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FINANCE & PERFORMANCE SCRUTINY PANEL

Thursday, 7th March, 2024 at 7.00 pm in the Conference Room, Civic Centre, Silver Street, Enfield, EN1 3XA

Membership:

Cllrs: Nawshad Ali (Chair), Sabri Ozaydin (Vice Chair), Guney Dogan, Thomas Fawns, Alessandro Georgiou, Ayten Guzel, Paul Pratt, and Julian Sampson.

AGENDA – PART 1

1. WELCOME AND APOLOGIES

2. DECLARATION OF INTEREST

Members are asked to declare any disclosable pecuniary, other pecuniary or non-pecuniary interests relating to items on the agenda.

3. MINUTES OF THE PREVIOUS MEETING (Pages 1 - 6)

To receive and agree the minutes of the meeting held on Tuesday 16 January 2024.

4. TEMPORARY ACCOMMODATION AND HOUSING REVENUE ACCOUNT BUDGET OVERVIEW (Pages 7 - 12)

To receive an update on Temporary Accommodation and Housing Revenue Account budget overview.

5. QUARTERLY REVENUE MONITORING REPORT (Pages 13 - 58)

To receive the most recent Quarterly Revenue Monitoring Report.

6. QUARTERLY CAPITAL MONITORING REPORT (Pages 59 - 72)

To receive the most recent Quarterly Capital Monitoring Report.

7. QUARTERLY PERFORMANCE MONITORING REPORT (Pages 73 - 94)

To receive the most recent Quarterly Performance Monitoring Report.

8. WORK PROGRAMME 2023/24 (Pages 95 - 98)

To note the Finance & Performance Scrutiny Panel Work Programme for 2023/24.

9. DATES OF FUTURE MEETINGS

To note that the dates of future meetings are as follows:

Thursday 11th April 2024.

MINUTES OF THE MEETING OF THE FINANCE & PERFORMANCE SCRUTINY PANEL HELD ON TUESDAY, 16TH JANUARY, 2024

MEMBERS: Councillors: Nawshad Ali (Chair), Sabri Ozaydin (Vice Chair), Thomas Fawns, Alessandro Georgiou, Ayten Guzel, Paul Pratt, and Emma Supple.

Officers: Fay Hammond (Executive Director of Resources), Olga Bennet (Director of Finance: Capital & Commercial), Eleanor Brown (Acting Director of Customer & Communications), Lee Shelsher (Head of Customer Solutions), Michael Sprosson (Head of Procurement Services), Harriet Potemkin (Head of Policy and Strategy), Sarah Gilroy (Policy and Performance Manager)**,** and Harry Blake-Herbert (Governance Officer).

Also Attending: Cllr Ergin Erbil (Deputy Leader of the Council).

1. WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting.

Apologies for absence were received from Enfield Youth Parliament representatives, Cllr Guney Dogan and Cllr Julian Sampson. Cllr Sampson was substituted by Cllr Emma Supple.

2. DECLARATION OF INTEREST

Cllr Sabri Ozaydin stated that he was a director of Housing Gateway Ltd.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on Tuesday 31 October 2023 were **AGREED**.

4. CUSTOMER SERVICE PERFORMANCE

Cllr Erbil (Deputy Leader), Eleanor Brown (Acting Director of Customer & Communications) and Lee Shelsher (Head of Customer Solutions) introduced and highlighted the key aspects of the report; including but not limited to: libraries and community hubs usage, digital improvements, performance and residents' feedback.

In response to Members queries regarding community hubs, officers advised that they had seen a large increase in the number of residents seeking support with the cost-of-living crisis. Officers added that they were sharing as much information with regards to this as possible; designing solutions around residents, and working with partners to ensure residents could access support. Officers confirmed that community hubs were located at Enfield Town and Edmonton Green libraries, with a peripatetic outreach model to ensure community hubs presence into areas where they were most needed.

In response to Members' questions and comments relating to future improvements, officers responded that they wanted to be able to respond to a greater variety of residents' needs; that were offering courses to residents who had difficulty accessing the increasing digitalisation of the service, and were continuously looking for ways to improve. Members asked that the need to upgrade residents accounts to access their council tax statements be removed.

In response to Members' enquiries regarding the review of the library service, officers replied that the first phase of public engagement was ongoing until 6 March 2024; that they were getting good responses to this, and the feedback would guide the subsequent proposals for consultation later in 2024. Officers added that they were exploring opportunities to implement a 'Library of Things' service in the future.

In response to Members' questions relating to customer feedback, officers advised that the newly implemented GovMetric allows residents to leave detailed feedback, which the service use as a learning tool to improve performance. These processes are developed and refined to drive continual service improvement. They added that residents are invited to engage in forums which aid officers in their efforts for continuous improvement. Officers described their vision for 'digital by desire' rather than 'digital by default', in making the service as assessable and effective as possible. Officers confirmed that they were working with other authorities and were hoping that technological improvements would soon allow for real time translations for residents.

In response to Members queries regarding digitalisation and platforms, officers responded that the MEQ system and reporting platform for residents used the same system and if Members had examples of differences in reporting issues between the systems, that they could look into a comparison of these. Officers added that they were looking to improve integration with social media platforms as well as Fix My Street, Next Door and Google Analytics. Officers described how they wanted to offer channel of choice and omni-communications, but that expectations need managing as resources were required to make this happen. Cllr Erbil reassured Members that customer services was not wholly digital and there was great focus being placed across the board, including face to face via Community Hubs.

5. CHANGE TO AGENDA ORDER

The Committee **AGREED** to alter the order in which the items on the agenda were considered at the meeting, for the convenience of addressing the part 2 aspect of the Council Companies report. The minutes reflect the order of items as taken at the meeting.

6. PROCUREMENT LEGISLATIVE CHANGES

Michael Sprosson, Head of Procurement Services, introduced and highlighted the key aspects of the report, including but not limited to: the NHS Provider Selection Regime and the Procurement Act; and their impacts on the council.

In response to Members enquires regarding adapting to the changes, officers replied that the team were motivated, that they had put a project plan together as a service, and that training would be guided by further Cabinet Office advice on the Bill coming in February. Officers added that they would be very keen to offer training to councillors on the changes.

In response to Members questions relating to excluding suppliers, officers responded that the legislation contained a provision for introducing excludable suppliers if certain criteria were met, the detail for which would come in the secondary legislation, and officers would find out who the responsible minister for this was.

In response to Members queries regarding transparency, officers advised that there were new requirements to publish at least 3 key performance indicators of contracts, but that further details were still being awaited.

In response to Members questions regarding small/local business access to procurement, officers replied that it would depend on the contract value, as value thresholds would still exist which would require public procurement and the following of regulations. Officers added that smaller contracts could be tailored and reserved where appropriate for local businesses depending on the value. Being more transparent, encouraging the seeking of local quotations, training local business in bidding for public contracts and breaking down contracts into smaller lots were described as potential ways of supporting local companies.

In response to Members enquiries relating to making the most of the opportunity, officers responded that improvements had been made in procurement and contract management services, largely achieved by greater support being sought by the relevant team. Officers added within the legal team there were those who specialised in contract law, and they were collaborated with closely on procurement projects.

7. QUARTERLY REVENUE MONITORING REPORT

Members agreed that having read the reports, they were happy not to receive presentations on the quarterly monitoring reports and move straight into questions.

In response to Members queries regarding Temporary Accommodation, officers advised that budget pressure had been caused by a significant reduction in the availability of affordable properties in the borough, but that lots of work was being done to identify properties in and outside the borough to try to reduce this challenge. Officers added that before the council proposes to sell any property, an assessment is undertaken as to whether it could viably be used for temporary accommodation and or the further needs of the council. Officers confirmed they have contacted private landlords in the past to see if any would offer their property to the council for a period of time, and they would check when this was last done. This had also been done for empty business premises which could be converted to satisfy housing needs. Officers added that if a home is empty for 2 years, council tax on that property is doubled, as a means of encouraging these empty properties to be freed up, and that this would be reduced to 1 year from next year.

In response to Members enquires, officers advised on use of reserves and that the council factored cost pressures into the budget. An example was given of an extra £7m having been budgeted for temporary accommodation. They added that savings for next year were forecast at £17m. Officers advised that it was hypothetically possible for a council to issue a Section 114, whilst still having reserves ringfenced for specific departments.

8. QUARTERLY CAPITAL MONITORING REPORT

In response to Members questions regarding the capital budget, officers advised that £283m was the total capital budget for this year; that line-by-line monitoring reviews had taken place, that each director had to present their spending to the Executive Management Team, and saving proposals of £17.4m were achieved.

In response to Members enquiries relating to Journeys and Places, officers replied that appendix E of the report, provided a breakdown of funding for each programme and that for Journeys and Places, of the £4.2m planned spending, £3.8m would come from grants, and £0.4m from s106 & CIL, with £0.1m borrowing.

In response to Members queries regarding schools' capital programme, officers responded that spending had been lower this year, but this was not council funded, and the need for expenditure to maintain the condition of buildings was assessed.

In response to Members questions relating to pipeline projects, officers advised that these projects were subject to business cases, that council borrowing was being reduced, and that spending was based on priority/need and constantly reviewed.

9. QUARTERLY PERFORMANCE MONITORING REPORT

Cllr Georgiou asked that an officer from each department attend to answer questions on the quarterly performance monitoring reports. Fay Hammond advised that if there were particular issues in the quarterly performance report that members wanted to target in detail, these be included in the work programme. The Chair and the Executive Director of Resources added that other scrutiny panels would already be addressing some of the issues raised and they wanted to avoid duplication where possible. Cllr Georgiou took the point but felt these issues had financial repercussions.

In response to Members queries regarding MEQ and FOI responses, officers replied that these enquiries followed the same process, but the nature of the information requested, with MEQs often tending to be more case driven, meant that they took longer to reply to on average, but if Members wished for more specific details, they could ask for an item on it to be presented.

In response to Members enquiries relating to EV charging points, officers responded that there had been delays in procurement, but that installation would take place in the next financial year initially for 17 rapid charging points, and 900 slow electric vehicle charging points to be attached to streetlights.

In response to Members questions regarding recycling, officers advised that contamination was a key challenge to recycling, that the team was working on communication and webpage improvements and if members wished for a detailed update on this it should be added to the work programme. Officers added/confirmed that the council were below target on rejected dry recycling loads.

10. COUNCIL COMPANIES

Olga Bennet, Director of Finance: Capital & Commercial, introduced and highlighted the key aspects of the report.

Officers responded to Members queries with regards to Energetik, Enfield Lets and Montagu 406 Regeneration LLP.

11. WORK PROGRAMME 2023/24

Members noted the Finance and Performance Scrutiny Panel work programme for 2023/24.

The Chair asked that Cllr Savva be invited to the next meeting as Cabinet Member for Social Housing. Cllr Georgiou asked that officer presentations at the meeting are kept brief.

12. DATES OF FUTURE MEETINGS

Members noted the dates of future meetings as set out in the agenda.

The Chair thanked Members and officers for their time and contributions and the meeting ended at 21:40.

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London Borough of Enfield

Report Title	Temporary Accommodation and Housing Revenue Account budget overview
Report to	Finance & Performance
Date of Meeting	7th March 2024
Executive Director / Director	Joanne Drew – Strategic Director Housing & Regeneration
Report Author	Claire Eldred Claire.eldred@enfield.gov.uk
Classification	Part 1 Public

Purpose of Report

To provide an update on:

1. Temporary accommodation costs
2. HRA budget
3. Financial information in respect of housing pressures

Main Considerations for the Panel

Temporary Accommodation Costs

The position below is at the end of P9.

	Budget	Full year projection	Variance
Income	54,670	66,023	11,353
Expenditure	60,830	89,458	28,629
Net TA	**6,160**	**23,436**	**17,276**

Summary of main categories

Property Income – this is the income generated from charging rents to tenants living in TA. The rents will be uplifted to the new LHA level from 1/4/24. Rents charged to tenants in TA should not ordinarily be higher than LHA level.

Grant Income – this is expected to be at a similar level in 24/25 as 23/24. Prevention Grant of c£9.1m is expected, along with Rough Sleepers Initiative funding of c£924k. Lobbying has been undertaken by numerous Authorities in an effort to secure increased Prevention Grant funding which is more reflective of the pressures faced in the current economic climate.

Property Expenditure – the cost of leasing the portfolio of properties used for TA. Expenditure can be reduced in this area through ceasing use of expensive hotel accommodation and procuring property at the lowest possible rates both in and out of Enfield. However, the largest saving can be accrued by significantly reducing the number of families housed in TA.

Subsidy Loss – Housing Benefit subsidy loss is effectively the difference between the rents charged to tenants (full LHA level) and the proportion of that income which Enfield is allowed to retain. Assuming the tenant is in receipt of Housing Benefit any income received above 90% of the 2011 LHA rent level must be returned to Central Government at the end of each financial year. Enfield are currently transferring the TA portfolio into Enfield Let where different rules around income apply.

Salaries – A saving of £426k will be made on the salary budget for 24/25 in line with Corporate expectations. It may be possible to make further savings via a restructure of the Housing Advisory Service to be finalised during 24/25.

Incentives – When Enfield discharge a homelessness duty into the Private Rented Sector (PRS) an incentive is payable to the new agent/landlord. This is usually a one off payment of c£5k in return for a 24 month tenancy agreement. Incentives are expensive, but they are less expensive than holding a family in TA, therefore Enfield should look to discharge as many duties as possible on an ongoing basis. Ideally these discharges should be made outside of Enfield although that does not mean they will be any cheaper to do. This is an area that is very difficult to save expenditure on, should a large number of units enter the market from a single provider(s) Enfield could potentially look to procure a bulk deal which may see the incentive rate reduce due to the scale of the transaction.

Bad Debt – A provision is made each year to set aside funds for rent which in Enfield's view is unlikely to be recovered. The provision is calculated by analysing current TA arrears and historic payment patterns. The provision required within the Council will naturally reduce as Enfield becomes better at identifying families likely to accrue large arrears and helps those families at an earlier stage. If a family is unwilling to be helped, they will be evicted rather than allowed to continually build up arrears. The TA transfer programme will also reduce the number of families housed by Enfield and therefore a reduced provision will be required in future years.

Repairs – This covers both void works and day to day repairs on the PSL portfolio of properties. Again, with the TA transfer programme this will reduce over time. Thought should be given to ensuring repairs are actioned as quickly, effectively and cheaply as possible while maintaining a good standard to avoid repeated repair calls for similar issues.

Nomination Rights – Historically these have been similar to Incentive payments in that they have been paid in order to discharge a homeless duty. However, they have only been paid to Housing Gateway (HGL) to ensure an ongoing right to nominate to any void units in the HGL portfolio. Going forward nomination rights will also be paid on the TA Transfer properties which have been moved into Enfield Let. This is because even though Enfield Let are able to retain 100% of the rent paid by tenants the gap between lease payments due to agents and that income is too great for the scheme to be financially viable without a nominations payment. This still results in an improved financial position for Enfield as the nomination rights payment well be c50% less than the payments made to cover HB Subsidy Loss.

NRPF (No Recourse to Public funds) – In addition to the Homelessness budget and in the position above is the NRPF service. This involves families who do not hold the right to receive benefits in the UK. Enfield is obliged to lease properties for the families and to make subsistence payments to them but do not have any right to make charges to the families in question. In order to reduce expenditure in this area accommodation needs to be procured more cost effectively and the NRPF caseload needs to be carefully managed in conjunction with the Home Office to ensure immigration decisions are made more promptly. Once an immigration decision has been made the NRPF duty ceases but may lead to a homelessness duty.

HRA pressures – 2023-24 Period 8 Outturn Position

Revenue

The Revenue position for period 8 is shown below:

Council Housing (HRA) Revenue Monitor 2023-24	Budget	Actuals to date	Forecast Outturn	Variance
	£m	£m	£m	£m
Supervision and Management	23.8	16.7	24.8	0.9

Repairs	15.1	13.0	17.7	2.6
Rates	0.6	0.0	0.5	-0.1
Bad Debt Provision	0.6	0.3	0.6	-0.1
Interest on debt & Depreciation	27.0	0.0	26.9	-0.2
Corporate & Democratic Core	0.1	0.0	0.2	0.0
Gross Expenditure	**67.3**	**30.0**	**70.6**	**3.3**
Rents Dwellings	-64.4	-28.7	-64.2	0.2
Rents Non-Dwellings	-3.2	-2.1	-3.2	0.0
Interest on HRA Balances	-0.2	0.0	-1.4	-1.2
Leaseholders Service Charges	-5.2	-4.8	-5.2	0.0
Gross income	**-73.0**	**-35.7**	**-74.0**	**-1.0**
Total	**-5.6**	**-5.6**	**-3.4**	**2.2**

In this period the HRA revenue budget was reporting a pressure of £2.22m against the approved budget. This pressure was mainly driven by the significant cost increases in the repairs service due to:

a. Inflation for materials increasing by 18%
b. Higher sub-contractor costs
c. Additional works rising from regulatory requirements on compliance
d. Higher number of works jobs from stock condition surveys and fire risk assessments including damp and mould works
e. Building safety works in high rise blocks

We have been working with our merchants and adopting close budget management to assist in mitigating the impact of the economic climate. In addition, we are reviewing the schedule of rates for services provided to residents outside the HRA, working towards an increased planned approach to repairs service and reducing agency spend

Capital
The Capital position for period 8 is shown below:

HRA Capital Programme	**2023-24 Budget**	**P8 Projected Outturn**	**Variance to Budget**
	£m	**£m**	**£m**
Investment Programme	61.0	48.1	-12.9
Development Programme	76.0	59.9	-16.1
Estate Regeneration	5.4	7.5	2.1
HRA Total	**142.4**	**115.5**	**-26.9**

The investment programme continues to experience challenges arising from the current market conditions. The impact of increased inflation on the planned maintenance sector has been substantial with both labour and material shortages pushing up costs by more than general inflation.

