a house or building (after initial submission)		120.00	135.00	12.5%
Amending a house number		120.00	135.00	12.5%
Division / Conversion of existing or renumbering (new postal numbers)				
1 Plot		130.00	145.00	11.5%
2 - 5 Plots		215.00	240.00	11.6%
6 - 25 Plots		450.00	495.00	10.0%
26 - 75 Plots		500.00	550.00	10.0%
Naming of a building		120.00	135.00	12.5%
Renaming / Changing of an existing street name (where requested by residents and / or Town/Parish Council)		£450 + £25	£495+ £25	10.0%



Finance and Resources

Overview and Scrutiny Committee

Report for:	Finance and Resources Overview and Scrutiny Committee
Title of report:	Quarter 2 Financial Monitoring Report 2022-23
Date:	6 th December 2022
Report on behalf of:	Councillor Graeme Elliot, Portfolio Holder for Finance and Resources
Part:	I
If Part II, reason:	N/A
Appendices:	Appendix A – General Fund Summary Appendix B – HRA Summary Appendix C– Capital Programme
Background papers:	Budget Report February 2022 Cabinet Quarter 1 Financial Monitoring Report, September 2022 cabinet.
Glossary of acronyms and any other abbreviations used in this report:	GF – General Fund HRA – Housing Revenue Account

<p>Report Author / Responsible Officer</p> <p>Nigel Howcutt, Chief Finance Officer</p> <p>Fiona Jump, Head of Financial Services</p> <p> </p> <p>Nigel.howcutt@dacorum.gov.uk / 01442 228226 (ext. 2226)</p>

Corporate Priorities	<p>A clean, safe and enjoyable environment</p> <p>Building strong and vibrant communities</p> <p>Ensuring economic growth and prosperity</p> <p>Providing good quality affordable homes, in particular for those most in need</p> <p>Ensuring efficient, effective and modern service delivery</p> <p>Climate and ecological emergency</p>
Wards affected	All

Purpose of the report:	To provide Committee with a summary of the Council's forecast outturn for 2022/23 as at 30 th September 2022.
Recommendation (s) to the decision maker (s):	1. To note the financial outturn position for the General Fund and Housing Revenue account as forecast at Quarter 2. The revenue outturn forecast is a deficit of £0.111m for the General Fund and a deficit of £0.538m for the Housing Revenue Account. The Council's capital programme is forecast on budget, with additional slippage of £3.387m on General Fund schemes and slippage of £17.278m for the HRA.
Period for post policy/project review:	The Financial performance of the organisation is monitored by the Strategic Leadership Team monthly and reported to cabinet and scrutiny on a quarterly basis.

1 Background:

The report presents the forecast financial outturn position for the Council as at Quarter 2 2022/23. The report covers the following budgets with associated appendices:

- General Fund (GF) – Appendix A
- Housing Revenue Account (HRA) –Appendix B
- Capital Programme – Appendix C

2 Executive Summary

General Fund revenue budgets are forecasting pressures of £0.111m an improvement on the first quarter pressure of £0.761m. The current pressure is driven by pressures across the Council and the impact of cost of living.

This report also outlines the impact of the approved national pay award for 2022/23 and the recommended approach to finance that additional burden in 2022/23, through the use of one off reserves. This has already been reflected in the updated Medium Term Financial Strategy, presented to Cabinet in October 2022.

The revenue outturn forecast for the Housing Revenue Account is a deficit of £0.538m.

There is no change to the councils planned capital programme but the delivery of a number of significant capital projects are being delayed by the current Planning moratorium, leading to rephrasing of the existing programme.

3. General Fund Revenue

Appendix A provides an overview of the general fund forecast position and the table below provides an overview by directorates as at Quarter 2. Forecast outturn for all General Fund budgets is at Appendix A.

