

Appendix A - 2022/23 Significant Revenue Budget Variances

Directorate	Significant Service Area Variances	Net Original Direct Budget	Net Direct Outturn	(Under) / Overspend	Summary Explanation	Relevant Report
Managing Director	Treasury Investments Interest Income	(119)	(1,310)	(1,191)	Increase primarily due to the changes to the Bank of England base rate. Original budget based on bank rate of 0.25% at the start of 2022, increased incrementally to 4.25% by the end of the financial year.	Q1, Q2, Q3 & Outturn 2022/23
	Covid-19 Central Provision	1,740	0	(1,740)	Contingency budget mitigated impact on General Fund of around £1.2m of Covid impacts identified, including the leisure, parking and AFM income shortfalls itemised below. Approximately £0.5m was not required.	Q1 & Q3 2022/23
	Other budgets with variances under £100k	1,801	1,560	(241)		
	Directorate Total	3,422	250	(3,172)		
Customers Directorate	Customers Directorate Staffing Costs	3,658	3,847	189	The pay award for 2022/23 was an increase of £1,925 to every pay point. The assumption in the original budget for 2022/23 was a pay offer of 2%.	Q1 2022/23
	Net Housing Benefit Expenditure	324	479	155	Shortfall in Housing Benefit subsidy income primarily due to housing benefit payments in respect of temporary accommodation not being eligible for full reimbursement through the subsidy.	Q1 & Outturn 2022/23
	Careline Installation and Maintenance	300	116	(184)	The non-complex needs installation and maintenance service was brought in-house part way through the year, resulting in a saving compared to outsourced contract.	Outturn 2022/23
	Other budgets with variances under £100k	(416)	(634)	(218)		
	Directorate Total	3,866	3,808	(58)		
Enterprise Directorate	Commercial Property Income	(1,335)	(1,471)	(136)	Conclusion in this financial year of two rent reviews that had been ongoing for some time. Outturn includes the back-rent due.	Q1 2022/23
	Other budgets with variances under £100k	1,187	1,173	(14)		
	Directorate Total	(148)	(298)	(150)		
Legal & Community Directorate	Directorate Total (all budgets have variances under £100k)	2,281	2,395	114		
Place Directorate	Domestic Waste & Recycling and Street Cleansing Contract Expenditure	5,594	5,945	351	The budget for 22/23 assumed a contract indexation of 3.7%, based on the respective indices at that time. Subsequent increase in inflation indices resulted in actual indexation rate for 22/23 of 9.9%.	Q1 2022/23
	AFM Income	(421)	(125)	296	Greater levels of residual waste generated across Hertfordshire increased the overall costs of disposal incurred by HCC and reduced the total AFM amount shared with collection authorities.	Q1 2022/23
	Leisure Centre Management Contracts Fee Income	(857)	(578)	279	Increase in income compared to prior year indicative of continued recovery in usage through the year. Additional income from growth in demand partly offset by cost pressures.	Q1, Q2 & Outturn 2022/23
	Other budgets with variances under £100k	404	362	(42)		
	Directorate Total	4,720	5,604	884		
Regulatory Services Directorate	Supplementary Planning Documents	167	0	(167)	The new Local Plan was subject to significant delays before being adopted in November 2022. A programme of work for the supporting SPDs is now being prepared.	Month 8 2022/23
	Planning Applications Income	(1,006)	(735)	271	Introduction of masterplanning procedures displaced pre-application income on large schemes. General slowdown in the construction sector as a result of economic uncertainty.	Q2 2022/23
	Car Parking Fees Income	(1,999)	(1,761)	238	Income receipts at approximately 90% of the level observed prior to the Covid-19 pandemic. Plateau in recovery indicative of one or both of; a long-term shift to working from home; the increase in the cost-of-living deterring journeys into town centres for leisure activities and shopping.	Q1 2022/23
	Car Parking Season Tickets Income	(320)	(183)	137	Income shortfall attributed to greater levels of home working adopted in response to the pandemic.	Q1 & Q3 2022/23
	Other budgets with variances under £100k	4,565	4,255	(310)		
	Directorate Total	1,407	1,576	169		
Resources Directorate	Directorate Total (all budgets have variances under £100k)	2,650	2,485	(165)		
Overall TOTAL		18,198	15,820	(2,378)		