





Strategic Planning and Environment Overview and Scrutiny Committee



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Report for:	Strategic Planning and Environment Overview and Scrutiny Committee
Title of report:	Financial Performance Quarter 1 2024/25
Date:	4 th September 2024
Report on behalf of:	Cllr Michela Capozzi, Portfolio Holder for Corporate & Commercial Services
Part:	I
If Part II, reason:	N/A
Appendices:	Appendix A – General Fund Revenue Q1 2024/25 Appendix B – SPaE Capital Programme Q1 2024/25
Background papers:	None.
Glossary of acronyms and any other abbreviations used in this report:	GF – General Fund

Report Author and Responsible Officer	
Fiona Jump, Head of Financial Services	
 	
Fiona.Jump@dacorum.gov.uk / 01442 228162 (ext. 2162)	
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:	<p>1. To provide details of the Quarter 1 position 2024-25 for the:</p> <ul style="list-style-type: none"> General Fund

	<ul style="list-style-type: none"> • SPaE Capital Programme
Recommendation (s) to the decision maker (s):	To note the Quarter 1 2024-25 forecast financial outturn position for the General Fund and Strategic Planning and Environment Capital Programme.
Period for post policy/project review:	The Council's financial position is reported to committee on an ongoing, quarterly basis.

1. Executive Summary and Key Forecast Outturn Figures

This report presents the forecast outturn position for the Council as at 30 June 2024, Q1 2024/25. There is a particular emphasis on service activity relating to the remit of Strategic Planning and Environment Overview and Scrutiny Committee.

- 1.1 The General Fund is reporting a forecast surplus against budget of £0.402m. This surplus is driven by returns on the investment of the Council's cash balances. The position includes some pressures against service expenditure budgets and income targets. This includes agency and vehicle repair costs in Environmental Services. Included in the overall surplus position is pressure of £0.706m relating to Strategic Planning and Environment services.
- 1.2 The Council operates a capital programme across its General Fund and Housing Revenue Account that represents investment in its assets. Strategic Planning and Environment General Fund capital schemes are forecast on budget with slippage of £0.155m. The slippage relates in the main to car park resurfacing works.

2. Summary Narrative and Forward Look

- 2.1 The Council set a balanced budget for 2024/25 in February 2024. This budget addressed known variances arising during 2023/24. As part of the 2023/24 provisional outturn report, it was identified that risks remained within the Council's financial position for 2024/25. Included within this were costs relating to the Council's Waste Services. These pressures are included in the forecast outturn for 2024/25 as at Q1 of the current financial year.
- 2.2 All General Fund risks are being closely monitored by service leads with support from the Council's Finance team. Emerging variances to budget and associated mitigating actions will be communicated to Members as part of the Council's regular financial reporting arrangements.

3. General Fund Position – all Scrutiny Committee Areas

- 3.1 Appendix A provides an overview of the General Fund forecast outturn position. The table below provides an overview for by scrutiny area.

Table 1- General Fund Position by Scrutiny Area	Current Budget £m	Forecast Outturn £m	Variance	
			£m	%
Finance & Resources	7.134	7.825	0.691	9.7%
Strategic Planning and Environment	13.213	13.919	0.706	5.3%
Housing & Community	2.252	2.265	0.013	0.6%
Operational Cost	22.599	24.009	1.410	6.2%
Core Funding	(22.600)	(24.412)	(1.812)	8.0%
Contribution (to)/ from General Fund Working Balance	(0.001)	(0.403)	(0.402)	

4. General Fund Position- Strategic Planning and Environment

Table 2 – Strategic Planning and Environment	Current Budget £m	Forecast Outturn £m	Variance	
			£m	%
Neighbourhood Operations	11.372	11.941	0.569	5.0%
Housing & Property	0.053	0.073	0.020	37.7%
People & Transformation	(0.114)	(0.040)	0.074	(64.9%)
Place	1.902	1.945	0.043	2.3%
Total Operating Cost	13.213	13.919	0.706	5.3%

4.1 Key variances for 2024/25 reported against Strategic Planning and Environment General Fund service areas are outlined below.

4.2 Neighbourhood Operations

Pressures on budgets within Environmental Services at Q1 total £0.502m. £0.267m relates to staffing costs across the service. These have been incurred in relation to sickness and to additional staff resources required to operate replacement vehicles when twin-pack waste vehicles are being repaired. There is a £0.200m pressure relating to repairs and maintenance on the Council's fleet vehicles. £0.035m relates to the hiring of vehicles during repairs and while new fleet is awaiting delivery. Further analysis is being undertaken to identify offsetting underspends and opportunities to reduce pressures.

A forecast pressure of £0.080m is reported on Trees and Woodlands works, a continuation of pressures reported in 2023/24. A review of tree works requirements and risks identified is being undertaken to assess the medium-term outlook for this service.

4.3 People & Transformation

A pressure of £0.070m is reported in relation to Filming budgets for 2024/25. Income has been lower than budget during the year. The income position continues to be closely monitored.

4.4 Place

There are pressures against Business Centre income and expenditure budgets. These are under ongoing review.

5. Capital Programme

5.1 Appendix C shows the projected capital outturn in detail by scheme.

The table below summarises the Strategic Planning and Environment capital forecast outturn position.

The current budget is the original budget approved by Cabinet in February 2024, plus approved amendments.

The 're-phasing' column refers to projects where expenditure is still expected to be incurred but will now be in 2025/26 rather than 2024/25 ('slippage'), or conversely, where expenditure planned initially for 2025/26 has been incurred in 2024/25 ('accelerated spend').

The 'Variance' column refers to projects which are expected to come in under or over budget and projects which are no longer required.

All overspends will be monitored closely. Associated supplementary budget requests will be brought to Cabinet to recommend to Council later in the financial year as appropriate.

Table 3- Capital Outturn 2024/25	Current Budget	Re-phasing (To)/from future years	Revised Budget	Forecast Outturn	Variance	
	£m	£m	£0m	£m	£m	%
Strategic Planning and Environment	3.089	(0.155)	2.934	2.934	0.000	0.00%

5.2 General Fund Capital Programme

Strategic Planning and Environment General Fund capital budgets are forecasting slippage of £0.155m. The slippage includes Chipperfield Common car park resurfacing £0.109m. Progress of the works is pending Secretary of State approval.

6. Financial implications

6.1 Contained within the body of this report.

7. Legal implications

7.1 There are no direct legal implications arising from this report.

8. Risk implications

8.1 Regular monitoring and reporting on the Council's financial position is one of the key ways in which the organisation manages the potential risk of the weakening of its financial resilience.

9 Equalities, Community Impact and Human Rights

9.1 Community Impact Assessments on Council activities are carried out by relevant services with responsibility for those activities. A separate Community Impact Assessment has not been carried out in respect of this report.

9.2 There are no Human Rights Implications arising from this report.

10 Sustainability implications

10.1 There are no specific sustainability implications arising from this report.

11 Council infrastructure

12.1 The content of this report sets out the implications of the Council's activities for its financial resources for 2024/25.

13 Conclusions

13.1 The position for 2024/25 is a surplus of £0.402m against Council General Fund budgets of which a pressure of £0.706m relates to Strategic Planning and Environment areas of activity.

13.2 There is slippage against Strategic Planning and Environment capital schemes of £0.155m.