Directorate	Current Budget £m	Forecast Outturn £m	Variance	
			£m	%
Chief Executives	0.913	0.965	0.052	+5.7%
Deputy Chief Executive Residents Services	12.180	12.789	0.609	+5.0%
Strategic Director Corporate and Commercial Services	1.797	2.091	0.294	+16.4%
Strategic Director People & Transformation	4.206	4.357	0.151	+3.6%
Strategic Director Place	1.396	1.245	(0.151)	(10.8%)
Operational Cost	20.492	21.447	0.955	+4.7%
Corporate Items	(20.493)	(21.337)	(0.844)	+4.1%
Contribution (to)/ from General Fund Working Balance	(0.001)	0.110	0.111	

Key Budget Variances for the General Fund

The table below outlines the key financial variance by service area. Full details of the variances can be found in Appendix B.

Directorate	Key Financial Variance £m	Description
Resident Services	0.335	Waste Services employee £735K and fuel costs £150K, offset by high basket rate on recyclables (£600K).
Corporate and Commercial	0.600	Car Parking Income
Place	(0.300)	Commercial Property Income
Place	0.103	Staffing Pressures, Planning Income, Utilities and Rental Income for the Forum
Corporate Items	(0.844)	Treasury Investment Income and HRA Recharge

Resident Services

The waste service is undergoing significant transformation and route optimisation to reduce the financial pressure in 2022/23 and remove the financial pressures in 2023/24. In the early part of 2022/23 the waste service has benefitted from increased prices for the recyclables sold these prices have subsequently dropped back to budgeted levels where we expect them to continue in the medium term.

Corporate and Commercial Services

The demand for car parking has reduced since the pandemic and hence income streams have been affected, at the same time with the increase in interest rates the council is receiving additional returns on its cash balances, both these items are on ongoing issue and have been accounted for the in the 2022 MTFS. Commercial property budgeted income was reduced in 22/23, utilising funds from the Economic Recovery Reserve in the short term, yet the service is over performing in 2022/23. This budget will increase in 2023/24 as part of the Council's unrolling of the economic recovery strategy.

2. Impact of Cost of Living

Cost of living increases are creating additional costs to the Council for 2022-23. At Quarter 2, within Waste Services there is a pressure of £0.150m against fuel that is considered attributable to the rising

prices. Following the Government’s announcement on the energy cap we have identified a pressure of £0.223m across the General Fund for energy costs, based on estimated usage over the winter period. This will be reviewed again for Quarter 3 when actual usage will be clearer.

3. The National Local Authority 2022/23 Pay Award.

On the 25th July 2022 the National Joint Council (NJC), the negotiating body for Local Government Services workers, made 2022/23 pay award proposals. These proposals were;

- Increase in salary of £1,925 per employee,
- An increase to allowances of 4.04% (London fringe allowance etc...)
- An additional day’s leave per employee

The level of proposed pay increases, in comparison to what was projected in December 2021 as part of the budget setting process, was unexpected and equates to an average increase for Dacorum employees of 5.92%, with the lowest paid local authority staff receiving circa 10%, and officers up to spinal point 15 receiving at least an 8% increase.

As part of the 2022/23 budget setting process provision for an average increase in salaries of 2.5%, circa £675k annual investment was applied. The total impact of this increase is projected to cost £1.54m across the general fund (GF), leaving a GF pressure of £876k, as detailed in the table below. The HRA has an underlying pressure of circa £271k, as detailed in the table below.

Table 1 2022/23 Financial Pressure

Financial Pressure 2022/23	GF 22/23 pressure £	HRA 22/23 pressure £	Total 22/23 Pressure £
Salaries	638,321	199,492	837,812
Allowances	23,875	5,225	29,101
Pension	122,506	37,873	160,379
NI	91,383	28,251	119,634
Total	876,085	270,841	1,146,926

As of the 1st November the proposed NJC pay award has been formally approved following 2 of the 3 union’s ballot responses supporting the proposals.

Proposed Approach.

The Council’s approved Medium Term Financial Strategy planned for this outcome and hence there is not an ongoing medium term pressure resulting from this decision. There is an in-year pressure as detailed in table 1 above. The proposal is to fund this one off pressure by:

General Fund - A reserve draw down of £870k from the Dacorum Development Reserve (DDR),

HRA – A reallocation of £270k from the revenue contribution to capital reserve.