We are continuing to invest in our homes to ensure we are compliant with the Building Safety Act and Fire safety Act requirements. Decent homes improvement works are progressing well to achieve decency standards of at least 80% by the end of the year. Projects to improve energy and thermal efficiency to our existing stock have continued this year, with deep retrofit and external wall insulation works, these works have been part funded by grants.

This year the new homes programme continues to experience challenges arising from the current volatile market conditions and additional fire safety regulatory requirements on new developments. As a way to mitigate these risks, we are reviewing alternative delivery models including working with RPs and in the short term we are achieving new homes targets by acquiring additional homes. We will be looking to maximise grant income and use buyback schemes as a strategy to progress with our GLA targets. This will reduce the risk of development, as the current market is volatile and financially challenging.

2024-25 HRA Budget

Revenue and Capital Budgets

The revenue budgets have been set with a focus on providing core services to residents. The cost per unit of these services is being measured against Housemark benchmarks/industry standards to ensure we offer value for money and assist in measuring performance and driving down costs. This year the repairs budget has been increased to reflect inflation increases, this is covered by the increase in rental income.

Background and Options

As above & below

Relevance to Council Plans and Strategies

Investment in the Council’s housing stock is a priority to bring it up to the Decent Homes Standard, address building safety risks and improve energy efficiency in our homes. We will be investing £285m on our housing stock over the next 10 years.

The 10-Year Development Programme is targeted to deliver approximately 3,500 new affordable homes in the next 15 years. Further funding from the GLA has been secured (£166.5m) and will assist in achieving our target new homes.

Rents and Service Charges

The Rent Standard published by the Regulator of Social Housing set out that Councils could set a maximum actual rent increases of CPI + 1% per annum until 2024/25 based on the preceding September published CPI. This year rents will go up by 7.7% (CPI+1%). Service charges have increased in line with the cost of providing the service.

These budgets were included within the HRA Rent Setting report approved at Council on 22nd February 2024.

Report Author: Claire Eldred
Head of Finance
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Appendices

Background Papers

Departmental reference number, if relevant:

London Borough of Enfield

Report Title	**Quarter 3 2023/24 Revenue Forecast update**
Report to	Cabinet
Date of Meeting	7th February 2024
Cabinet Member	Cllr Leaver
Executive Director / Director	Fay Hammond – Executive Director, Resources Kevin Bartle – Finance Director, Corporate Finance
Report Author	Annette Trigg – Strategic Head of Corporate Finance
Ward(s) affected	All
Key Decision Number	Non-key
Classification	Part 1 Public
Reason for exemption	N/A

Purpose of Report

1. The report sets out the Council's revenue forecast position compared to the budget for 2023/24, based on the position at the end of November 2023. It also provides an update on progress against the budgeted savings planned for 2023/24, collection fund performance, the Dedicated Schools Grant forecast and impact on earmarked reserves balances.

2. Each year the council sets out a plan for how it intends to make use of the ability to use capital receipts in a flexible manner to fund qualifying revenue expenditure, and then has to submit this plan to DLUHC. For 2023/24 this formed part of the budget setting report approved in February 2023, with an extract and explanation submitted to DLUHC. The council is able to change this plan during the year, but the changes need to be approved and then

resubmitted to DLUHC. This report sets out the proposed changes to the 2023/24 plan and requests approval of these changes, as well as setting out the final position on the use of flexible capital receipts in the 2022/23 outturn.

Recommendations

3. Cabinet is requested to note/approve the following:

   a. An adverse variance of £29.993m is reported in respect of financial year 2023/24, after additional in-year savings and mitigations have been found of £7.733m. This is stated excluding further potential risks of up to £4.316m and £0.600m in opportunities.

   b. Progress on savings set in the original 2023/24 budget as laid out in Appendices B and C, with a projected shortfall in delivery in-year of £3.509m.

   c. The impact of the forecast on the reserves balances as set out in paragraphs 126-132/Table 5 and the consequences this has for longer-term financial resilience.

   d. The forecast in-year overspend on the Dedicated Schools Grant of £2.660m, leading to a projected cumulative deficit of £17.896m.

   e. The final outturn use of capital receipts in 2022/23 as set out in Appendix E

   f. Approve the revised schedule of projects for flexible use of capital receipts in 2023/24 as set out in Appendix G

Background and Options

4. On 23 February 2023, the 2023/24 budget was set by full Council. Savings of £12.782m and income generation plans of £2.974m were agreed for the coming year. In addition to this, £45.956m of growth was included to reflect the demographic, inflationary, investment and capital financing needs of the council.

5. The budget covers the day-to-day operational expenditure and income of the Council and is funded from a combination of government grants, council tax and business rates income, as well as to a limited extent fees and charges and reserves drawdowns. Note that the agreed original budget included £3m contingency for unforeseen inflationary and demographic pressures.

6. The Council, as is the case at many other councils, is in a very challenging financial position for 2023/24. In recent weeks, a number of councils have been reported in the local government press as expressing concerns about their financial position, with one additional council issuing a section 114 notice. It may be viewed now that any impacts that arose during the period of the Covid-19 pandemic have now tailed off or embedded themselves in the ongoing social and economic context, and are now overtaken by the cost of living crisis. This is manifesting as a major pressure on the council in the form of an increased cost of temporary accommodation, elevated levels of cost inflation not matched by government grant levels and ongoing

growth in social care demand pressures. There is therefore a significant challenge in the current year to manage and mitigate all of these pressures.

7. The overspend forecast for 2023/24 will need to be funded from reserves to the extent not mitigated. The purpose of risk or smoothing reserves is to support budget management and provide resilience in the event of unforeseen risks, financial pressures and shocks materialising, however the level of reserves (excluding HRA) held by the council will have reduced by circa £77m over the last two years. This is a concern that the council needs to urgently address in the medium term financial plan and permanent recurring savings in service and operating costs, together with increases in income generation and taxation, need to be found in order to safeguard the financial sustainability of the council. Since 2010 core council funding has reduced by £81m, compounded by delays in the fair funding review, while increasing cost pressures have been offset with over £228m of savings, thereby making this an extremely challenging position.

8. This report is set out as follows:

Relevance to Council Plans and Strategies

9. This is a critical report for updating both members and officers on the council's financial resilience, which is one of the five principles in the Council Plan framework.

10. The report may also bring to light how the council has used its limited resources to deliver the Council Plan priorities in the projection through to March 2024. These priorities are:

a. Clean and green places

b. Strong, healthy and safe communities

c. Thriving children and young people

d. More and better homes

e. An economy that works for everyone

11. The budget for 2023/24 was set as part of the Medium Term Financial Strategy endorsed by Council in February 2023.

Financial Implications

Executive Summary – 2023/24 Revenue Forecast

12. The financial projection for 2023/24 has been identified as being equally, if not more, challenging than the previous year with the largest area of

pressure arising from the continued growth in the cost of supporting households needing temporary accommodation. The overspend reported in the 2022/23 outturn of £21.186m (see item 11 of the Cabinet meeting held on 13 September 2023) included a significant proportion of ongoing pressures, some of which were addressed through growth added into the 2023/24 budget, but some of which continue and are now driving overspends in the current year.

13. Early on it was identified that the pressure from Temporary Accommodation alone was approaching a magnitude of circa £20m. In order to mitigate this, departments were tasked with identifying in-year mitigations and savings, over and above those budgeted for, and the task of not overspending their budgets, i.e. not allowing the situation to deteriorate further. A further measure taken has been for Executive Directors to review all proposed expenditure items in excess of £10,000 as they come forward for approval, in order to prevent any unnecessary significant spend from being committed. Work is ongoing to identify in-year savings opportunities, undertake “deep dive” reviews into certain areas of council expenditure and assess areas of overspend in order to bring these back under control. In respect of the Temporary Accommodation variance itself, a task force has been set up to work through all the issues and find ways in which to bring down the variance arising by means of action to be taken through the year.

14. However, Temporary Accommodation (TA) is not the only service area which is facing significant pressure in trying to stay within budget. Overall, the forecast overspend for 2023/24 against the base £287m General Fund budget, after the application of £0.842m of reserves, is £29.993m – a £2.541m deterioration from Period 5. Of this, the Temporary Accommodation service represents £17.174m, meaning a further net overspend of £12.819m across other parts of the council which in itself is a very significant overspend.

15. An overview of the variances by department is set out below, with further detail set out in **Appendix A**:

Table 1: Summary of 2023/24 Forecast Variances

Department	Net Budget £m	Forecast before use of reserves £m	Variance £m	Specific Reserves £m	Total Forecast Variance £m
People - Adult Social Care	99.282	98.766	(0.516)	(0.637)	(1.153)
People - Public Health	(4.948)	(4.948)	-	(0.500)	(0.500)
People – Children’s Services	52.780	57.704	4.924	(0.854)	4.070
People – Education	4.102	3.907	(0.195)	-	(0.195)
Environment & Communities	38.378	40.057	1.679	0.978	2.657
Housing	7.170	25.800	18.630	(0.090)	18.540
Resources	30.946	34.766	3.820	(0.787)	3.033
Chief Exec	10.243	11.061	0.818	(0.004)	0.814
Service Net Costs	**237.953**	**267.113**	**29.160**	**(1.894)**	**27.266**
Corporate Expenses	18.315	17.975	(0.340)	1.052	0.712
National Pay Award and Inflation	(2.077)	1.738	3.815	0.000	3.815
Capital Financing: Minimum Revenue Provision & Interest	28.960	30.160	1.200	0.000	1.200

Department	Net Budget £m	Forecast before use of reserves £m	Variance £m	Specific Reserves £m	Total Forecast Variance £m
Contingency	3.000	0.000	(3.000)	0.000	(3.000)
Bad Debt Provisions	0.791	0.791	0.000	0.000	0.000
Net Expenditure	**286.942**	**317.777**	**30.835**	**(0.842)**	**29.993**
Expenditure financed by:					
Business Rates	(111.567)	(111.567)	0.000	0.000	0.000
Council Tax	(149.144)	(149.144)	0.000	0.000	0.000
Other non-ring-fenced Government Grants	(26.231)	(26.231)	0.000	0.000	0.000
Total Financing	**(286.942)**	**(286.942)**	0.000	0.000	0.000
Budget Funding Shortfall	**-**	**30.835**	**30.835**	**(0.842)**	**29.993**

NB: Budgets shown in Table 1 are controllable departmental budgets excluding capital and asset impairment charges, which are not directly controlled by departments.

16. The key variances within the above forecast variance are highlighted in Table 2 below, with further commentary set out in the departmental commentaries later within this report. However, the key areas driving the overspend include; Housing (TA) £17.2m and NRPF £1.3m due to service demands and higher unit costs, higher pay award than provided for of £3.7m; Looked After Children £4.1m; Environment and Communities reduction in parking enforcement income £1.0 and increased service demands and contract inflation costs £1.6m; Corporate Property repairs and maintenance costs £1.1m. The key areas of overspend in the council are therefore significantly driven by higher levels of demographic/demand growth, contract inflation growth and wage growth than was anticipated when the budget was originally set.

17. As indicated above, departments have been focused on trying to identify ways to reduce the overspend in-year, whether through one-off monies or ongoing savings. Appendix A shows a memorandum note of how much has been identified in mitigations or savings in-year and which is embedded in the forecast shown – this therefore demonstrates that without this intervention and action by management the in-year forecast would have been worse by a further £7.733m.

18. It is important to note that, as set out in Appendix A, there is a further £4.316m of risks being flagged by departments which is not included in the above forecast variance. This relates to potential increases in costs or reductions in income which at this stage are not certain to happen, may be subject to decisions yet to be taken or the timing of an event is in doubt. Within this, the People department is recording £3.181m of risk, much of which is due to the forecast being based on its service areas being able to contain future demographic growth within current levels and forecast across the remainder of the year. A further £0.600m of opportunities are also flagged by departments, hence should all of these risks and opportunities materialise, the current forecast overspend of £29.993m would deteriorate by a further £3.716m to an adverse variance to budget of £33.709m.

19. Risk reserves held by the council are consequently reducing rapidly. The position at the end of March 2023 (excluding HRA, Schools, Insurance and General Fund reserves) was a balance of £83.6m, but as a consequence of the projected deficit, in-year mitigations being taken from reserves and

planned reductions to smoothing reserves and redundancy reserves, this balance will reduce to £40.3m by March 2024. Should the net risks and opportunities flagged above also materialise, this would further reduce to £36.6m. With further pressure expected in 2024/25 it is clear that significant action needs to be taken to maintain the financial resilience of the council.

20. The Savings Tracker can be found in Appendix B (in overview) and Appendix C (in detail by Department by proposal). Of the overall target of £15.8m, £3.0m has been identified as either deferred to a later year (£2.5m) or unachievable (£0.5m).

21. The table below sets out the key variance drivers and themes affecting the outturn forecast for the year by department:

Table 2: Gross Variance and Key Themes

Department	Gross Variance (£m)	Key Themes
People – Adult Social Care & Public Health	(0.516)	a. Overall ASC (excluding Public Health) forecast is a favourable variance of £1.153m (£0.516m before reserves drawdown) towards wider pressures from one-off monies identified, however one MTFP saving of £0.113m is unavoidably deferred. b. ASC pressures are offset by increased fees and charges income, improved shared care cost assumptions, grant maximisation, service efficiencies and a reserve drawdown of £0.637m. Some £4m of these offsets are expected to be one-off in nature and will be kept under review. c. PH is contributing an additional one-off £0.5m towards PH activities across the wider organisation.
People – Children's & Families	4.924	d. £4.2m overspend on Looked After Children, of which External Care Purchasing £3.6m is due to increased demand and delays to savings from children's homes; £0.2m on UASC/former UASC. e. Disabled Children's service £0.6m overspend on client budgets due to increased demand. f. Other net various overspends totalling £0.2m g. £0.9m drawn from reserves to mitigate overspend reducing variance to £4.1m net adverse variance.
People - Education	(0.195)	h. A minor underspend but with risks relating to SEN staffing cost allocations. i. DSG is expected to overspend in the High Needs area, currently predicted to be £2.660m, leading to a cumulative DSG deficit of £17.896m.
Housing	18.630	j. £17.264m due to TA, of which £13.957m on cost of properties/hotels, HB subsidy loss over by £1.667m, £1.27m bad debt, £0.753m incentives, £0.519 nomination fees, running costs £0.4m, other variance costs £0.9m and HGL SLA £0.8m offset by £1m HSF and £2.2m Homelessness Prevention Grant. k. £1.366m due to NRPF properties where both the number of units and their cost has increased substantially. l. £0.09m drawn from reserves to mitigate overspend reducing variance to £18.54m net adverse variance.
Environment & Communities	1.679	m. Environment & Street Scene £2.627m adverse variance, which is mainly due to On Street Enforcement receipts shortfall, parking tariffs dropped by half since the move to cashless (total £1.018m). Waste Operations £0.530m adverse variance due to growth in demand, Street Lighting £0.215m - energy procurement exercise came in higher

Department	Gross Variance (£m)	Key Themes
		than the median number assumed for 2023/24 MTFP budget uplift, Fleet £0.443m – due to increase in R&M (aged vehicles), Passenger Transport Service £0.436m – mainly due to a 16.5% increase in the out of borough transport provisions, regulatory and Compliance Services £0.212m (due to Mortuary and funerals increasing and Waste Enforcement Tendering delays); mitigated by favourable variances in Commercial Waste (NLWA rebate) and Highways & Traffic £0.227m (in relation to traffic Order and S74 receipts). n. Leisure, Parks & Culture £0.194 adverse variance, mainly due to Millfield Complex budget pressure £0.504m, a shortfall in leisure income of £0.192m, offset by various other favourable variances across the division adding to £0.502m. o. Planning & Growth £0.344m net adverse variance after the Local Plan reserves draw down, which is mainly due to declining planning application income, plus planning appeals costs. p. Customer & Communications £0.388m favourable variance from across all the services in the division q. Exec and Corporate Strategy £0.120m favourable variance, which is related to vacant posts. r. The above variances include a £0.978m net contribution to reserves resulting in a net overall overspend of £2.657m.
Resources	3.821	s. Digital Services £0.8m overspend, mainly on contracts and unachievable savings on CRM. t. Property - £1.8m reactive maintenance and servicing (R&M), plus £0.8m mainly due to income shortfall on investment and operational properties. u. £0.4m deferred saving on bringing the Bailiff Enforcement team in-house. v. £0.8m drawn from reserves re Financial Assessments team (£0.3m), Property (£0.4m) and Digital Services (£0.1m), leaving a net overspend variance of £3m.
Chief Executive	0.818	w. Legal Service overspend of £0.1m – driven by the volume of caseloads for safeguarding and external fees higher costs. x. Meridian Water is reporting a budgeted shortfall in rental income of £0.9m. y. Other net underspends of £0.2m are due mainly to holding vacant posts and a reduction on other planned activity having reviewed the internal audit plan and corporate training budget for the year ahead. z. £0.004m drawn from reserves reducing net overspend to £0.814m.