4. Housing Revenue Account (HRA)

The HRA is projecting a £538k pressure as at quarter 2 the financial performance is summarised in the table below:

Housing Revenue Account	Current Budget £m	Forecast Outturn £m	Variance £m
Income	(60.198)	(60.895)	(0.697)
Expenditure	60.198	61.433	1.235
Net Deficit / Surplus	0.000	0.538	0.538

Appendix C outlines the overall Housing Revenue account forecast.

Budgeted Surplus/Deficit	£m
Council tax liability on void properties.	0.114
Increase in interest rates are expected to generate increased income on treasury investments.	(0.768)
Utilities due to increased energy prices	0.500
General Fund Recharges regarding additional resources supporting HRA	0.295
Asset Management Strategy	0.195
Other Minor budget variances	0.202
Budget Monitoring Quarter 2- HRA Variance	0.538

5. Housing Transformation Improvement Project (HTIP)

The HTIP approved budget is £1.593m; £0.470m of which is being funded through the reduction in the repairs and maintenance budget, £1.023 from reduction to the revenue contribution to capital and £0.100m will be met from previously approved budget. This project is expected to delivery to budget with current project spend of £1.453m.

6. Capital Budget Monitoring

Appendix C shows the forecast capital outturn in detail by scheme, the table below summarises the forecast outturn for the capital programme by Directorate.

The current budget is the original budget approved by Cabinet in February 2022, plus approved amendments.

The 'rephasing' column refers to those projects where expenditure is still expected to be incurred, but it will now be in 2023/24 rather than 2022/23, or conversely, where expenditure planned initially for 2023/24 has been incurred in 2022/23.

	Current Budget	Rephasing	Revised Budget	Forecast Outturn	Variance	
	£m	£m	£m	£m	£m	%
Resident Services	5.456	(1.597)	3.859	3.859	0	0.0%
People and Transformation	0.594	0.000	0.594	0.594	0	0.0%
Corporate and Commercial	0.690	0.000	0.690	0.690	0	0.0%
Place	5.287	(1.790)	3.497	3.497	0	0.0%
GF Total	12.027	(3.387)	8.640	8.640	0	0.0%
HRA Total	68.514	(17.278)	51.237	51.237	0	0.0%
Grand Total	80.541	(20.665)	59.877	59.877	0	0.0%

General fund capital budgets are reporting further slippage of £3.387m, relating to the following:

- Fleet Replacement Programme £1.378m. 9 Vehicles and 6 refuse vehicles purchases have been delayed due to the waste transformation review and reviewing options in regards to the type of vehicle being purchased.
- Verge Hardening Programme £0.164m. The project is currently being reviewed by officers to review the best use of these funds within the programme.
- Urban Park (Durrants Lake) £0.109m. Ongoing studies are still being undertaken to decide on the best approach to move forward.
- Adventure Playgrounds Improvement Programme £0.500m. Delays in progressing the programme due to the restructure and review of the service.
- Creation of New Community Facility and Foodbank at the Hub £0.625K. Due to Planning delays with the moratorium.
- Bellgate Canopy renewal £0.200m. The tender process is still ongoing, meaning the project has been delayed.

HRA capital budgets are reporting slippage of £17.278m. This is mostly due to delays in starting projects due to the planning moratorium.

9 Equalities, Community Impact and Human Rights:

Community Impact Assessment are carried out by specific service when developing their service plans that support the budget setting process

There are no Human Rights Implications arising from this report.

10 Sustainability implications (including climate change, health and wellbeing, community safety)

N/A

11 Council infrastructure (including Health and Safety, HR/OD, assets and other resources)

N/A


12 Conclusion

The Financial revenue outturn forecast for the General Fund is a deficit of £0.111m and for the HRA a deficit of £0.538m. The Council's capital programme is forecast on budget, with additional slippage of £3.387m on General Fund schemes and slippage of £17.278m for the HRA.



Dacorum Borough Council
Revenue Budget Monitoring Report for September 2022 (Cost of Services Analysis By Directorate)

	Month			Year-to-Date			Full Year		
	Budget £000	Actuals £000	Variance £000	Budget £000	Actuals £000	Variance £000	Budget £000	Forecast Outturn £000	Variance £000
Cost of Services									
Chief Executives	76	104	28	456	441	(15)	913	965	52
Deputy Chief Executive Residents Services	588	828	240	5,281	5,069	(212)	12,180	12,789	609
Strategic Director Corporate and Commercial Services	(327)	1,451	1,778	(806)	11,143	11,949	1,797	2,091	294
Strategic Director People & Transformation	329	359	30	2,512	2,605	93	4,206	4,357	151
Strategic Director Place	340	(206)	(546)	2,940	1,419	(1,521)	1,396	1,245	(151)
Net Cost of Services	1,006	2,536	1,530	10,383	20,677	10,294	20,492	21,447	955
Other Items									
Investment Property	(15)	(88)	(73)	(2,765)	(3,310)	(545)			
Investment Income	(25)	(215)	(190)	(150)	(429)	(279)	(300)	(885)	(585)
Interest Payments and MRP	86	272	186	514	272	(242)	1,029	1,029	0
Parish Precept Payments	0	0	0	1,034	1,015	(19)	1,034	1,034	0
Government Grants	(136)	(428)	(292)	(819)	(3,638)	(2,819)	(1,638)	(1,638)	0
Taxation (Council Tax and Business Rates)	(1,279)	(28,140)	(26,861)	(7,673)	(18,064)	(10,391)	(15,347)	(15,347)	0
Surplus / Deficit on Provision of Services	(1,369)	(28,599)	(27,230)	(9,859)	(24,154)	(14,295)	(15,222)	(15,807)	(585)
Transfers between Reserves / Funds									
Net Recharge to the HRA	(439)	(31)	408	(2,636)	64	2,700	(5,271)	(5,530)	(259)
Contribution To / (From) Earmarked Reserves	(20)	0	20	(120)	0	120			
Net Movement on General Fund Working Balance	(822)	(26,094)	(25,272)	(2,232)	(3,413)	(1,181)	(1)	110	111

 Housing Revenue Account 2022/23 Outturn Revenue Budget Monitoring Report				
	Budget	Forecast	Variance	
	£000	Outturn	£000	%
		£000		
Income:				
Dwelling Rents	(57,300)	(57,324)	(24)	0.0%
Non-Dwelling Rents	(102)	(102)	0	0.0%
Tenants Charges	(1,517)	(1,488)	29	-1.9%
Leaseholder Charges	(592)	(592)	0	0.0%
Interest and Investment Income	(42)	(810)	(768)	1828.1%
Contribution towards Expenditure	(645)	(579)	66	-10.2%
Total Income	(60,198)	(60,895)	(697)	1.2%
Expenditure:				
Repairs & Maintenance	11,513	11,513	0	0.0%
Supervision & Management	17,265	18,386	1,121	6.5%
Rent, Rates, Taxes & Other Charges	66	180	114	172.7%
Interest Payable	11,302	11,302	0	0.0%
Provision for Bad Debts	750	750	0	0.0%
Depreciation	15,620	15,620	0	0.0%
HRA Democratic Recharges	398	398	0	0.0%
Revenue Contribution to Capital	3,284	3,284	0	0.0%
Total Expenditure	60,198	61,433	1,235	2.1%
Transfer to / (from) Housing Reserves	0	0	0	0.0%
HRA Deficit / (Surplus)	0	539	538	0.0%
Housing Revenue Account Balance:				
Opening Balance at 1 April 2022	(2,892)	(2,892)	0	0.0%
Deficit / (Surplus) for year	0	539	538	0.0%
Proposed Contributions to Reserves	0	0	0	
Closing Balance at 31 March 2023	(2,892)	(2,353)	538	