Department	Gross Variance (£m)	Key Themes
Corporate	1.674	aa. Pay awards anticipated to exceed provision by £3.7m, adverse variance. bb. Capital financing impact from MRP, interest and treasury management charges £1.2m, adverse variance. cc. Technical adjustment to reflect a stricter approach to capitalisation of costs £2.1m, adverse variance. dd. £0.7m forecast pressure in energy and business rates for Council buildings, adverse variance. ee. Offset by Corporate Contingency £3m released plus £0.9m lower concessionary fares, favourable variance. ff. Income for court costs forecast to exceed budget by £0.5m favourable variance gg. Other minor variances totalling £0.6m, favourable variance. hh. The above figures include the impact of a net contribution to reserves of £1.052m. Taking this into account leaves a gross forecast variance of £1.674m.
Other points		ii. Overall deficit forecast of £29.993m will need to be met from risk reserves, which will reduce to £40.301m. jj. There are further net risks not in the above forecast deficit of £3.716m, analysed in Appendix A and clarified in each Department's commentary. This is substantially dependent on the departments' ability to stem demand pressures. kk. 2023/24 MTFP savings target of £15.8m will fall short by £3.0m.

2023/24 Revenue Forecast – Departmental Commentary

People – Departmental Overview

22. The People Department represents a significant proportion of the Council's overall service expenditure with an aggregate net budget of some £151m out of the total £238m service budget. It comprises Adult Social Care, Public Health, Children's Social Care and Education.

23. As a whole, the department is projecting a gross overspend of £4.213m, before reserve drawdowns of £1.991m reduce this to a net overspend of £2.222m. In essence, this is driven by Children & Families which is forecasting a net overspend of £4.070m, of which Looked After Children represents £4.132m, and the Joint Service for Disabled Children £0.630m. The pressure is partially offset by an underspend in other services. There are further potential risks of circa £0.732m for these two services.

24. This is then mitigated by underspends currently forecast in the other directorates. Adults are forecasting an underspend of £1.153m after reserve drawdowns of £0.637m. However, there is an underlying overspend within Customer Pathway of £0.726m as part of this. Public Health is indicating that it will be able to identify an additional £0.500m to invest in Council services that meet the public health outcomes, but this is on a one-off basis. The Education directorate shows a small underspend of £0.195m but there is some risk that this may reverse as further work on cost allocations to the DSG is undertaken.

25. The overspend forecast of £2.222m is stated after identifying in-year mitigations of £3.063m. It should be noted however that a significant proportion of this mitigation is one-off in nature and so will not be available in 2024/25. It should also be noted that there are risks of £3.181m, largely due to the potential for further in-year demographic growth above that recognised in the forecast. The department is basing its forecast on the premise that it will be able to manage and contain demographic growth across the remainder of the year within this forecast, which will be highly challenging but an important contribution towards ensuring that the council's financial position does not deteriorate further.

People – Adult Social Care

26. As part of the medium-term financial planning process last year a gross additional investment was identified for Adult Social Care for 2023/24 of £16.168m consisting of 2022/23 unfunded pressures of £4.373m, care package inflation of £9.515m and Demography of £2.280m. This excludes any pressures from staff pay awards.

27. This additional investment has been funded by increases in the Social Care and other grants, together with an uplift in fees and charges income budgets. Overall, this funded the above pressures to the extent of £13.169m, of which £11.264m was from Government grant increases. In addition to this, the adult social care precept helped close the funding of the above pressures by £2.787m.

28. The directorate outturn is forecasted to be £98.766m. This results in an overall favourable gross variance of £0.516m against the budget of £99.282m. Additionally there is a forecast drawdown of Adults reserves of

£0.637m, which will be subject to relevant approvals. This gives an overall favourable net underspend of £1.153m after use of reserves. This also reflects a virement of Community Support budgets into Adults during the year.

29. Though the service position is balanced, the situation is challenging and not without considerable risk but mitigating actions are in place and are under constant review regarding delivery. The additional in-year savings and mitigations to get to this favourable position will be subject to further review and monitoring. The underlying overspend in the directorate is estimated to be in the region of £6.7m. This has been offset in the forecast by an over-delivery on fees and charges income, improved assumptions on the allocation of shared care costs with health partners and an increase in grant income from various sources. The majority of these offsets are considered to be ongoing in nature, however up to £4m of this is one-off in 2023/24 or will reduce in 2024/25. These will be kept under review as the medium-term financial planning process progresses to ensure that the anticipated impact on the council is up to date, fully understood and factored into future projections. The commentaries by service area below and the analysis in Appendix A focus on the net position and variances after these offsets.

30. The full year effect of new packages approved in 2022/23 (where new clients have come in part way through that year) is estimated at circa £4.1m but further work and review is needed to finalise the extent of the impact and where within the directorate this impact will be felt.

31. Customer Pathway (OP/PD and related internal care home and day care units) is showing a £0.089m overspend. This includes pressures for full year effects of last year’s care packages, as well as specific plans to help meet the in-year saving targets. The overspend is after considerable management actions and mitigations and including a drawdown of £0.637m from reserves. The forecast risks include the assumption that the service, through management actions, can manage any upward trend of in year demand for services. Joint package costs with health partners also pose a risk to ensure full reimbursement of health costs.

32. Learning Difficulties (LD) is showing an underspend of £0.244m reflecting a number of savings plans both specific and cross cutting. There is an underlying risk in LD that further family breakdowns occur in year or that mitigations are not possible and so the forecast could rise. Included in such risks is the possibility that income levels from health partners are curtailed outside the authority's control and rigorous engagement is ongoing in all assessments and panels to ensure full recovery of health costs which should be free at the point of use to clients.

33. Mental Health is reflecting an underspend of £0.360m in the full year. This is related to an underspend on pay related to vacancies. A key issue, and thus a risk, will be how much joint income will result from panels with the ICB for health costs £0.8m.

34. Strategy and Resources includes commissioning, care equipment and related services, Transport and a portfolio of key contracts with the VCS sector which save and restrain spend and help manage demand on the front door. This service is reporting a £0.621m underspend due to specific and general management actions and savings in year including £0.500m from use of a grant balance remaining.

35. Supporting People is projecting an underspend of £0.017m, similar to last year. This is due to additional unbudgeted income from partner organisations offset against an uplift that was issued this year.

36. Adult Social Care has a savings programme of £4.955m this year. This is comprised of the original savings programme in the 2023/24 budget of £3.689m and additional to this the service is making a further contribution of £1.266m towards mitigating council pressures in-year. All but one item are on target or have alternative delivery. The only item currently anticipated as not on target relates to the Reardon Court extra care unit, where the ongoing building work will not complete in time to achieve savings this year, meaning the saving of £0.113m will be deferred. The full revenue saving from this new facility is projected to be £0.490m and the profile of savings delivery will therefore be recalculated.

37. The service overall presents a position which both balances and mitigates any in-year pressures, while also allowing for and contributing to the wider council requirement for in-year savings. These additional savings are derived from a combination of increased fees and charges, spend to save activity (e.g. nursing at Bridgewood) and capital/NCIL items that are still subject to review and deliverability.

38. There are a number of unquantified risks to be mindful of. Firstly, whether all of the savings, mitigations and management actions will be delivered to time and scale in order to deliver the projected outturn; there is always a risk that the trend in demand growth for care packages during the year varies from that built into forecasts; thirdly, the assumptions of any income / expenditure allocations between the council and third parties on joint work and packages may prove difficult to deliver to the anticipated levels. These risks are all difficult to quantify at this stage and so officers will monitor performance through the year to assess whether conditions are changing. The level of net risk against delivery of balance this year is estimated at £1.916m.

People – Public Health

39. The service is projecting a balanced position with respect to ring-fenced grant activity. Any ‘unders’ and ‘overs’ in the position are adjusted for as required by top-ups to or drawdowns from the ringfenced PH reserve. An additional £0.500m has been identified to invest in Council services that contribute towards Public Health outcomes, over and above £5.556m already reflected in budget through the MTFP process for 2023/24.This results in a total PH investment of £6.056m (£5.556m+£0.500m) for the year in public health activity in other service areas and directorates across the council.

40. The underlying operating forecast before reserve top-up indicates a balance to budget. This arises from an underspend on 0–19-year-olds of £0.024m inclusive of agenda for change and the reduction of unfilled vacancies, Core Services and Leadership £0.051m. Offset against an overspend of £0.083 on Commissioned services, related to unexpected delays in contract negotiations that will remove unwarranted variations, that has resulted in increased costs. There continues to be several lease related issues in this

area identified as a potential draw upon the reserve and a further substantial demand from the prior landlord; however, it is not considered that LBE is liable for this demand of over £0.533m and so is excluded from the forecast but is highlighted as a risk.

41. The team also supports and delivers the activity for additional grants coming into Enfield of circa £1.000m and is actively bidding for further funding. These are all specific and fully-funded. The team also runs the supplementary grant for substance misuse and a rough sleepers grant. These are very focused grants with clear rules on spend and will not affect or contribute to the forecast (for example the supplementary grant for substance misuse is provided on the basis that we do not disinvest in treatment services using 2021 spend as benchmark). All grants are being reviewed for any savings or contributions to overheads and other costs where possible.

42. The Data and Intelligence Team is also managed in Public Health and is part funded by the General Fund rather than any grants. It is currently projecting a balanced budget at year end against a budget of £0.607m.

43. The Agenda for Change impact will begin to be felt in this financial year as the cost impact from pay settlements in the NHS start to feed through into contracts and shared arrangements. Any adverse impacts from this will initially need to be managed through the use of the PH reserve. From 2024/25 the public health grant will have to absorb the full impact of inflation from this, despite it being expected to only go up by an indicative 1.3% next year. It is difficult to anticipate what the impact will be but with inflation currently remaining high and some NHS pay increases still to be agreed this poses a significant future risk. The estimated impact based on current rates (pending settlement and a new grade for nursing and possibly doctors) could be £0.5m - £0.6m per annum, from 2024/25. This could rapidly use up current reserves within the next 5-year planning cycle despite reserves being key to absorb variations and any unforeseen issues.

People - Children's Social Care

44. The Children and Family Services division forecast outturn is £57.704m and a net overspend of £4.070m with the two largest variances being in external care purchasing for Looked After Children (£3.622m) and Joint Services for Disabled Children (£0.487m), both demand-led services. The position is exacerbated by deferred savings of £0.760m.

45. The **Children in Need** service is projecting an underspend of £0.242m mainly due to vacancies in the Child Protection & Vulnerable Children service.

46. The service continues to experience ongoing recruitment difficulties, and a high number of vacancies are filled by agency staff, particularly in the child protection teams. Agency staff will be replaced by recruiting through a bespoke microsite built by Sanctuary for Enfield. The cost of the recruitment through Sanctuary is less than the additional costs of recruiting an agency worker for a year.

47. The **Looked After Children** service is projecting an overspend of £4.132m against a net budget of £30.299m with the biggest cost pressure being in external care purchasing. The service includes external care placements, leaving care and UASC (unaccompanied asylum-seeking children), reporting an overspend outlined below. The remaining £0.316m pressure comes from Leaving Care costs adverse variance of £278k and other minor variances in other cost centres within the LAC service. The drivers of the issues and variances are as follows:

48. The budget for external care purchasing is projected to be overspent by £3.622m due to a higher than anticipated increase in demand, including several large sibling groups. Deferred savings, due to unexpected delays in sourcing suitable properties for the two in-house children's homes, has put pressure on this year's budget.

49. The agency fostering budget is experiencing higher demand and increased unit costs.

50. Similarly, the residential care budget is under pressure due to increased numbers of looked after children and complexity of needs. At the same time, average rates for new placements have increased by 25% due to market factors and a continued lack of supply.

51. Recruitment and retention of in-house foster carers continues to be a challenge. In addition, many children must be placed in residential care due to foster placements breakdown. An invest to save proposal is being developed to provide a wraparound support service for foster carers to prevent placement breakdown which includes early intervention through to intensive support.

52. Some anticipated moves into semi-independent accommodation have not taken place as soon as expected due to the needs of young people. The progress that children in care make is tracked and reviewed through a weekly placement panel.

53. There is an increased cost of mother and baby assessment placements due to the court now requesting siblings and fathers to join the residential assessments, which significantly increases the cost per assessment.

54. There is increased demand for secure welfare placements and for high-cost residential placements when stepping down from secure welfare.

55. Since the last report, the forecast for care purchasing has increased by £1.684m due to a significant increase in demand for residential, fostering and semi-independent placements. The reporting method has changed since Period 3, where reported variance included both current portfolio and estimated in-year growth. For this report, the net variance of £3.622m considers only the current client portfolio, assuming that the service will be able to manage and contain any further growth. In-year growth is therefore flagged up as risk of £0.437m and excluded from the reported variance.

56. The service undertakes regular reviews of the packages to ensure stepping down when appropriate.

57. Leaving Care is projected to overspend by £0.278m due to a combination of increased numbers and higher client costs. Housing benefit offsets the costs for most clients over 18, although some clients with more complex needs are not claiming the benefits they are entitled to. A monthly care leavers panel is in place to track and review support offered to care leavers including actions to help them access all their entitlements.

58. Stepping Stones provision for nine care leavers has been delayed due to the difficulties in sourcing suitable properties. The extension of the contract for semi-independent provision attracted a rate uplift, causing further pressure.

59. It is taking longer for care leavers who are bidding to be offered a tenancy due to housing shortages. Reviews are being undertaken via the leaving care panel and individually with the social work teams to ensure speedy transition to permanent tenancy.

60. UASC & former UASC budget is projected with an overspend of £0.195m. Of this, £0.170m is due to a realignment of budget last year to create a number of posts to deal with high caseloads and the anticipated increase in demand. Due to pressures in housing, it is taking longer for those eligible care leavers who were former UASCs to be offered their permanent tenancy.

61. **Young People and Community Safety** is reporting an underspend of £0.246m due to identified in-year saving opportunities to offset escalating pressures in other services.

62. **Joint Services for Disabled Children** is reporting an overspend of £0.630m with a £0.487m overspend in the client budget due to a significant increase in demand above estimated levels. This increase stems from existing and new clients as a result of the economic climate, an increased awareness of the service provision, and changes to eligibility criteria in light of case law being established. The reported variance of £0.487m considers existing clients' cost and therefore implies that any further pressure on the budget from new clients can be managed and contained within this forecast. Should this not be feasible, in-year growth of an estimated £0.295m could results, which is flagged up as risk only.

63. The service is also experiencing an unusually high number of children requiring expensive care packages, ten packages with an estimated cost of £0.746m, whilst the average over the last three years was only three cases per annum. However, this support has prevented children coming into local authority care and putting further pressure on the external care purchasing budget.

64. In addition, the staffing budget is £0.143m overspent due to a vacancy factor.

65. In addition to savings identified in Young People and Community Safety, an opportunity for one-off savings has been identified in several cost centres within **other services**, bringing these back to a broadly breakeven position in the process.

66. The situation is challenging and not without considerable risks and work to be achieved in delivery.

67. Robust processes are in place to regularly review packages of support to children in care, care leavers and disabled children. However, some children require very high levels of care to remain safely at home or prevent placement breakdown. In addition to the risk outlined in Appendix A, there might be further increase in cost for existing care packages if scheduled stepping down does not go ahead in-line with the current care plans or there is an escalation of need.

68. To deal with in-year pressures the division has put forward several one-off saving proposals amounting to £0.590m, based on utilising the reserves in community safety to fund eligible expenditure and available grant funding from the DfE to off-set arising pressures in line with the relevant grant's terms and conditions.

69. In addition, the capital programme for extensions to foster carers homes will be removed and save £0.033m on financing costs in 2023/24. The improvement to the MTFP in the longer term is greater, due to the removal of the assumed annual spend on this.

People - Education

70. Overall, the General Fund Education service is projecting an underspend of £0.195m. There are various small underspends and overspends across a number of areas, but the variance mainly stems from the expectation of the Governor Support service exceeding their income target by £0.058m (similar to last year) and Career Work Experience projecting an underspend against the budget of £0.120m.

71. There is also a risk in SEN staffing which is overspending by approximately £0.867m but currently assumed to be funded by the DSG. This is to be reviewed in due course.