CAPITAL PROGRAMME MONITORING BY DIRECTORATE FOR SEPTEMBER 2022

Appendix C

Scheme	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
General Fund										
Deputy Chief Executive Residents Services										
Head of Housing Property										
46 Disabled Facilities Grants	741,000	272,834	0	0	0	1,013,834	236,552	1,013,834	0	0
	741,000	272,834	0	0	0	1,013,834	236,552	1,013,834	0	0
Head of Environmental Protection										
50 Health and Safety software system	40,000	0	0	0	0	40,000	0	40,000	0	0
	40,000	0	0	0	0	40,000	0	40,000	0	0
Head of Environmental Services										
54 Waste Services IT upgrade	80,000	0	0	0	0	80,000	0	80,000	0	0
55 Wheeled Bins & Boxes for New Properties	100,000	0	0	0	0	100,000	89,313	100,000	0	0
56 Litter Bin Upgrade	40,000	0	0	0	0	40,000	0	40,000	0	0
57 Play Areas & Open Spaces - replace equipment	250,000	0	0	0	0	250,000	106,994	250,000	0	0
58 Resurfacing Works and Building Improvement to Depot	0	60,000	0	0	0	60,000	0	60,000	0	0
59 Chipperfield Common Car Park Resurfacing	0	200,000	0	0	0	200,000	0	200,000	0	0
60 Gadebridge Park Walled Garden Pathway Improvements	30,000	0	0	0	0	30,000	23,628	30,000	0	0
61 Improvements to Sport Pitches	35,000	0	0	0	0	35,000	0	35,000	0	0
62 Waste Transfer Site Upgrade Works	400,000	0	0	0	0	400,000	0	400,000	0	0
63 Fleet Replacement Programme	919,988	1,943,640	0	0	0	2,863,628	230,386	1,485,528	(1,378,100)	0
	1,854,988	2,203,640	0	0	0	4,058,628	450,320	2,680,528	(1,378,100)	0
Head of Community Safety										
68 Rolling Programme - CCTV Cameras	25,000	11,290	0	(11,290)	(11,290)	25,000	0	25,000	0	0
69 Alarm Receiving Centre	0	33,627	0	(33,627)	(33,627)	0	0	0	0	0
70 CCTV Equipment Refresh	110,000	(55,460)	0	0	0	54,540	(21,296)	0	(54,540)	0
71 Verge Hardening Programme	150,000	114,036	0	0	0	264,036	58,743	100,000	(164,036)	0
	285,000	103,493	0	(44,917)	(44,917)	343,576	37,447	125,000	(218,576)	0
Totals: Deputy Chief Executive Residents Services	2,920,988	2,579,967	0	(44,917)	(44,917)	5,456,038	724,319	3,859,362	(1,596,676)	0