Environment & Communities

72. The overall Environment and Communities net variance to budget is £2.657m adverse – the main reasons for the variances are as follows:

73. The Environment and Street Scene directorate is reporting an adverse variance of £2.627m. This is due to the following factors:

- Highway Services and Traffic and Transportation £0.127m favourable variance, which is due to Traffic Orders and New Roads Works Act income.
- Street Lighting energy costs are higher than budget by £0.215m as the actual procurement cost came in higher than the assumed budget uplift in the 2023/24 MTFP.
- Parking reporting £1.018m pressure, this is due to On Street Enforcement receipts shortfall, parking tariffs dropped by half since the move to cashless.

- Waste Operation budget pressures of £0.931m, due to increased demand and the effect of behavioural changes following Covid – through various mitigating actions this has been revised down to £0.530m.
- Fleet budget pressure of £0.443m, which is mainly due to delays in the replacement programme, i.e., ageing vehicles requiring increased repairs and maintenance.
- Passenger Transport Service reported pressure is £0.436m, mainly due to the increase of the out of Borough provisions – up by 16.5%.
- Regulatory Services £0.212m pressure, which is due to Mortuary and funerals going up since Covid £0.100m, Waste Enforcement tendering delays £0.171m offset my minor variances of £0.059m.
- These pressures are mitigated by favourable variances through the NLWA commercial waste disposal rebate £0.100m, Highways and Traffic £0.127m bringing the net overspend for the division down to £2.627m.

74. The Planning and Growth directorate is reporting an adverse variance of £0.344m, which is due to declining planning applications £0.429m adverse, Building Control £0.039m adverse, Planning Enforcement £0.190m favourable – adding up to circa £0.278m net. Plus an in-year budget pressure of £0.178m related to planning appeals and decisions, offset by an in-year favourable variance in the Town Centre team of £0.112m.

75. Leisure, Parks & Culture £0.194 adverse, mainly due to Millfield Complex budget pressure £0.504m, and leisure income shortfall of £0.192m, offset by various other favourable variances adding to £0.502m.

76. The Customer and Communications directorate is projecting a favourable variance of £0.338m from across the division, which is made of £0.140m operational under spend and £0.100m efficiency from freezing recruitment of vacant posts in the Customer Operations Services. There is a further favourable variance of £0.080m in the Libraries and Customer Experience Services.

77. Risks of circa £0.150m Street Scene, which is subject to achieving the full planned agency costs reduction, plus an opportunity of £0.400m is included in relation to Parking costs.

78. 81% of the total E&C directorate's saving/income target (£3.360m) set for 2023/24 is classified as deliverable (£2.719m), while 19% (£0.641m) is deferred due to the time it has taken to implement the proposed changes, restructures, and procurement exercises to deliver the planned outcomes.

79. The E&C contribution/mitigations identified towards the in-year saving target is included in the reported forecast, at £4.165m. However, these savings/mitigations are only contributing towards reducing the existing departmental budget pressures.

Housing

80. The overall Housing Advisory Service variance to budget is £18.540m adverse after £0.090m drawdown of reserves, split between Temporary Accommodation (£17.174m) and NRPF (£1.366m) with the main reasons for the variance as follows:

81. The Temporary Accommodation (TA) service is forecasting an overspend of £17.174m, which is predominantly caused by a rise in the number of households becoming homeless due to the cost of living crisis, a lack of available temporary accommodation at affordable rates and hence a sustained reliance on expensive hotel accommodation. The net property overspend alone is currently projected to be £13.957m in TA (with a further property overspend of £1.366m for NRPF). Related to this there is also likely to be a housing benefit subsidy overspend of £1.667m, a bad debt provision of £1.27m above budget, an overspend in incentive payments of £0.753m, an overspend on nomination fees of £0.519m, a shortfall in the HGL SLA of £0.8m, various other small differences totalling £0.967m and an additional £0.441m in running costs. Additional income is forecast through a £1m Household Support Fund award and a further £2.2m of Homelessness Prevention Grant. The £1m HSF was awarded to partly offset the increase in incentive payments through Out of Borough procurement. Mitigations continue to be worked upon with the aim of reducing and eliminating reliance on hotels and other expensive block booked accommodation hence reducing the projected overspend in the coming months. The number of families in hotel accommodation is now reducing and is currently at the lowest level it has fallen to in 2023/24.

82. All of the total Housing saving/income target (£0.320m) set for 2023/24 is classified as deliverable.

Resources

83. Since the Q1 budget monitoring report, the Property Service has transferred from the former HRD department into Resources. There is now an overall reported overspend of £3.034m in the Resources department which consists of the following variances:

84. In Digital Services a net overspend of £0.736m is reported (P5: £0.484m), which relates to technology contract costs. The overarching pressure within Digital Services is £1.9m. This is substantially due to unachievable MTFP savings of £0.675m relating to CRM/CMS as well as £0.150m regarding additional contract costs. Additional budget pressures are due to the migration and implementation of new software £0.593m and £0.228m of contract inflation/growth. Other residual overspends are also inflation driven such as bulk print and postage costs and increase in mobile phone call cost. These are being mitigated by holding vacancies and undertaking contract reviews to identify cost savings.

85. The Property directorate is reporting an estimated overspend of £1.933m, which is primarily due to reactive maintenance and servicing works (R&M) £1.108m and £0.250m Corporate Condition Programme (CCP), loss of rental rent income on investment and operational properties £0.830m, this is mitigated by various operational and staffing under spends of (£0.255m).

86. The service is working with EMT on mitigations to reduce/control the impact of the repairs and maintenance pressure on the budgets and is preparing for a deep dive and EMT presentation in due course. The primary way to reduce this budget in the long term will be to close operational buildings.

87. A potential cost risk of £0.295m has been reflected in respect of fees which will be incurred on the property asset disposal programme and represents

work on those projects/properties which may not be able to be capitalised or funded through flexible capital receipts. The directorate has offered to wind up the Salix Recycling fund/reserve, which has released a £0.417m surplus fund to the general fund.

88. There is also an adverse variance of £0.468m within the Income Collection Team in mostly in respect of a saving planned to bring the Bailiff Enforcement team in-house (covering council tax, business rates and parking), which is likely to be deferred to 2024/25 due to delays in implementation.

89. There are other remaining overspends such as agency staff covering substantive roles however these have been absorbed by holding vacant posts as well as additional income generation giving an overall remaining net saving of £0.104m across the department.

90. Within Exchequer Services, a review of historical duplicate payments is to be undertaken, which based on the previous financial year realised £0.2m-£0.3m of recovered duplicate payments. An opportunity of £0.2m is flagged at this stage but not forecast.

91. In Digital Services, a risk of £0.690m is shown, this reflects the change in the methodology of recharging to HRA.

92. Regarding the 2023/24 MTFP savings target, £0.4m relating to the CRM project (along with £0.4m from the prior year) is no longer deemed to be achievable. The £0.150m saving relating to an IT contract is deferred into 2024/25 - the originally planned saving will instead be delivered through an alternative means on SIM contracts. The £0.300m saving relating to the bringing the Bailiff Enforcement team in-house has been delayed, as has £0.065m relating to the Digital staff restructure.

93. The Resources Directorate management team are working with services in the identification and delivery of the in-year savings target as well as mitigating in year budget pressures being reported with a number of meetings scheduled over the coming weeks.

Chief Executive

94. There is an overall reported overspend of £0.814m which consists of the following variances:

95. Within Law and Governance, which is showing a net £0.123m overspend, Legal Services is projecting an overspend of £0.285m. In the prior year, the service received Covid funding of £0.450m to provide the necessary funds for increases in staffing and external legal costs of barristers and court fees due to higher case volumes. In 2023/24 the budget has been increased by £0.300m as this funding has now ceased, this is however a reduction in funding on the prior year of £0.150m. Of the current predicted overspend, £0.200m is due to managing the volume of caseloads for safeguarding, external legal spend and court fees. There is also a pressure on the income budget (£0.150m) with a shortfall predicted on S106 and 3rd party development agreements due to a reduction in the number of major planning applications. These pressures have been offset in part by other savings across the department.

96. In Electoral Services an overspend of £0.108m is reported. There are increased costs in postage & printing in carrying out statutory electoral functions due to a variety of factors such as inflation, biannual increases in Royal Mail's postal rates and increases in the volume of mailouts due to the growth in the borough's population.

97. Meridian Water P8 forecast is shown with a £0.876m adverse variance, which is due to rental income shortfalls and service charges which are not collectable due to the terms of the lease agreements.

98. Other net underspends of £0.293m are due mainly to holding vacant posts and a reduction on other planned activity having reviewed the internal audit plan and corporate training budget for the year ahead. Although there have been timing delays in the delivery of MTFP savings associated with the Placements & Apprenticeship Team (£0.043m) these have been offset by additional schools traded income being projected.

99. Progress has been made to identify in-year savings to contribute to the council-wide effort to find in-year savings. Proposals to date include, HR & OD (£0.104m), and Law & Governance (£0.076m). Meridian Water in-year savings of £0.193m previously anticipated are now deemed unlikely to be deliverable. Work is ongoing to mitigate the budget pressures reported in 2023/24 and further updates will be provided once complete.

Corporate Items

100. There is an overall net overspend of £2.726m which consists of the following variances:

101. The 2023/24 final pay award has now been agreed and pay award budget now allocated directly to departmental budgets. The impact of which has led to an adverse variance of circa £3.7m and at this time includes an estimate of the impact of the Soulbury pay award.

102. The Business rates for Council assets is forecast to be circa £0.4m greater than the £2.8m budget, whilst energy across the Councils' assets is forecast to be a £0.3m overspend.

103. The Minimum Revenue Provision is a charge that Councils are required to make in their accounts for the repayment of debt (as measured by the underlying need to borrow, rather than actual debt). The underlying debt is needed to finance the capital programme.

104. Revenue Capital Financing charges are made up of three elements – (i) interest that is not capitalised, (ii) repaying a proportion of debt every year (Minimum Revenue Provision) and (iii) treasury management charges. The total capital financing charge is expected to be £1.2m above the ongoing revenue budget £28.9m. This reflects an improving position compared to the £2.2m reported in period 5 resulting from the ongoing review of the capital programme. The interest adjustment between the HRA and GF (governed by regulations known as Item 8) is being reviewed and this may have the impact of reducing the interest due to the HRA by £0.7m and therefore reduce the forecast £1.2m overspend by £0.7m.

105. A technical adjustment is being made whereby there will be a stricter approach to costs being attributed to capital which will lead to an adverse variance to budget of £2.1m.

106. A favourable variance of £0.9m is forecast for the Concessionary Travel charges paid to London Councils and Transport for London (TfL). This reflects passenger numbers but is expected to increase as passenger numbers increase post-covid and latest forecasts indicate that growth will be required for the next couple of years.

107. The latest forecasts for income from court costs is forecast to be a favourable variance of circa £0.5m.

108. Other minor variances total circa £0.6m favourable and include the corporate levies and the joint Coroners service, external audit and valuations fees, whilst the corporate contingency, set at £3m, will be used to mitigate against the variances noted above.

109. Due to a number of corporate debt write offs there is a risk that there may be a pressure on the sundry bad debt provision (BDP) budget dependent on collection rates.

Collection Fund

110. The forecast below in Table 3 below shows a total Collection Fund surplus at the end of 2023/24 of £7.4m. Enfield's share of the surplus is £1.8m. The forecasts are based on a number of assumptions which can vary significantly before the end of the year.

111. It should be noted that the eventual surplus or deficit at the year-end does not affect the 2023/24 General Fund revenue outturn and will be accounted for as part of future years' revenue budgets.

Table 3: Collection Fund Forecast Outturn Summary

	Council Tax (£m)	Business Rates (£m)	Total (£m)
Collection Fund (Surplus)/Deficit B/fwd. 1 April 2023	**(4.055)**	**8.083**	**4.028**
Surplus distributed/ deficit recovered (income) re 2022/23 forecast surplus/deficit*	2.842	(10.520)	**(7.678)**
In year collection fund forecast (surplus)/deficit	2.005	(5.754)	**(3.749)**
Forecast (Surplus)/Deficit Outturn 31 March 2024	**0.792**	**(8.191)**	**(7.399)**
Allocation of Collection Fund Forecast Outturn Balance			
London Borough of Enfield	0.616	(2.457)	(1.841)
Greater London Authority	0.176	(3.031)	(2.855)
Central Government	0.000	(2.703)	(2.703)
Total Allocations	**0.792**	**(8.191)**	**(7.399)**

Council Tax and Business Rates Collection Performance

112. The net collection for **Council Tax** at the end of November 2023 was 70.7% of the £195.025m total Council Tax income. This is 0.42% above the target set and 0.22% down against the same point in 2022/23, when the total Council Tax income was £183.235m. The full in-year collection target is 95%.

113. The net collection for **Business Rates** at the end of November 2023 was 71.6% of the £120.741m total Business Rates income. This is 3.57% above the target and is an improvement on last year when it was at 68.3% of the £114.854m total Business Rates income. The full in year collection target is 96%.

114. Tables detailing the Council Tax and Business Rates performance are included in **Appendix D**.

Achievement of Savings (Appendix B and Appendix C)

115. A risk-based approach to the monitoring of savings is undertaken as part of the monthly budget monitoring, where a score is given in relation to the value of saving or income and the likelihood of delivery, these are then multiplied together, and the total score provides the following risk ratings:

- Blue - Saving/ income has been fully delivered
- Green - Saving/ income is on target for delivery
- Amber - Saving/ income is at risk of delivery
- Red - Saving/ income is high risk or undeliverable

116. In the budget for 2023/24, the Council set itself a target of delivering £15.756m of savings and income growth in order to close the budget gap and deliver a balanced budget. The savings include those that are new for 2023/24 (£14.218m) plus the full year effect of previous decisions (£1.538m).

117. Of these, £12.3m are considered to be fully deliverable or on track for delivery at this stage.

118. However, £2.9m and £0.6m are expected to be deferred to a later year or will not be delivered at all. These shortfalls will impact on the outturn and are reflected in the forecasts for each department. Departments are working on mitigating actions to bring delivery back on track, or to offset these alongside any other pressures in their services with alternative savings. Where any savings are no longer deemed to be deliverable or are impacted by delays, then any shortfalls and rephasing of delivery and values will be reflected in the MTFP update for 2024/25.

119. Further details for each department are summarised in the tables in Appendix B and Appendix C.

Dedicated Schools Grant (DSG)

120. The DSG is showing a projected overspend of £2.660m. The table below sets out how this then impacts the DSG reserve brought forward:

Table 4 – DSG Reserve movement

DSG Reserve	£m
B/fwd 22/23 DSG reserve overspend	15.236
P8 Forecast	2.660
C/Fwd Projected 23/24 DSG overspend	**17.896**

The in-year forecast overspend is mainly due to the below:

121. For SEN Services, there are overspends in Speech Therapy and peripatetic services, in placement/top up costs and a contingency of circa £1m has been assumed in this area to reflect the expected increases in fees and charges currently forecast at 7%. The current forecast outturn figure is £2.435m. Further work is currently underway to review this forecast.

122. The contingency is being provided at this stage in light of an assessment of the caseloads currently recorded and due to end while information on new starters and transfers is yet to be clarified.

123. The Parenting Support Service, which forms part of the costs borne by the DSG, is projected to overspend by £0.288m. This overspend will be looked at in more detail to understand the drivers of this and what mitigating action can be undertaken to address it.

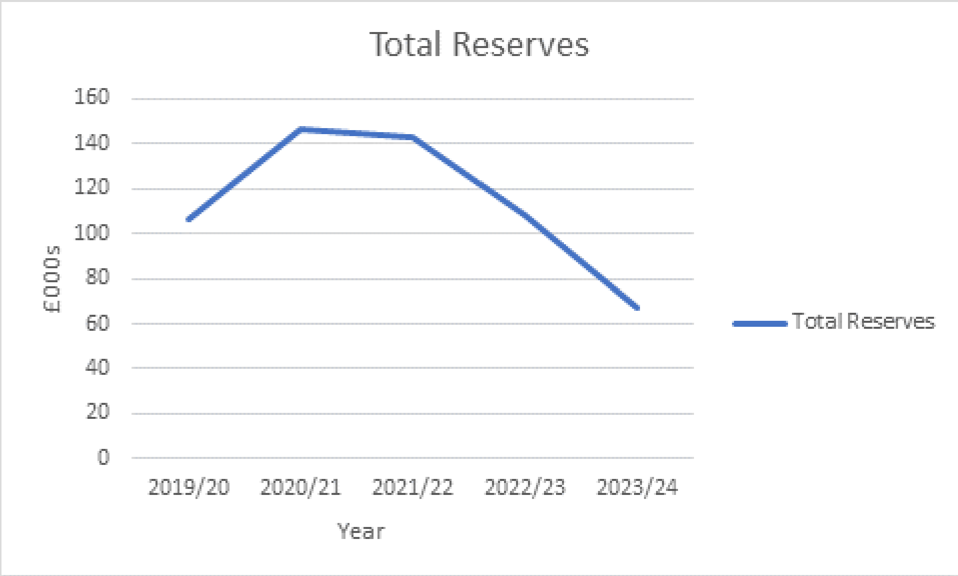
124. The London Mayor has recently announced that grant funding will be made available during the 2023/24 academic year for the provision of universal free school meals for all primary school children in state-funded schools in London who do not currently qualify for Government-funded free school meals. £5.5m of funding is scheduled to be received for Enfield schools. This funding will be passported through the Council and on to schools, with funding coming to the council in 3 tranches through the year.

Earmarked Reserves

125. The table below summarises the final balances for 2022/23 and the forecast outturn position for 2023/24, followed by a chart which shows how the overall reserve total (excluding HRA and Schools) has changed over recent years:

Table 5 – Forecast Reserves balances

	2022/23 Outturn Balance £m	**2023/24 Forecast Balance £m**
Risk Reserve	**(3.440)**	**(5.778)**
Balance Sheet Management	(2.295)	(1.295)
Collection Fund Pooling Reserve	(2.059)	(2.005)
Collection Fund Equalisation Reserve	(13.628)	(13.628)
Housing Benefit Smoothing Reserve	0.726	(4.240)
Adult Social Care Smoothing Reserve	(3.697)	0.000
NLWA Reserve	(0.514)	(1.566)
Meridian Water Reserve	(1.297)	(1.217)
MTFP Smoothing Reserves	**(22.764)**	**(23.951)**
Capital Financing	(23.428)	(23.428)
Service Specific	(13.757)	(7.901)
Property	(0.925)	(0.436)
Grants & Other Contributions	(19.274)	(8.800)
Sub-total	**(83.588)**	**(70.294)**
Potential Risk Reserve Drawdown	-	29.993
Sub-total of all GF risk reserves	**(83.588)**	**(40.301)**
Insurance	(7.513)	(7.382)
General Fund Balance	(13.949)	(13.949)
Total GF Earmarked Reserves & Balances (excl. HRA & Schools)	**(105.050)**	**(61.632)**



126. It is important to recognise that the reserves overall are limited, especially against a backdrop of challenging savings targets, the challenges brought about through the cost of living crisis, inflationary pressures and long term impact of the pandemic.

127. Whilst the risk reserve had been strengthened in the two years prior to 2022/23, this trend reversed significantly in last year's outturn. A review of all earmarked reserves is currently underway and where balances are available it is proposed to transfer these to the risk reserve. This is reflected in the table above. However, given the adverse forecast outturn of £29.993m the risk reserve balance will be insufficient, thus this will require further reductions in other reserves.

128. It is worth noting that there is no longer a specific Covid-19 reserve. The balance was transferred to the risk reserve at the end of 2022/23. This reflects the corporate approach to returning to business as usual and any legacy impact of the pandemic will be managed just like any other pressure.

129. The General Fund balance remains at £14m (on a net budget of £287m, i.e. 4.9%). The minimum level of unallocated reserve balances is a decision reserved for the Section 151 Officer, in order to ensure operational efficacy and sustainability of the Council's financial position. It had been anticipated that the Council would increase the GF balance to £14.5m with a £0.5m transfer from the risk reserve. Given the current level of pressure and risk, this transfer is now not planned until the Council is in a more secure financial position.

130. The £20.6m of Smoothing Reserves relate to Council Tax (£146m), Business Rates (£110m), Housing Benefits (£212m claim per year), Adult Social Care, Meridian Water and the North London Waste Authority levy and provide resilience in the budget to manage annual fluctuations.

131. The £23.4m of Capital and Minimum Revenue Provision reserves were originally planned to smooth any increased budget requirement in a planned way over five years as reported in the Treasury Management Strategy. However, given the reduced level of reserves in total, this approach has been revised.

Flexible Use of Capital Receipts

132. With effect from 2016/17 the Government provided a general capitalisation directive to all councils, enabling them to utilise new capital receipts to finance projects that are designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. This arrangement has been extended in subsequent Local Government Finance Settlements most recently in the 2022/23 settlement, with the flexibility under which local authorities can fund transformative revenue costs from capital receipts extended for a further three years.

133. Enfield was planning to use £3.438m of capital receipts to fund transformation projects in 2022/23 (as approved by Council in February 2022 Budget Report KD5352). However, over the course of the year this figure was revised down as reported through the monitoring reports. The outturn position finally applied £1.953m of flexible capital receipts (FCRs) against expenditure incurred in the year. The final value of capital receipts used to flexibly fund revenue expenditure in 2022/23 has therefore come in £1.485m below what was originally planned.

134. A summary of the final use for the 2022/23 outturn is provided in Appendix E . No additional projects were added to the list in the year but as can been seen from the appendix, less expenditure was incurred than planned, and some initiatives were subsequently deemed not to be qualifying expenditure and so such cases no expenditure has been included in the schedule funded by FCRs.

135. In respect of 2023/24 projects, the Council approved the plan for the use of FCRs as part of the budget setting paper in the 23 February 2023 meeting (KD 5484). £2.201m of spend on projects listed in the report was planned to be funded by FCRs. Since the strategy was approved, a review of the proposed projects has been undertaken with a number of initiatives removed from the list because they are no longer proceeding, can be funded from other sources, or are no longer deemed to be qualifying expenditure. Consequently £0.512m of spend has been removed from the list, as set out in Appendix F.

136. In addition, there is new expenditure planned in respect of activity to dispose of certain land and property assets which is proposed to be added to the list. This increases the list again by £0.495m. The revised total of projects planned to be funded through FCRs therefore stands at £2.184m and the full list of projects now proposed to be funded by FCRs is as set out in Appendix G.

137. Through these changes the council has been able to restrict the revised list of expenditure to within the original planned amount, hence there is no additional pressure on the overall capital receipts held by the council. In fact, the plan to fund key asset disposals will enable the council to generate further capital receipts which may be used to reduce borrowing and the revenue costs associated, or to fund planned capital expenditure which may have required an increase in borrowing, and consequently financing costs.

138. An alternative to funding the disposal costs of the specific sites identified from FCRs would be for this to come from the General Fund. No budget has been set aside to capture such costs and hence this approach would lead to

an increased pressure and overspend on the General Fund. This has therefore been discounted as an option.

Conclusion

139. The wider effects of the cost of living crisis and economic conditions relating to inflation and interest rate rises are having a very real and immediate effect on the Council, and services are being placed under high and increasing pressures from demand for care related services. The in-year pressure and anticipated increase in the budget pressures for 2024/25 mean that the Council needs to challenge everything it spends money on to find savings and efficiencies but may also mean needing to stop services which cost money but are not a statutory requirement. Some difficult decisions are highly likely to be needed and only spend which is absolutely necessary should be incurred.

140. Reserves are sufficient to cover these pressures in the current year, possibly also through 2024/25, but given the size of the challenge they will not last through the MTFP period if the pressures cannot be contained and mitigated and savings found on top of this.

Legal Implications

141. The Council has duties within an existing legal framework to arrange for the proper administration of its financial affairs. The recommendations in this report will support the Council in meeting its statutory obligations.

142. Capital receipts can only be used for specific purposes, and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under Section 11 of the Local Government Act 2003. The main permitted purpose is to fund capital expenditure and the use of capital receipts to support revenue expenditure is not permitted by the regulations.

143. The Secretary of State for Communities and Local Government issued guidance in March 2016 under section 15 (1) (a) of the 2003 Act, giving local authorities greater freedoms as to how capital receipts can be used to finance expenditure. This allows for the following expenditure to be treated as capital, “expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.”

144. The guidance requires authorities to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy with the initial strategy being effective from 1st April 2016 with future Strategies included within future Annual Budget documents. This report complies with this requirement.

Other Implications

145. There are no other implications relevant in the context of this report.

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Appendices

Appendix A: Breakdown of Departmental Variances

Appendix B: Achievement of Savings

Appendix C: Savings & Income Monitor

Appendix D: Collection Fund

Appendix E: Flexible use of capital receipts in 2022/23

Appendix F: Flexible use of capital receipts in 2023/24 – schemes to be removed

Appendix G: Flexible use of capital receipts in 2023/24 – revised list

Background Papers

The following papers have been relied upon in the preparation of this report:

- Budget report 2023/24 and Medium Term Financial Plan 2023/24 to 2027/28

LB ENFIELD **APPENDIX A**

General Fund Revenue Monitor 2023/24

Period 8 Forecast

Directorate	Current Budget £'000	Forecast Outturn £'000	Gross Variance £'000	Specific Reserves £'000	Full Year Net Variance £'000	Memo: Mitigations and new savings £'000	Risks £'000	Opportunities £'000
PEOPLE (ADULTS)								
Customer Pathway	49,275	50,001	726	(637)	89	(637)	970	
Learning Disabilities	31,289	31,045	(244)		(244)	(249)	741	
Mental Health	8,045	7,685	(360)		(360)	(367)	110	
Strategy & Resources	8,149	7,528	(621)		(621)	(633)	95	
Supporting People	2,709	2,692	(17)		(17)	(17)		
Director	(185)	(185)	-		-			
PEOPLE (PUBLIC HEALTH)								
PH Grant	(5,556)	(5,556)	-	(500)	(500)	(500)	533	
Data and Intelligence	608	608	-		-			
People (Adults and Public Health) Total	**94,334**	**93,818**	**(516)**	**(1,137)**	**(1,653)**	**(2,403)**	**2,449**	**-**
PEOPLE (CHILDREN & FAMILIES)								
Children in Need	9,906	9,664	(242)		(242)			
Looked After Children	30,299	34,431	4,132		4,132		437	
Young People and Community Safety	2,637	2,987	350	(595)	(245)	(190)		
Joint Service for Disabled Children	5,192	5,822	630		630		295	
Other Services	4,746	4,800	54	(259)	(205)	(350)		
People (Children) Total	**52,780**	**57,704**	**4,924**	**(854)**	**4,070**	**(540)**	**732**	**-**
PEOPLE (EDUCATION - GF)								
Enhanced Pension Costs	1,716	1,730	14		14	(75)		
SEN Services	1,043	1,043	-		-			
Educational Psychology Service	571	571	-		-			
Schools Improvement Service	209	209	-		-	(45)		
Early Years	543	529	(14)		(14)			
Asset Management & Development	53	53	-		-			
Other Services	(33)	(228)	(195)		(195)			
People (Education) Total	**4,102**	**3,907**	**(195)**	**-**	**(195)**	**(120)**	**-**	**-**
PEOPLE TOTAL	**151,216**	**155,429**	**4,213**	**(1,991)**	**2,222**	**(3,063)**	**3,181**	**-**
HOUSING								
Temporary Accommodation	6,160	23,424	17,264	(90)	17,174	-		
Families with NRPF	905	2,271	1,366	-	1,366			
Other	105	105	-	-	-	-		
Housing Total	**7,170**	**25,800**	**18,630**	**(90)**	**18,540**	**-**	**-**	**-**

LB ENFIELD **APPENDIX A**

General Fund Revenue Monitor 2023/24

Period 8 Forecast

Directorate	Current Budget £'000	Forecast Outturn £'000	Gross Variance £'000	Specific Reserves £'000	Full Year Net Variance £'000	Memo: Mitigations and new savings £'000	Risks £'000	Opportunities £'000
ENVIRONMENT & COMMUNITY								
E&C Director & Corporate Strategy	2,395	2,275	(120)	-	(120)	(90)		
Environment & Street Scene directorate	23,648	24,375	727	1,900	2,627	(3,021)	150	(400)
Planning and Growth	1,679	3,003	1,324	(980)	344	(399)		
HRD Direction & Business Management	-	-	-	-	-	-		
Leisure, Parks & Culture directorate	4,669	4,805	136	58	194	(279)		
Customer & Communications directorate	5,987	5,599	(388)	-	(388)	(376)		
Environment & Community Total	**38,378**	**40,057**	**1,679**	**978**	**2,657**	**(4,165)**	**150**	**(400)**
RESOURCES								
Digital Services	12,664	13,500	836	(100)	736	(88)	690	-
Property	5,207	7,539	2,332	(398)	1,934	-	295	
Corporate Finance	3,013	3,013	-	-	-			
Capital & Procurement	1,879	2,104	225	-	225			
Financial Assessments	3,759	4,017	258	(289)	(31)			
Income Collection	2,514	2,982	468	-	468			
Exchequer Services	1,286	1,059	(227)	-	(227)	(237)		(200)
Executive Director	624	553	(71)	-	(71)			
Resources Total	**30,946**	**34,767**	**3,821**	**(787)**	**3,034**	**(325)**	**985**	**(200)**
CHIEF EXECUTIVE								
Chief Executive	479	327	(152)	-	(152)			
HR & OD	2,505	2,364	(141)	-	(141)	(104)		
Law & Governance	7,255	7,378	123	-	123	(76)		
Corporate Strategy			-		-			
Meridian Water	(636)	320	956	(80)	876			
Electoral Services	640	672	32	76	108			
Chief Executive Total	**10,243**	**11,061**	**818**	**(4)**	**814**	**(180)**	**-**	**-**
NET SERVICE BUDGETS	**237,953**	**267,114**	**29,161**	**(1,894)**	**27,267**	**(7,733)**	**4,316**	**(600)**
% of net revenue expenditure over/(under) budget					**11%**			
CORPORATE BUDGETS	**48,989**	**50,663**	**1,674**	**1,052**	**2,726**	**-**	**-**	**-**
GRAND TOTAL - NET COUNCIL EXPENDITURE	**286,942**	**317,777**	**30,835**	**(842)**	**29,993**	**(7,733)**	**4,316**	**(600)**
% of budget over/(under)					**10%**			

Appendix B

Achievement of Savings and Income Targets

Savings + Income Totals							
Total by Department	**CEX**	**People**	**Housing**	**E&C**	**Resources**	**Corporate**	**Grand Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
FYE	0.000	(0.588)	0.000	0.060	(1.010)	0.000	**(1.538)**
New 2023/24	(0.368)	(5.156)	(0.320)	(3.920)	(2.950)	(1.504)	**(14.218)**
Total	**(0.368)**	**(5.744)**	**(0.320)**	**(3.860)**	**(3.960)**	**(1.504)**	**(15.756)**

Risk Status							
Total by Department	**CEX**	**People**	**Housing**	**E&C**	**Resources**	**Corporate**	**Grand Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Blue	0.000	(0.230)	(0.100)	(2.128)	(0.183)	0.000	**(2.641)**
Green	(0.368)	(4.151)	(0.220)	(1.482)	(1.231)	(1.504)	**(8.956)**
Amber	0.000	(0.769)	0.000	(0.250)	(1.846)	0.000	**(2.865)**
Red	0.000	(0.594)	0.000	0.000	(0.700)	0.000	**(1.294)**
Total	**(0.368)**	**(5.744)**	**(0.320)**	**(3.860)**	**(3.960)**	**(1.504)**	**(15.756)**

Financial Impact							
Total by Department	**CEX**	**People**	**Housing**	**E&C**	**Resources**	**Corporate**	**Grand Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Deliverable	(0.306)	(4.724)	(0.320)	(3.219)	(2.175)	(1.504)	**(12.248)**
Deferred	(0.062)	(1.020)	0.000	(0.641)	(1.164)	0.000	**(2.887)**
Undeliverable	0.000	0.000	0.000	0.000	(0.621)	0.000	**(0.621)**
Total	**(0.368)**	**(5.744)**	**(0.320)**	**(3.860)**	**(3.960)**	**(1.504)**	**(15.756)**

Appendix C

Savings & Income Monitor

Chief Executive

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Schools Personnel – increased traded service income	1.5	(30)	(30)		
Human Resources – HRA recharge income	1.5	(30)	(30)		
Registrars - Income Generation through additional fees & charges	1.5	(50)	(50)		
Psychometric Testing saving	3.0	(10)	(10)		
Workforce & Performance Analyst & Pay Reward & Benefits Advisor posts	2.5	(102)	(102)		
Post from full time to part time	1.5	(6)	(6)		
Employee relations post (0.8 FTE)	1.5	(30)	(30)		
HR Apprenticeships Team deletion	1.5	(98)	(36)	(62)	
OD Restructure	1.5	(12)	(12)		
		(368)	**(306)**	**(62)**	**0**

Adults

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Reardon Court – Extra Care	7.5	(113)	-	(113)	
Increased income through fees and charges for chargeable Adult Social Care Services	2.5	(100)	(100)		
Consolidate VCS offer (Posts and grants)	1.5	(40)	(40)		
Care Purchasing/Demand Management	3.5	(900)	(900)		
Day Services and Transport Reviews	3.5	(700)	(700)		
Grant & Income Maximisation	3.5	(800)	(800)		
Efficiencies & running costs	2.5	(150)	(150)		
Pause SW apprenticeship recruitment	2.5	(100)	(100)		
Proposed 5% staffing reductions	3.5	(786)	(786)		
		(3,689)	**(3,576)**	**(113)**	**-**

Children & Families

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Reduction in operational costs	2.5	(100)	(68)	(32)	
Reduction in external care purchasing costs through in-borough developments of fostering and residential provision	5.0	(594)	(74)	(520)	
Re-tender home care provision for disabled children	1.5	(56)	(28)	(28)	
Use of NCIL to substitute Youth Services funding for 1 year	0.0	(180)	(180)	0	
Pause SW apprenticeship recruitment	2.5	(200)	(87)	(113)	
New children’s home	3.5	(300)	(233)	(67)	
		(1,430)	**(670)**	**(760)**	**-**