Scheme	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over/Under
Strategic Director Corporate and Commercial Services										
Head of Commercial Development										
78 Highbarns Land Stabilisation Project	0	0	0	0	0	0	2,600	0	0	0
79 Hemel Hempstead Sports Centre - Astro turf renewal	0	280,000	0	0	0	280,000	0	280,000	0	0
80 Berkhamsted Leisure Centre Redevelopment	14,150,000	(299,644)	0	(13,700,356)	(13,700,356)	150,000	139,135	150,000	0	0
81 Car Park Refurbishment	0	135,000	0	0	0	135,000	(2,861)	135,000	0	0
82 Multi Storey Car Park Berkhamsted	0	0	0	0	0	0	(2,020)	0	0	0
83 Water Gardens North Car Park Drainage Improvements	0	35,000	0	0	0	35,000	0	35,000	0	0
84 Multi Functional Devices	0	90,000	0	0	0	90,000	0	90,000	0	0
	14,150,000	240,356	0	(13,700,356)	(13,700,356)	690,000	136,854	690,000	0	0
SD Corporate & Commercial										
88 Civic Zone Regeneration Upgrade (DevCo)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
Totals: Strategic Director Corporate and Commercial Services	14,150,000	240,356	0	(13,700,356)	(13,700,356)	690,000	136,854	690,000	0	0
Strategic Director People & Transformation										
Head of Digital										
96 Automation Programme	85,000	0	0	0	0	85,000	0	85,000	0	0
97 Firewall Renewal	95,000	0	0	0	0	95,000	0	95,000	0	0
98 Civica Customer Experience Software (Flare replacement)	100,000	0	0	0	0	100,000	0	100,000	0	0
99 Rolling Programme - Hardware	75,000	0	0	0	0	75,000	44,444	75,000	0	0
100 Software Licences - Right of Use	40,000	0	0	0	0	40,000	0	40,000	0	0
101 Future vision of CRM	100,000	98,600	0	0	0	198,600	0	198,600	0	0
102 Renewal of Data Centre Hardware	0	0	0	0	0	0	0	0	0	0
	495,000	98,600	0	0	0	593,600	44,444	593,600	0	0
Totals: Strategic Director People & Transformation	495,000	98,600	0	0	0	593,600	44,444	593,600	0	0
Strategic Director Place										
AD Place, Community and Enterprise										
110 Urban Park/Education Centre (Durrants Lakes)	0	134,015	0	0	0	134,015	0	25,100	(108,915)	0
111 The Bury - Conversion into Museum and Gallery	0	53,150	0	0	0	53,150	0	0	(53,150)	0
112 Adventure Playgrounds Improvement Programme	500,000	0	0	0	0	500,000	0	0	(500,000)	0
113 Capital Grants - Community Groups	20,000	4,500	135,000	5,500	140,500	165,000	155,000	159,500	(5,500)	0
	520,000	191,665	135,000	5,500	140,500	852,165	155,000	184,600	(667,565)	0
Head of Property Services										
117 Strategic Acquisitions	0	0	0	0	0	0	0	0	0	0
118 Service Lease Domestic Properties	0	8,118	0	0	0	8,118	0	8,118	0	0
119 Old Town Hall - Cafe Roof and stonework renewal	0	60,000	0	0	0	60,000	0	60,000	0	0
120 Boxmoor War Memorial Structural Improvements	40,000	(500)	0	0	0	39,500	28,375	39,500	0	0
121 Piccotts End Retaining Wall Rebuild	35,000	0	0	0	0	35,000	0	35,000	0	0
122 Tring Community Centre - new play area for Children's Nursery	0	11,144	0	0	0	11,144	0	11,144	0	0
123 Adeyfield Community Centre Structural Improvements	20,000	17,000	0	0	0	37,000	0	37,000	0	0
124 Boiler Replacement Programme	15,000	5,046	0	0	0	20,046	1,260	20,046	0	0
125 Tring Community Centre - Retaining Wall for New Play Area	0	20,000	0	0	0	20,000	0	20,000	0	0
126 Bennetts End Community Centre door upgrade work	15,000	0	0	0	0	15,000	7,245	15,000	0	0
127 External Refurb - Woodhall Farm Community Centre	40,000	0	0	0	0	40,000	0	40,000	0	0