Education

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Vacant post deletion - Early Years	1.5	(20)	(20)		
Part funding of an existing post from the Holiday & Food Grant	1.5	(10)	(10)		
Careers Service Restructure	1.5	(20)	(20)		
		(50)	**(50)**	**0**	**0**

Public Health

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Redistribution of the Public Health grant	3.5	(375)	(375)		
Reduction in running costs - Sexual Health	2.5	(100)	(100)		
Reduce Out of Borough Sexual Health costs	2.5	(100)	(100)		
		(575)	**(575)**	**0**	**0**

Environment & Communities

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Consolidation of ASB unit	0.0	(100)	(100)		
Waste Enforcement Contract Optimisation	7.0	(270)	(99)	(171)	
Green Waste Collection Dates	5.0	(200)	(200)		
Increase Garden Waste Charges	3.5	(400)	(305)	(95)	
Commercial workshop- expand 3rd party service change	2.5	(100)	(100)		
Consumer Protection review	2.5	(127)	(96)	(31)	
Staffing Review (Culture)	2.5	(100)	(100)		
Streetworks savings	1.5	(50)	(50)		
Staffing Review (Place)	2.5	(120)	(120)		
Inflation uplift on external clients and receipts income	2.5	(180)	(180)		
Across Place-external fees and charges	2.5	(200)	(200)		
Place Service Reviews - Crossover team review	0.0	(45)	(45)		
Place Service Reviews - Licensing Scheme	0.0	(220)	(220)		
Making climate change a departmental responsibility	2.5	(200)	(200)		
Southgate Cemetery - Mausoleum and Vaulted graves sales	1.5	(10)	(10)		
Grow Commercial Waste Service	1.5	(75)	(75)		
Review of Parking Permit charging	1.5	(60)	(60)		
Traffic order/ permit performance Income	1.5	(50)	(50)		
Vacant Comms (PO1) post	1.5	(50)	(50)		
Customer Operations	1.5	(50)	(50)		
New visa verification contract	5.0	(200)	(91)	(109)	

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Schools Catering Closure	5.0	(235)	-	(235)	
Commercial Team vacant post deletions (MM1 & SO2)	2.5	(100)	(100)		
STS Admin post deletion (part-time)	1.5	(18)	(18)		
Place Service Review - Holly Hill Landscaping	3.5	(250)	(250)		
Extension of Holly Hill land improvement	0.0	200	200		
Place Service Reviews - Staffing review Planning	0.0	(150)	(150)		
Enfield Strategic Partnership review of reserves	0.0	100	100		
Voluntary & Community Sector budget savings	0.0	(300)	(300)		
Strategy & Policy Team - HRA recharge income	1.5	(35)	(35)		
Strategy & Policy Team - Operating Budget savings	1.5	(15)	(15)		
Policy Team restructure proposal	2.5	(200)	(200)		
CCTV income opportunities	3.0	(50)	(50)		
		(3,860)	**(3,219)**	**(641)**	0

Housing

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Resources under the business support manager	0.0	(100)	(100)	0	0
Housing Enabling Posts - Utilise Grant Funding	2.5	(100)	(100)	0	0
Departmental training budget	1.5	(80)	(80)	0	0
Increase income from GF community spaces	1.5	(40)	(40)	0	0
		(320)	**(320)**	**0**	**0**

Resources

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Procurement saving resulting from replacing our digital customer platform	10.5	(400)			(400)
Internal Enforcement Team	7.0	(300)		(300)	
Digital Services restructure	3.5	(656)	(591)	(65)	
Civica contract saving	7.5	(150)		(150)	
Income & Debt team vacant post deletions	2.5	(125)	(125)		
Relet rather than sell John Wilkes House and Charles Babbage House	2.5	(140)	(140)		
Security Savings	2.5	(200)	(200)		
Morson Road Service Charge	4.5	(30)	(5)		(25)
Staffing Review (Property)	4.5	(36)			(36)
CMFM restructure	3.5	(500)	(425)	(75)	
Montagu Industrial Estate Redevelopment	3.5	(300)	(300)		
Cleaning Review	3.5	(500)	(148)	(280)	(72)
Place Service Reviews - Consolidate B Block North into South (energy)	0.0	(97)	(97)		
Market Rentals for Council Properties	3.0	(10)	(10)		
Business Rate Charges, Reduce costs on empty properties	2.5	(100)	(100)		
Income from Rent Reviews	2.5	(240)	(240)		
Description	**Total Risk**	**2023/24 Target**	**2023/24 Deliverable**	**2023/24 Deferred**	**2023/24 Unachievable**

	Score	(£000)	(£000)	(£000)	(£000)
Insource current removal contract	1.5	(20)	(20)		
Trespass and Enforcement Budget	1.5	(50)	(50)		
Relet Marsh House meanwhile use (temp saving 2-3 years)	1.5	(20)	(20)		
Staffing Review (Place)	0.0	(86)	(86)		
		(3,960)	**(2,557)**	**(870)**	**(533)**

Corporate

Description	**Total Risk Score**	**2023/24 Target (£000)**	**2023/24 Deliverable (£000)**	**2023/24 Deferred (£000)**	**2023/24 Unachievable (£000)**
Saving from reducing Employers Pension Contribution rate from 20.2% to 19.1% based on actuarial review	2.5	(1,450)	(1,450)		
Increase in court cost income. Look to increase court charges to the London average	1.5	(54)	(54)		
		(1,504)	**(1,504)**	**0**	**0**

Appendix D

Collection Fund - update in detail

The performance on collection of council tax and business rates is set out in the tables below:

Table D1 - Council Tax Collection Performance 2023/24 as at 30 November 2023

	2023/24 Net Collectable Debit (£m)	2023/24 Net Amount Collected (£m)	2023/24 Collected %	23/24 Target %	+/- Against Target %	2022/23 Net Collectable Debit (£m)	2022/23 Net Amount Collected (£m)	2022/23 Collected %
April 2023	195.076	21.540	11.04%	10.00%	+1.04%	182.445	20.527	11.25%
May 2023	195.106	38.213	19.59%	18.00%	+1.59%	182.566	36.099	19.77%
June 2023	195.095	54.830	28.10%	27.50%	+0.60%	182.549	51.465	28.19%
July 2023	195.157	71.134	36.45%	35.50%	+0.95%	182.370	66.950	36.71%
Aug 2023	195.339	88.123	45.11%	44.00%	+1.11%	182.401	82.394	45.17%
Sept 2023	195.181	104.309	53.48%	52.75%	+0.73%	182.562	99.016	54.24%
Oct 2023	195.330	121.267	62.08%	61.50%	+0.58%	183.168	114.314	62.41%
Nov 2023	195.025	137.820	70.67%	70.25%	+0.42%	183.235	129.886	70.88%

Table D2 - Business Rates Collection Performance 2023/24 as at 30 November 2023

	2023/24 Net Collectable Debit (£m)	2023/24 Net Amount Collected (£m)	2023/24 Collected %	23/24 Target %	+/- Against Target %	2022/23 Net Collectable Debit (£m)	2022/23 Net Amount Collected (£m)	2022/23 Collected %
April 2023	123.159	10.322	8.38%	8.0%	+0.38%	110.506	10.575	9.57%
May 2023	123.383	22.110	17.92%	16.5%	+1.42%	113.176	19.339	17.09%
June 2023	122.933	32.079	26.09%	24.0%	+2.09%	113.986	27.941	24.51%
July 2023	123.493	42.107	34.10%	32.5%	+1.60%	114.106	36.550	32.03%
Aug 2023	122.739	52.427	42.71%	40.5%	+2.21%	115.079	48.271	41.95%
Sept 2023	121.710	65.725	54.00%	50.0%	+4.00%	114.494	56.727	49.55%
Oct 2023	121.590	76.018	62.50%	59.0%	+3.52%	115.131	68.249	59.28%
Nov 2023	120.741	86.415	71.57%	68.0%	+3.57%	114.853	78.386	68.25%

Collection Fund - Council Tax

The forecast Council Tax in year position is a £2.005m deficit across the Collection Fund as shown in Table D3 below, an increase of £0.201m on the August forecast. The main reason for the variance is the increased cost of the Council Tax Support Scheme £2.891m, of which £0.935m is funded from the Council Tax Support Fund grant. There has also been an increased level of discounts and exemptions £0.651m which are offset by increased Council Tax income £0.310m.

Table D3 – Collection Fund Council Tax

	% Shares	Budget 2023/24 (£m)	Forecast Outturn (£m)	Variance (£m)
Gross Council Tax income for 23/24		(255.817)	(256.127)	(0.310)
Less: Council Tax Support		39.142	42.033	2.891
Less: Other discounts		19.302	19.953	0.651
Net Collectible Council Tax		**(197.373)**	**(194.141)**	**3.232**
Council Tax Support Fund		0	(0.935)	(0.935)
Discounts funded by General Fund		0	(0.155)	(0.155)
Increase/ (decrease) to bad debt provision		8.388	8.251	(0.137)
Council Tax Income		**(188.985)**	**(186.980)**	**2.005**
Allocation of Council Tax Income				
London Borough of Enfield	77.76%	(146.963)	(145.404)	1.559
Greater London Authority	22.24%	(42.022)	(41.576)	0.446
Total Allocation		**(188.985)**	**(186.980)**	**2.005**

Collection Fund - Business Rates

The forecast year end position for Business Rates as at 30 November 2023 is a positive position, as shown below in Table D4, showing an in year surplus of £5.754m, compared to the £3.352m forecast in August.

The net collectable business rates are forecast to increase by £4.463m compared to the budgeted position, with an increase of £1.317m for transitional protection contributing to the surplus position. As a result of gross business rates being higher, reliefs are also forecast to be higher. Largely supporting small business relief which is currently £1.081m higher and the transitional protection relief (mentioned above) which is currently £1.317m higher than at budget setting. Both reliefs are funded by central government, so the increase does not negatively impact the council's income. Empty reliefs are £3.394m higher than anticipated at budget setting, these reliefs are unfunded and therefore do impact the income.

This position is sensitive to a number of risks, principally the uncertainly around the appeals against the rateable values as set by the Valuation Office which were subject to a revaluation effective from 1st April 2023. We have seen the impact of the Valuation Office working to clear the appeals relating to the prior 2017 valuation list which should result in a more settled position regarding these appeals going forward. However, the current 2023 list appeals remain an area of high uncertainly.

Table D4: Collection Fund Business Rates

	% Shares	Budget 2023/24 (£m)	Forecast Year End Position (£m)	Variance (£m)
Gross Business Rates Income		(162.063)	(164.515)	(2.452)
Forecast appeals in 2023/24		4.530	1.856	(2.674)
Impact of adjustment to prior years*		0	(1.465)	(1.465)
Transitional protection relief (see below)		13.906	15.223	1.317
Estimated unfunded reliefs		14.383	17.401	3.018
Estimated funded reliefs		14.458	15.121	0.663
		(114.786)	(116.379)	(1.593)
Increase/ (decrease) to bad debt provision		7.466	4.596	(2.870)
Net Collectable Business Rates		(107.320)	(111.783)	(4.463)
Transitional protection payment due to Authority		(13.906)	(15.223)	(1.317)
Cost of Collection Allowance		0.329	0.329	0
Interest paid on appeals refunds		0	0.026	0.026
Net Business Rates Income Total		(120.897)	(126.651)	(5.754)
Allocation of Business Rates Income				
London Borough of Enfield	30%	(36.269)	(37.995)	(1.726)
Greater London Authority	37%	(44.732)	(46.861)	(2.129)
Central Government	33%	(39.896)	(41.795)	(1.899)
Total Allocations		**(120.897)**	**(126.651)**	**(5.754)**

Appendix E – Flexible use of capital receipts in 2022/23

The table below shows how we used capital receipts in 2022/23 compared to the original plan:

Service Area	Plan £000s	Outturn £000s	Planned savings and demand reductions
Human Resources	50	0	Review and align workforce structures and budgets on SAP HR and SAP Finance
Corporate Strategy	87	0	Digital Development Programme (Digital Infrastructure & Inclusion)
Communications	41	0	50% of an Internal Comms/Transformation Manager post (£41k) to be funded from capital receipts
Human Resources	93	0	HR Transformation Manager
Digital Services	820	373	To develop business cases for new projects as part of the Portfolio's pipeline. Continuation from 2021/22 item with a further £0.820m Use of Capital Receipts anticipated.
Transformation	710	837	The Transformation Service manages a diverse Portfolio of Programmes, designing, planning and managing activity on behalf of Directors across the council, hiring and managing specialist IT and other resources, as required for each individual project.
Income & Debt	389	203	Analyse Local contract to bring in upwards of £1.0m a year in growth in Business Rates income
Web Development	114	0	2 additional Form Developer posts & 1 Apprentice post as Content Editor role
NEXUS Community Project	475	408	Funding for the continuation of the Nexus project to address youth violence.
Adult Social Care	200	0	Smooth and cost-effective transition back into Enfield adult service from Residential schools.
Children & Families	17	0	Outreach worker Operation Alliance
Children & Families	40	0	SEND and Disability Outreach Worker
Children & Families	88	0	Parent Support Advisor
Children & Families	81	0	Specialist Outreach Project
Children & Families	163	132	New Beginnings
Planning	70	0	Planning Commercial & Customer Manager
TOTAL	**3,438**	**1,953**	

Appendix F – Flexible use of capital receipts in 2023/24 – schemes to be removed

The table below shows the schemes which are to be removed from the 2023/24 plan:

Service Area	**Plan £000s**	**Planned savings and demand reductions**
Human Resources	50	Review and align workforce structures and budgets on SAP HR and SAP Finance
Communications	41	50% of an Internal Comms/Transformation Manager post (£41k) to be funded from capital receipts
Human Resources	93	HR Transformation Manager
Web Development	114	2 additional Form Developer posts & 1 Apprentice post as Content Editor role
Adult Social Care	100	Smooth and cost-effective transition back into Enfield adult service from Residential schools.
Children & Families	44	Parent Support Advisor
Planning	70	Planning Commercial & Customer Manager
TOTAL	**512**	

Appendix G – Flexible use of capital receipts in 2023/24 – revised list

The table below shows the revised list of schemes planned to be funded by flexible capital receipts in 2023/24:

Service Area	Plan £000s	Planned savings and demand reductions
Transformation	900	Portfolio of programmes delivering corporate and customer facing change across the organisation to reduce demand failure, improve customer experience, cost prevention and create efficiencies through improved processes and enhanced technology. Individual programmes may have specific MTFP savings targets. Cost prevention projects & programmes are designed to reduce demand prior to incurring costs.
Digital Services	600	To develop business cases for new projects as part of the Portfolio's pipeline. This will include reducing the cost of laptops and devices; procurement savings; application rationalisation; reduction in mobile phone usage and costs.
Property	495	Various external fees directly attributable to, and essential for, the disposal of property assets to deliver capital receipts. Gross capital receipts forecast to total £65m over the five-year period 2023-29. There will no ongoing costs associated with each property asset disposal upon completion of each sale. There will also be reduced MRP and interest charges if the receipts are used to repay borrowing.
Income & Debt	189	Analyse Local Business Rate growth project. Aim of the project is to increase Business Rate Income through identifying missing hereditaments within the borough and establishing new working partnerships across the Council to ensure maximisation of the tax base in future years.
TOTAL	**2,184**	

London Borough of Enfield

Report Title	2023/24 Period 8 capital budget monitoring
Report to:	Cabinet
Date of Meeting:	17 January 2024
Cabinet Member:	Cllr Tim Leaver, Cabinet Member Finance & Property
Executive Director/Director	Fay Hammond, Executive Director Resources Olga Bennet, Director of Finance (Capital)
Report Authors:	Olu Ayodele – Olu.ayodele@enfield.gov.uk Shirley Haider – Shirley.haider@enfield.gov.uk
Ward(s) affected:	All
Key Decision Number	
Classification:	Part I Public

Purpose of the Report

1. This report provides an update to Cabinet on the 2023/24 capital programme. It provides an overview of capital expenditure incurred to date, the latest full year forecast for 2023/24 and outcomes anticipated from planned expenditure.

2. It seeks to highlight the main financial risks inherent within the capital programme for 2023/24 and explains the actions underway to mitigate these risks.

Recommendations

I. Cabinet is asked to note:

a. Full year forecast capital expenditure for 2023/24 is £242.5m, including £115.5m for the Housing Revenue Account (HRA), £69.3m for Meridian Water and £17.6m for Companies.

b. Actual capital expenditure from the beginning of the year to 31 October is £77.4m, which is 32% of full year forecast. The largest General Fund variances to forecast are within Meridian Water and Companies.

c. Budget reductions of £5.5m and grant / s106 funded growth of £1.4m in Period 8

d. The forecast of £139.0m borrowing in 2023/24 to deliver the capital programme (£16.5m core services, £50.m Meridian Water, £15.5m Companies loan drawdowns and £57.0m HRA)

e. HRA and Companies forecasts are reported in separate papers on this agenda

Executive Summary

3. In November 2023 Council approved a revised capital programme budget of £283.1m for 2023/24 (KD5678).

4. The forecast outturn for 2023/24 is estimated at £242.5m. Changes since the last forecast (and budget setting) are summarised in table 1 below.