Scheme	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over/(Under)
128 Rossgate Shopping Centre - Structural Works	240,000	221,577	0	0	0	461,577	84,153	461,577	0	0
129 Bennettsgate Shopping Centre - External Render	0	0	0	0	0	0	0	0	0	0
130 Commercial Properties - Renew Obsolete Door Entry Controls	25,000	0	0	0	0	25,000	0	25,000	0	0
131 100 High St (Old Town), Hemel - Window Replacement	0	14,000	0	0	0	14,000	0	14,000	0	0
132 Long Chaulden Roof	0	55,020	0	0	0	55,020	0	0	(55,020)	0
133 Bellgate - Walkway Renovation	0	19,550	0	0	0	19,550	7,450	19,550	0	0
134 Bennettsgate - Window Renewal	0	74,780	0	0	0	74,780	0	0	(74,780)	0
135 Queens Square Canopy Renewal	40,000	0	0	0	0	40,000	(1,464)	40,000	0	0
136 Refurbishment of Dacre House	0	0	0	0	0	0	(4,668)	0	0	0
137 Renew Surface Water Drains to Henry Wells Square	0	19,100	0	0	0	19,100	21,620	19,100	0	0
138 Void Commercial Property Refurbishment	70,000	0	0	0	0	70,000	0	70,000	0	0
139 Bennettsgate - Structural Concrete Improvements & Façade Renewal	0	79,762	0	0	0	79,762	0	79,762	0	0
140 Bellgate - Concrete Renewal & Refurbishment	0	25,000	0	0	0	25,000	10,700	25,000	0	0
141 Village Centre - Soffits & Facias	0	45,000	0	0	0	45,000	24,110	45,000	0	0
142 9 High Street Tring, Electrical Works	0	14,793	0	0	0	14,793	0	14,793	0	0
143 Broadwater Road Resurfacing	0	93,000	0	0	0	93,000	0	0	(93,000)	0
144 Creation of new Community Facility and Foodbank at The Hub (Dens)	625,000	0	0	0	0	625,000	0	0	(625,000)	0
145 Damp proofing improvements to commercial properties	30,000	0	0	0	0	30,000	0	30,000	0	0
146 Kings Langley Charter Court - Separate Meter Supply	20,000	0	0	0	0	20,000	0	20,000	0	0
147 48-52 High Street - Fire Alarm System Renewal	15,000	0	0	0	0	15,000	0	15,000	0	0
148 Bellgate Canopy Renewal - Highfield	200,000	0	0	0	0	200,000	0	0	(200,000)	0
149 Rossgate Terrace Walkway Waterproofing	30,000	0	0	0	0	30,000	0	30,000	0	0
150 Gadebridge Park Roadway Improvements	110,000	0	0	0	0	110,000	41,090	110,000	0	0
151 Allotment Improvement Programme	40,000	16,750	0	0	0	56,750	0	0	(56,750)	0
152 Stone Works to Charter Tower	0	18,000	0	0	0	18,000	0	0	(18,000)	0
153 Nickey Line Bridge Refurbishment	0	50,000	0	0	0	50,000	0	50,000	0	0
154 Public Conveniences - Improvement Programme	40,000	0	0	0	0	40,000	0	40,000	0	0
155 Maylands Business centre upgrade fire alarm	20,000	0	0	0	0	20,000	0	20,000	0	0
74	1,670,000	867,140	0	0	0	2,537,140	219,871	1,414,590	(1,122,550)	0
Head of Development										
159 Affordable Housing Development Fund	311,000	487,594	0	0	0	798,594	(257,042)	798,594	0	0
160 Temporary Accommodation - creation of new units	0	275,201	0	0	0	275,201	190,858	275,201	0	0
161 Aragon Close - Creation of Affordable Housing Move-on Units	0	824,288	0	0	0	824,288	675,725	824,288	0	0
	311,000	1,587,083	0	0	0	1,898,083	609,542	1,898,083	0	0
Head of Development Management										
165 Tablets for Planning	0	0	0	0	0	0	625	0	0	0
	0	0	0	0	0	0	625	0	0	0
Totals: Strategic Director Place	2,501,000	2,645,888	135,000	5,500	140,500	5,287,388	985,037	3,497,273	(1,790,115)	0
Totals - Fund: General Fund	20,066,988	5,564,811	135,000	(13,739,773)	(13,604,773)	12,027,026	1,890,654	8,640,235	(3,386,791)	0

Scheme	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over/Under
Housing Revenue Account										
Deputy Chief Executive Residents Services (HRA)										
Head of Housing Property										
173 Planned Fixed Expenditure	7,942,600	1,358,640	0	0	0	9,301,240	2,244,398	9,301,240	0	0
174 Pain/Gain Share (Planned Fixed Expenditure)	0	0	0	0	0	0	423,227	0	0	0
175 M&E Contracted Works	1,200,000	0	0	0	0	1,200,000	899,269	1,450,000	0	250,000
176 Communal Gas & Heating	2,500,000	213,275	0	0	0	2,713,275	647,143	2,713,275	0	0
177 DBC Commissioned Capital Works	6,423,400	3,086,293	0	0	0	9,509,693	1,079,122	9,259,693	0	(250,000)
178 Special Projects	0	513,021	0	0	0	513,021	0	513,021	0	0
	18,066,000	5,171,229	0	0	0	23,237,229	5,293,159	23,237,229	0	0
Totals: Deputy Chief Executive Residents Services (HRA)	18,066,000	5,171,229	0	0	0	23,237,229	5,293,159	23,237,229	0	0
Strategic Director Place (HRA)										
Head of Development										
186 New Build - General Expenditure	184,000	(184,000)	0	0	0	0	6,112	0	0	0
187 Martindale	0	0	0	0	0	0	(33,730)	0	0	0
188 Bulbourne	1,317,354	901,594	0	0	0	2,218,948	8,206	830,000	(1,388,948)	0
189 Coniston Road	283,000	306,730	0	0	0	589,730	302,620	526,740	(62,990)	0
190 Eastwick Row	2,952,080	4,822,263	0	0	0	7,774,343	2,017,052	6,083,060	(1,691,283)	0
191 St Margaret's Way	1,032,741	216,916	0	0	0	1,249,657	10,256	133,560	(1,116,097)	0
192 Paradise Fields	10,739,486	1,949,209	0	0	0	12,688,695	1,051,309	4,454,060	(8,234,635)	0
193 Randalls Ride	3,169,961	1,069,885	0	0	0	4,239,846	303,727	1,954,820	(2,285,026)	0
194 Garage Sites - New Build Developments	2,763,580	2,239,042	0	0	0	5,002,622	660,823	3,446,370	(1,556,252)	0
195 Wilstone	1,026,897	659,593	0	0	0	1,686,490	557,654	1,471,300	(215,190)	0
196 Marchmont Fields	4,054,000	2,923,395	0	0	0	6,977,395	120,683	3,753,230	(3,224,165)	0
197 Paradise Depot	1,031,000	1,578,483	0	0	0	2,609,483	72,659	5,009,600	2,400,117	0
198 Cherry Bounce	(127,690)	367,643	0	0	0	239,953	6,788	6,788	(233,165)	0
199 Stoneycroft and Great Sturgess	0	0	0	0	0	0	41,683	233,040	248,040	(15,000)
200 Garage Sites B	0	0	0	0	0	0	39,064	81,790	81,790	0
201 Great Sturgess Road	0	0	0	0	0	0	10,553	15,000	0	15,000
	28,426,409	16,850,753	0	0	0	45,277,162	5,175,457	27,999,358	(17,277,804)	0
Totals: Strategic Director Place (HRA)	28,426,409	16,850,753	0	0	0	45,277,162	5,175,457	27,999,358	(17,277,804)	0
Totals - Fund: Housing Revenue Account	46,492,409	22,021,982	0	0	0	68,514,391	10,468,615	51,236,587	(17,277,804)	0
Totals	66,559,397	27,586,793	135,000	(13,739,773)	(13,604,773)	80,541,417	12,359,269	59,876,822	(20,664,595)	0

Agenda Item 9

Clerk: Trudi Angel (x2224)

Finance and Resources Overview & Scrutiny Committee: Work Programme 2022-23

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
4 January 2023	22 December 2022	Action Points (from previous meeting)	Democratic Services Trudi.angel@dacorum.gov.uk	
1 February 2023	23 January 2023	Action Points (from previous meeting)	Democratic Services Trudi.angel@dacorum.gov.uk	
		Joint Budget	Chief Finance Officer Nigel.howcutt@dacorum.gov.uk	<i>To review and scrutinise the draft budget proposals for 2023/24</i>
		Market Forces Policy	Assistant Director, People Matt.rawdon@dacorum.gov.uk	
		Commercial Strategy Update	Strategic Director, Corporate and Commercial Catherine.silvadoonayre@dacorum.gov.uk Head of Commercial Development Ben.Hosier@dacorum.gov.uk	
		Garages update	Strategic Director, Corporate and Commercial Catherine.silvadoonayre@dacorum.gov.uk	

			Head of Commerical Development Ben.Hosier@dacorum.gov.uk	
7 March 2023	24 February 2023	Action Points (from previous meeting)	Democratic Services Trudi.angel@dacorum.gov.uk	
		Budget Monitoring Report	Chief Finance Officer Nigel.howcutt@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
		Corporate & Commercial Q3 Performance Reports: a) Finance and Resources b) Legal and Democratic Services c) Commercial Development Services	Strategic Director, Corporate and Commercial Catherine.silvadoonayre@dacorum.gov.uk Chief Finance Officer Nigel.howcutt@dacorum.gov.uk Assistant Director, Legal & Democratic Services Mark.brookes@dacorum.gov.uk Head of Commerical Development Ben.Hosier@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>
		People and Transformation Q3 Performance Report	Strategic Director, People and Transformation Aidan.wilkie@dacorum.gov.uk	<i>To review and scrutinise quarterly performance</i>

Agenda Item 10

By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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