Table 1: capital forecast changes for 2023/24

	£m
Approved 2023/24 budget (November 2023 Council)	**283.1**
Proposed budget growth and reductions	
Grant funded growth for new Journeys & Places projects, new LTA grant for tennis courts refurbishment in parks, new s106 funded growth for flood alleviation programme	1.3
Increased demand for wheeled bin replacements (funding to be identified)	0.1
Meridian Water – removal of non-cash land swap transaction from capital programme	(4.9)
Removal of indicative grant funding and £40k reduced highways verges capital budget	(0.6)
Other changes to forecast 2023/24 spend	
DfE grant funded schools capital budget	(0.5)
HIF grant funded Meridian Water capital budget	(13.6)
Meridian One borrowing funded budget for 32 units now expected to complete 2024/25	(5.7)
Digital services borrowing funded budget	(0.6)
Energetik HNIP loan drawdown - in line with revised timeline for loan drawdown	(1.4)
Extensions to foster carers homes borrowing funded budget	(0.2)
Housing Revenue Account	(14.4)
Forecast	**242.5**

5. All requests to carry forward budget into 2024/25 will be reviewed as part of the development of the 2024/25 capital programme for Council approval in February 2024.

6. Capital spend to 31 October is £77.4m, which is 31.9% of Period 8 forecast outturn. It is important to note, however, that spend to date does not yet include full year capitalised costs of staff directly supporting delivery of capital schemes. To date around £2.8m of £6.5m full year forecast capitalised staff costs have been recharged. All staff recharges to capital are reviewed in advance to ensure they are compliant with the CIPFA Code of Practice prior to being recognised as capital spend.

7. Table 2 below summarises how the 2023/24 capital programme is currently forecast to be financed

Table 2: forecast capital funding

	General Fund £m	Meridian Water £m	Companies £m	HRA £m	Total £m
Capital grants	20.4	19.0	2.1	12.2	53.7
S106	2.4				2.4
CIL	0.5				0.5
Capital receipts	0.3	0.3		5.6	6.3
Right to Buy receipts				10.3	10.3
Major Repairs Reserve				15.9	15.9
Earmarked Reserves				14.5	14.5
Non-borrowing	**23.6**	**19.3**	**2.1**	**58.5**	**103.5**
Borrowing	**16.5**	**50.0**	**15.5**	**57.0**	**139.0**
forecast capital financing	**40.1**	**69.3**	**17.6**	**115.5**	**242.5**

Financial risks

8. Economic and development market uncertainty continues and there is risk that further adaptations to capital projects will be required.

9. Forecast spend for the year is based on department's best estimates of planned spend. Whilst the pace of spend in the final quarter of the year is expected to increase as schemes progress, orders are fulfilled, and eligible capital spend (including staff time and Meridian Water capitalised interest) is recognised, the final outturn may be less than currently forecast.

10. 57% of the 2023/24 capital spend is forecast to be funded by borrowing (£139.0m borrowing out of £242.5m spend). This includes £16.5m for General Fund core services, £50.0m for Meridian Water and £15.5m for Companies loan drawdown. The makes appropriate minimum revenue provision (MRP) for borrowing and interest repayment, associated with completed projects. Unspent borrowing funded capital programmes will only be carried forward if approved by EMT (and subsequently by Cabinet and Council). This is an important financial control that seeks to ensure that borrowing in the capital programme is robustly managed.

11. There are further financial risks within the programme relating to funding currently assumed, including reliance on £0.6m future capital receipts for Sloeman's Farm and Meridian Water. These receipts have not yet been received. The programme also assumes that retrospective grant claims for works completed in the year will be reimbursed by grant providers.

12. Paragraphs 13 to 31 of this report provide commentary on the status of capital projects within the programme, including outcomes anticipated from

the investment. Table 1 summarises spend to date by Department in comparison with approved budget and forecast outturn. Appendix A provides a more detailed breakdown by programme.

Capital programme monitoring

Table 2: Period 8 capital spend and forecast outturn by Department

	November Council revised budget	P8 forecast outturn	P8 forecast variance to budget	YTD spend	YTD spend as a % of P8 forecast outturn
	£m	£m	£m	£m	%
Education	13.9	13.4	(0.5)	6.1	45.4%
Children & Family Services	0.6	0.4	(0.2)	0.1	14.2%
Adult Social Care	0.3	0.3	0.0	0.0	0.0%
People	**14.7**	**14.0**	**(0.7)**	**6.1**	**43.8%**
Digital Services	5.8	5.2	(0.6)	0.8	15.6%
Property & Economy	3.5	3.5	0.0	1.6	44.4%
Resources	**9.3**	**8.7**	**(0.6)**	**2.4**	**27.3%**
Environment & Street scene	6.4	6.5	0.2	3.6	55.8%
Leisure, Parks & Culture	3.1	3.4	0.3	1.0	28.5%
Journeys & Places	4.2	4.6	0.4	1.4	31.0%
Town Centre Regeneration	0.6	0.6	0.0	0.2	34.7%
Environment & Communities	**14.3**	**15.1**	**0.8**	**6.2**	**41.3%**
Housing & Regeneration	2.3	2.3	0.0	1.4	62.7%
HRD (exc Meridian)	**2.3**	**2.3**	**0.0**	**1.4**	**62.7%**
Meridian Water	**93.5**	**69.3**	**(24.2)**	**8.7**	**12.6%**
Energetik	8.9	7.4	(1.4)	2.5	33.9%
Housing Gateway Ltd	10.2	10.2	0.0	0.0	0.0%
Companies	**19.1**	**17.6**	**(1.4)**	**2.5**	**14.3%**
General Fund	**153.2**	**127.0**	**(26.2)**	**27.4**	**21.5%**
Housing Revenue Account	**129.9**	**115.5**	**(14.4)**	**50.0**	**43.3%**
capital expenditure	**283.1**	**242.5**	**(40.6)**	**77.4**	**31.9%**

People – £6.1m spend (£14.7m budget, £14.0m 2023/24 forecast)

Education

13. The schools' capital programme forecasts to spend £13.4m in 2023/24. Planned spend includes the new 6^{th} form building at Winchmore school, remodelling and refurbishing the Swan Centre for SEND provision, Enfield County and Southbury School roofing and window replacements and further investment in school buildings including windows, heating systems, lighting upgrades, installing new boilers etc on schools across the borough.

14. The majority of community schools have had condition surveys completed to improve the understanding of school building condition and to plan for future maintenance and investment. Of 36 school buildings in the borough, which are split across 43 sites, to date Reinforced Autoclaved Aerated Concrete (RAAC) has been identified in the changing rooms of 1 school building, and plans are already in place to address this. For the remaining school sites, 39 sites are reported to have no RAAC, and 3 sites are under final review to confirm the use of RAAC.

Children & Families

15. Children's & Families is forecasting £0.4m spend this year including property adaptation to foster carers home (the scheme has now formally closed to new applicants) and £0.3m for the first phase of remodelling works to two Borough owned premises now repurposed as children's homes.

Adult Social Care

16. The Mental health hub has an overall budget of £3.2m funded by grant, of which £250k is included in 2023/24. Cabinet business case approval is anticipated in the next few months.

Resources – £2.4m spend (£9.3m budget, £8.7m 2023/24 forecast)

Property & Economy

17. Build the Change budget is focussed on essential works. These include snagging and retention costs on the children's and families hub and the fit out of the archive space at Ridge Avenue. Montagu Industrial Estate redevelopment project is being reviewed, and a revised business case is being prepared. £116k capital spend is forecast for 23/24 to cover legal, surveyors and consultancy fees for sites the Council is seeking to acquire. The remainder of the approved budget is moved to 'pipeline.' Corporate Property Investment Programme forecasts £169k spend – including temporary community hub at Firs Farm Park and Albany Park community kitchen works.

18. Corporate Condition Programme forecast remains unchanged at £2.1m. This investment will deliver a range of health and safety works, replacement of boilers at various buildings, cess pit replacement improved accessibility at

allotments and buildings, toilet upgrades at parks, and replacement roofs. Planned investment in the cooling tower upgrade at the Civic Centre has been paused and the budget repurposed to new projects within the programme including Bridgewoood House heating and cooling, Enfield Business Centre replacement lift and new lift at the Parker Centre.

Digital Services

19. Digital Services – ongoing investment to meet the Council's ICT infrastructure needs including End User Computing (EUC - Laptops) & Smart Mobile Device (SMD - Mobile phones and Tablets), Directorate Stand Alone Projects, Asset Management System, Unified Communication, Security, Network Application, 'Digital Switchover', Corporate Programme, data migration, and Civica.

Environment & Communities – £6.2m spend (£14.3m budget, £15.1m 2023/24 forecast)

Journeys & Places

20. Journeys & Places forecast spend includes TfL grant and s106 contribution funded growth for Quieter Neighbourhoods in Edmonton Green, Bowes East and Fox Lane and further TfL grant funding for safer school streets.

Town Centre Regeneration

21. Town Centre Regeneration programme will invest £0.6m on the regeneration of the Borough's main centres (Southgate, Angel Edmonton, Palmers Green and Edmonton Green). This investment is funded from UK Shared Prosperity Fund grant, s106 contributions, CIL and borrowing. A further £0.8m grant funding has been secured for 2024/25 allowing works to continue across 5 town centres in Enfield without recourse to additional borrowing.

Leisure, Parks & Culture

22. Additional s106 contributions have been approved for Enfield Chase and Haselbury Neighbourhood improvements. The flood alleviation programme relies significantly on external grant funding, s106 contributions and community infrastructure levy (CIL), with minimal borrowing.

23. The forecast outturn for parks, playgrounds and verges has increased to £1.7m. This includes £0.6m of grant funded growth for a new programme of tennis court refurbishments. £0.2m is planned to improve Broomfield Park boating lake (funded from £154k s106 contributions).

24. Sloeman's farm natural burial ground - £330k spend is planned this year, to be funded from income from soil importation. The Council is in the process of procuring a main contractor for site works which will generate capital receipts income. There is financial risk should the contract not be awarded in time.

Environment & Street Scene

25. The Council forecasts to spend £4.3m on highways repairs, footpaths and structural works. The Council will also invest £0.2m of grant funding into the installation of highways fibre ducting to deliver digital enhancement across the borough. A further £0.8m grant funding has been secured to complete the programme in 2024/25. Traffic & Transportation forecasts £0.3m of grant funded investment in improving traffic and transportation measures across the conurbation (including traffic calming and bus priority improvements).

26. The Council plans to invest £1m in its fleet replacement programme. Given current lead-in times, there is the potential for a further exceptional budget carry forward request should planned orders not be delivered by the end of the financial year. The Council has invested £0.25m in the expansion of its fleet workshop. This will allow the Council to offer a wider range of services and to increase capacity.

27. Customer demand for the Council's free wheeled bin replacements has been higher than expected. The current forecast outturn for the year exceeds current approved budget.

28. Community Safety services is forecasting £150k spend this year to deliver improved security at various sites across the borough.

Housing, Regeneration & Development – £1.4m spend (£2.3m budget, £2.3m 2023/24 forecast)

29. Planned spend consists of £2.3m grant funded expenditure on property adaptations for disabled residents to enable more people to live independently in their own homes.

Meridian Water – £8.7m spend (£93.5m budget, £69.3m 2023/24 forecast)

30. Key outcomes / progress are listed below:

- **Meridian One** – Forecast spend for the financial year is approximately £18m. To date 20 of the planned 119 units have been delivered. Of the remaining 99 units, 67 are expected to be completed by March 2024, with the remaining 32 units expected to complete in 2024/25.

- **HIF SIW** – Programmed works for the year were originally approximately £67m. Works are now forecast to be in the region of £18m. Vinci Taylor Woodrow are currently onsite completing strategic infrastructure works.

- **Debt costs** – Capitalised interest costs are expected to be approximately £8.4m in 2023/24.

- **Waste mound costs** - £2m of spend previously assumed would be funded from borrowing will now be funded from HIF grant. This reduces the programme's overall borrowing requirement.

- **CPO/Land acquisition** - Negotiations are ongoing but expected to be concluded before the year end.

- **Staffing** - Salary capitalisation is estimated at £2.2m, subject to validating outstanding recharges and other charges from elsewhere in the Council, which may result in an increase in this amount . These recharges are in the process of being validated and quantified by the Meridian Water PMO team.

Companies – £2.5m actual loan drawdown (£19.1m budget, £17.6m 2023/24 forecast)

31. The Companies position is reported separately.

Capital programme financing

32. Full year capital financing - approved budget in comparison with forecast is summarised in Table 3. In-year borrowing for 2023/24 is forecast to reduce from £153.6m approved budget to £139.0m (£14.6m less in-year borrowing). £0.8m of this relates to the Council's core general fund services, £7.7m is for Meridian Water and £1.4m on Companies.

Table 3 – capital financing

Budget 2023/24 as approved at November 2023 Council meeting	General Fund	Meridian Water	Companies	HRA	Total
	£m	£m	£m	£m	£m
Capital grants	20.6	30.6	2.1	18.3	71.8
S106	1.8				1.8
CIL	0.5				0.5
Capital receipts	0.3	5.2		14.9	20.4
Right to Buy receipts				10.7	10.7
Major Repairs Reserve				11.0	11.0
Earmarked Reserves	0.1			13.3	13.3
Non-borrowing	**23.3**	**35.8**	**2.1**	**68.2**	**129.5**
Borrowing	**17.3**	**57.7**	**17.0**	**61.7**	**153.6**
Budget capital financing	**40.6**	**93.5**	**19.1**	**129.9**	**283.1**

forecast 2023/24	General Fund	Meridian Water	Companies	HRA	Total
	£m	£m	£m	£m	£m
Capital grants	20.4	19.0	2.1	12.2	53.7
S106	2.4				2.4
CIL	0.5				0.5
Capital receipts	0.3	0.3		5.6	6.3
Right to Buy receipts				10.3	10.3
Major Repairs Reserve				15.9	15.9
Earmarked Reserves				14.5	14.5
Non-borrowing	**23.6**	**19.3**	**2.1**	**58.5**	**103.5**
Borrowing	**16.5**	**50.0**	**15.5**	**57.0**	**139.0**

Forecast capital financing	**40.1**	**69.3**	**17.6**	**115.5**	**242.5**

Financial implications

33. Financial implications are contained within the body of this report.

Legal implications – TO FOLLOW

34.

Equalities Implications

35. There are no adverse equality implications arising from this report .

HR and Workforce Implications

36. Not relevant to this report.

Environmental and Climate Change Implications

37. The Council continues to consider environmental and climate change implications in the design and delivery of its capital programme and capital strategy.

Public Health implications

38. Through investment in capital building and maintenance, the Council influences the built environment within Enfield significantly. The built environment in turn influences how residents interact with their environment; for example, during active travel or accessing facilities. Ensuring that our capital buildings are maintained, fit for purpose, and wellbeing considerations are taken in terms of their use, how they promote residents' wellbeing is key to contributing positively towards the public's health. Additionally, ensuring that all buildings have minimal environmental impact also contributes towards enhancing resident's wellbeing.

39. The Council has taken steps to understand the risks around the use of RAAC in school buildings, the implications of which are included in this report.

Property Implications

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40. All property implications have been considered where relevant in the report. The Council continues to take a strategic approach to management of the civic estate. Where relevant, capital spend on building related improvements has been paused until strategic decisions are made on the use of buildings.

Safeguarding Implications

41. Not relevant to this report.

Crime and Disorder Implications

42. Not relevant to this report.

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Appendices

Appendix A Period 8 forecast full year outturn – changes to budget

Appendix A – 2023/24 forecast capital expenditure (by Programme)

	Budget (approved by November Council)	P8 forecast outturn	Forecast outturn variance to budget	Of which budget carried forward to 2024/25	Of which budget growth in 2023/24	Of which budget reduction in 2023/24	Forecast outturn variance to budget	Spend to date (at Period 8)
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Digital Services	5.8	5.2	(0.6)	(0.6)			(0.6)	0.8
Corporate Condition Programme	2.1	2.1	0.0				0.0	0.6
Corporate Property Investment	0.2	0.2	0.0				0.0	0.1
Electric Quarter CPO	0.5	0.6	0.1				0.1	0.6
Build the Change	0.6	0.6	0.0				0.0	0.2
Montagu	0.1	0.1	0.0				0.0	0.0
Resources	**9.3**	**8.7**	**(0.6)**	**(0.6)**	**0.0**	**0.0**	**0.0**	**2.3**
Schools programme	13.9	13.4	(0.5)	(0.5)			(0.5)	6.0
Extensions to Foster Carers' Homes	0.3	0.1	(0.2)	(0.2)			(0.2)	0.0
Enfield Children’s Homes	0.3	0.3	0.0				0.0	0.0
Mental Health and Wellbeing Centre	0.3	0.3	0.0				0.0	0.0
People	**14.7**	**14.0**	**(0.7)**	**(0.7)**	**0.0**	**0.0**	**(0.7)**	**6.1**
Libraries & Community Hubs	0.0	0.0	0.0				0.0	0.0
Vehicle Workshop	0.3	0.3	0.0				0.0	0.3
Traffic & Transportation	0.3	0.3	0.0				0.0	0.1
Vehicle Replacement Programme	1.0	1.0	0.0				0.0	0.6
Waste & Recycling Collections	0.1	0.2	0.1		0.1		0.1	0.1
Highways & Street Scene	4.3	4.3	0.0				0.0	2.4
Highways Fibre Ducting	0.2	0.2	0.0				0.0	0.1
Sloemans Farm	0.3	0.3	0.0				0.0	0.1

Appendix A – 2023/24 forecast capital expenditure (by Programme)

	Budget (approved by November Council)	P8 forecast outturn	Forecast outturn variance to budget	Of which budget carried forward to 2024/25	Of which budget growth in 2023/24	Of which budget reduction in 2023/24	Forecast outturn variance to budget	Spend to date (at Period 8)
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Flood Alleviation	1.6	1.4	(0.3)		0.3	(0.6)	(0.3)	0.6
Parks, Playgrounds & Verges	1.1	1.7	0.6		0.6		0.6	0.3
CCTV	0.1	0.2	0.1				0.1	0.1
Journeys & Places	4.2	4.6	0.4		0.4		0.4	1.4
Town Centre Regeneration	0.6	0.6	0.0				0.0	0.2
Environment & Communities	**14.3**	**15.1**	**0.8**	**0.0**	**1.4**	**(0.6)**	**0.8**	**6.2**
Housing Adaptations & Assistance (DFG)	2.3	2.3	0.0				0.0	1.4
Housing, Regeneration & Development	**2.3**	**2.3**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1.4**
Meridian Water non-HIF	62.9	52.3	(10.6)	(5.7)		(4.9)	(10.6)	7.9
Meridian Water HIF	30.6	17.0	(13.6)	(13.6)			(13.6)	0.8
Meridian Water	**93.5**	**69.3**	**(24.2)**	**(19.3)**	**0.0**	**(4.9)**	**(24.2)**	**8.7**
Energetik	8.9	7.4	(1.4)	(1.4)			(1.4)	2.5
Housing Gateway Ltd	10.2	10.2	0.0				0.0	0.0
Companies	**19.1**	**17.6**	**(1.4)**	**(1.4)**	**0.0**	**0.0**	**(1.4)**	**2.5**
General Fund	**153.2**	**127.0**	**(26.2)**	**(22.0)**	**1.4**	**(5.6)**	**(26.2)**	**27.3**
Housing Revenue Account	**129.9**	**115.5**	**(14.4)**	**(14.4)**			**(14.4)**	**50.0**
capital programme	**283.1**	**242.5**	**(40.6)**	**(36.5)**	**1.4**	**(5.6)**	**(40.6)**	**77.4**

London Borough of Enfield

Report Title	Quarter 2 23/24 (July – September 2023) Cabinet Performance Report
Report to	Finance & Performance Scrutiny Panel
Date of Meeting	7 March 2024
Cabinet Member	Cllr Erbil
Executive Director / Director	Ian Davis, Chief Executive
Report Author	Sarah Gilroy, Policy and Performance Manager sarah.gilroy@enfield.gov.uk
Ward(s) affected	N/A
Classification	Part 1 Public

Purpose of Report

1. This is the quarterly report on the Corporate Performance Scorecard that reflects our performance in delivering on the Council priorities as outlined in the Council Plan 2023-26. The report attached at Appendix 1 shows the Quarter 2 performance for 2023/24 (July 2023 – September 2023) and compares it to the Council's performance across the previous period for a series of Key Performance Indicators (KPIs).

Main Considerations for the Panel

2. The table below gives an overview of the performance indicators rated as Red, Amber or Green in Quarter 2 2023/24 compared with Quarter 1 2023/24.

	Q1 2023-24 (April - June)	**Q2 2023-24 (July – September)**
Total KPIs RAG rated	**62**	**63**
Number KPIS as Red	**17 (28%)**	**16 (25%)**

Number KPIS as Amber	13 (21%)	18 (29%)
Number KPIS as Green	32 (52%)	29 (46%)
Data only KPIS	74	43

3. Targets allow us to monitor our performance. KPIs are rated at quarterly intervals as Red, Amber or Green (RAG), by comparing actual performance to the target. The RAG ratings are determined as follows:

   a. Red: The KPI is significantly behind/below target. The acceptable variance is calculated based on the level of risk associated with the missed target. In most cases, a red rating is given if the actual performance varies 10% or more from its target.
   b. Amber: The KPI is narrowly missing its target.
   c. Green: The KPI is meeting/exceeding its target.

4. Further information on how we're delivering on our actions for each of our Council Plan 2023-26 priorities and principles are set out in the following sections, along with a summary of the action being taken to address areas where performance is rated as red. The full set of indicators and commentary are provided in Appendix 1.

Clean and green places

	Q1 2023-24 (April - June)	Q2 2023-24 (July – September)
Total KPIs RAG rated	6	6
Number KPIS as Red	2	2
Number KPIS as Amber	1	2
Number KPIS as Green	3	2
Data only KPIS	4	3

5. Fewer loads of recycling are being rejected prior to processing in comparison to 2022/23. Whilst more recycling is now being processed this does have an adverse impact on the contamination rate as more material is processed at the material recycling facility. A key challenge is recycling being contaminated with food residue which impacts on the recyclability of items. The team are working on communications over the next quarter which will focus on recycling correctly and the importance of washing items to remove food residue. The percentage of household waste sent for recycling in Q1 23/24 was lower than Q1 22/23 (36%).

6. We were below target on the number of new electric vehicle charging points, with no charging points installed in Q2 23/24. Tender documents are being prepared so that procurement can start in Q3, with installation of charging points expected to commence in Q4 23/24 and continuing into 2024/25.

Strong, healthy and safe communities

	Q1 2023-2024 (April - June)	Q2 2023-24 (July – September)
Total KPIs RAG rated	8	9
Number KPIS as Red	1	2
Number KPIS as Amber	1	1
Number KPIS as Green	6	6
Data only KPIS	17	10

7. Our crime indicators show that total notifiable offences were down 2.5% on the previous 12 months, compared to an increase of 5.6% in London in the same period. Enfield recorded 90 total notifiable offences per 1,000 population between October 2022 and September 2023, this was the 15th lowest rate of the 32 London boroughs. Residential burglary, hate crime, non-domestic abuse violence with injury offences, and violence against the person offences all recorded a decrease in comparison to the previous 12- month period. Knife crime offences also recorded a decrease of 0.4% in the year ending September 2023, London recorded a 20.3% increase in the same period. Domestic abuse incidents, domestic abuse violence with injury incidents and anti-social behaviour offences recorded an increase in the year ending September 2023.

8. We were below target on number of new admissions to residential and nursing care 18-64 per 100,000 population. The increase in the number of admissions to residential and nursing care this quarter is due to clients who are approaching age 65, but who have had to permanently go into care homes for a variety of reasons such as strokes or early onset dementia.

9. The scorecard includes the latest annual turnover rate in the adult social care workforce. Enfield recorded a 22.6% staff turnover rate among the local authority and independent sector adult social care workforce. Enfield's turnover rate was in line with the London turnover rate of 22.7% but lower than the national turnover rate of 28.3%.

10. We were below target for the percentage of young people exiting substance misuse treatment in a planned way. This figure is a direct result of the transfer of services over to the new provider. This is not unusual following a transfer of providers as new processes are being put in place and we are expecting this figure to increase over the next quarters. The service is monitoring this closely to ensure there is no long-term drop-in performance.

11. The scorecard also includes the latest annual smoking data. 13.5% of adults in Enfield smoke (a decrease from the 21/22 figure of 18.5%). Enfield’s rate is higher than London (11.7%) and England (12.7%) averages and the 11th highest smoking prevalence in London.

Thriving children and young people

	Q1 2023-24 (April - June)	Q2 2023-24 (July – September)
Total KPIs RAG rated	9	9
Number KPIS as Red	1	1
Number KPIS as Amber	1	2
Number KPIS as Green	7	6
Data only KPIS	12	9

12. This quarter's scorecard includes the annual childhood obesity figures. 23.1% of children in Reception were classified as overweight or obese. This is higher than the Outer London and London average of 20% and the England average of 21.3%. Enfield has the 3rd highest prevalence of overweight and obesity in Reception aged children out of the 32 London boroughs and the 2nd highest in Outer London. 42.9% of children in Year 6 were classified as overweight or obese. This is higher than the Outer London average of 38%, the London average of 38.8% and the England average of 36.6%. Enfield has the 4th highest prevalence of overweight and obesity in Year 6 pupils out of the 32 London boroughs and the 2nd highest prevalence in Outer London.

13. We have recorded a steady improvement over the past year for the percentage of Children & Family Assessments for children's social care that were authorised within 45 days of their commencement and this indicator is now above target.

14. 135 out of 185 care leavers aged 19-21 (73%) were in education, employment or training (EET) as of September 2023. This is the highest rate since data recording began in January 2019 and a significant improvement on the position as of September 2022 (56.9%).

More and better homes

	Q1 2023-24 (April - June)	Q2 2023-24 (July – September)
Total KPIs RAG rated	26	26
Number KPIS as Red	9	7
Number KPIS as Amber	6	8
Number KPIS as Green	11	11
Data only KPIS	14	12

15. We expect to see an improvement in our temporary accommodation/B&B indicators in Q3 as we see the impact of the new Placement Policy. We are also developing a long-term strategy to reduce the overall number of households in temporary accommodation to 1,000 over a five-year period based on national procurement.

16. Homeless applications are showing a year-on-year rise. As of the end of Q2 23/24, there has been a total of 2,719 homeless applications received

in the current financial year, a 41% increase on the same period last year. The gap between rents and benefit levels continues to grow and is leading to increasing presentations. Enfield also recorded the highest number of Section 21 eviction notices in Q2 23/24 in London. Despite the rise in the number of homelessness approaches, the number of households entering temporary accommodation has remained relatively stable.

17. In Council Housing, we are meeting our targets for percentage of homes with a current gas safety certificate; and proportion of homes for which required asbestos management surveys, fire and legionella risk assessments have been carried out. We were below target for percentage of homes for which all lift safety checks have been carried out as 4 communal passenger safety lifts had outstanding lift inspections at the end of Q2 23/24. Robust management of existing failing lift servicing contractor has concluded with their contract being terminated. A new lift contractor has been appointed, and the contract will commence from the end of November 2023.

18. Although performance on council housing complaints remains below target, the indicator has recorded a significant improvement from Q1 23/24. Daily reminders have now been introduced to staff with complaints which should further improve performance.

19. The turnaround time for local authority housing properties has been significantly impacted by the holding of properties for the Walbrook and Shires rehousing project. The figure in the report shows the average number of days taken to re-let general needs minus the held period (42 days). Timescales to receiving the first allocation continues to have a significant impact on turnaround. Delays mostly relate to pre-localism suitability reviews for people in temporary accommodation which are taking an average of 3-4 weeks. The team has agreed a new approach that should reduce delays in future months. More high value void works have been required on void properties (e.g., kitchen and bathroom installations) which take longer to turnaround. We are working on an improvement plan in this area.

20. In Planning, performance on all planning applications has been affected by the focus on determining legacy (out of time) cases as part of the Wellbeing & Improvement project. The purpose of this project is to reduce the total number of applications to more sustainable levels and ensure the speedier determination of in-time applications. Over the last 12 months the project has reduced the total number of applications from 1,902 cases to 713 cases. As substantial progress has been made to work through the legacy cases, we anticipate that performance will improve across all application types for Q3.

<u>An economy that works for everyone</u>

	Q1 2023-24 (April - June)	**Q2 2023-24 (July – September)**
Total KPIs RAG rated	**1**	**1**

Number KPIS as Red	0	0
Number KPIS as Amber	0	1
Number KPIS as Green	1	0
Data only KPIS	17	7

21. This section of the scorecard includes a number of contextual socio-economic indicators. Enfield continues to face higher rates of unemployment (6%) than London (5%) and Great Britain (3.7%) averages. Enfield's employment rate for the period July 2022 - June 2023 was 72.2%. This is lower than the regional (75.1%) and national (75.6%) averages.

22. The number of residents claiming Council Tax Support and/or Housing Benefit is 7.5% higher than at the same quarter in 22/23.

Accessible and responsive services

	Q1 2023-24 (April - June)	Q2 2023-24 (July – September)
Total KPIs RAG rated	9	9
Number KPIS as Red	4	4
Number KPIS as Amber	2	4
Number KPIS as Green	3	1
Data only KPIS	0	0

23. Performance in Q1 23/23 was below target for percentage of initial complaints, Member Enquiries (MEQs) and Subject Access Requests (SARs) responded to within target.

24. In relation to MEQs, performance has increased quarter-on-quarter over the past 12 months. 1,654 MEQs were responded to within 8 days out of a total 1,983 MEQs. Overall performance was impacted by the Housing & Regeneration department who responded to 69.5% of MEQs on time.

25. In relation to SARs, performance has increased by 30% from the previous quarter due to improvement actions implemented in Q2, namely the deployment of additional resources.

26. Average wait time for calls answered by the contact centre show a positive trajectory over the quarter and was just over target in September 2023. This is in the context of staff vacancy freezes to support financial savings. Although average wait time for calls answered by the council housing contact centre has decreased compared to the previous quarter, the indicator remains below target. Performance this quarter has been impacted by an increase in the number of calls and staff sickness absence.

Financial resilience

	Q1 2023-24	Q2 2023-24 (July

	(April - June)	– September)
Total KPIs RAG rated	**3**	**3**
Number KPIS as Red	**0**	**0**
Number KPIS as Amber	**2**	**0**
Number KPIS as Green	**1**	**3**
Data only KPIS	**10**	**2**

27. The council tax collection rate as of the end of September 2023 was 53.48%. This is a very slight reduction on the collection rate at the same period last year (54.24%). The business rates collection rate as of the end of September 2023 was 54%. This is a significant improvement on the collection rate at the same period last year (49.55%).

28. We have made good progress in collecting arrears from previous years:
    - As of end of March 2023, total council tax arrears from previous years were £40,142,461 and this has reduced to £33,043,032 as of the end of September 2023.
    - As of end of March 2023, total business rates arrears from previous years were £18,875,371 and this has reduced to £14,472,383 as of the end of September 2023.

Background and Options

29. The Council continues to monitor its performance in an increasingly challenging financial environment, both for the Council and local people relying on our services. Our performance management framework ensures that the level and quality of service and value for money is maintained and where possible improved; and enables us to take appropriate action in areas where performance is deteriorating. This may include delivering alternative interventions to address underperformance or making a case to central government and other public bodies if the situation is beyond the control of the Council.

30. The Corporate Performance Scorecard has been developed to demonstrate progress towards achieving the Council's aims and priorities as set out in the Council Plan 2023-26. The report is a management tool that supports Council directors, the Executive Management Team (EMT) and Cabinet in scrutinising, challenging and monitoring progress towards achieving the Council's aims.

31. Performance information is reported quarterly to the Departmental Management Teams (DMT) for each directorate and then to the Executive Management Team (EMT) and Cabinet. In addition, detailed management and operational performance information is monitored more regularly.

32. The Corporate Performance Scorecard is reviewed annually with departments and EMT to identify the key performance indicators (KPIs) that should feature in the scorecard for the coming year. Targets are set based on the previous 3 years' performance, direction of travel, local demand, performance at a regional level, and by considering available resources to deliver services.

Relevance to Council Plans and Strategies

33. The performance measures are grouped under the Council Plan 2023-26 priorities and principles:

- Clean and green places
- Strong, healthy and safe communities
- Thriving children and young people
- More and better homes
- An economy that works for everyone
- Fairer Enfield
- Accessible and responsive services
- Financial resilience
- Collaboration and early help
- Climate conscious

34. Our progress in delivering the objectives of Fairer Enfield is tracked and reported on in our Annual Equalities Report.

35. Our progress in delivering our Climate Action Plan is monitored through our annual carbon emissions report and annual climate action progress report.

36. Our progress in delivering our Early Help for All Strategy is monitored through a number of the indicators grouped under our Council Plan priorities.

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Appendices

Appendix One: Q2 2023/24 Performance Scorecard

Background Papers

None

Priority One: Clean and green places

Keep our streets and public spaces clean and welcoming

- Just under 3,000 fly tips were reported and removed in Q2 23/24, this was an increase on the previous four quarters.

Fly tipping - Fixed Penalty Notices (S33 and S87)		
	1,533	Quarterly Q2 23/24
Previous quarter	1,333	

Customer reported fly tips removed		
	2,988	Quarterly Q2 23/24
Previous quarter	2,688	

Percentage of reported fly tipping incidents cleared within 24 hours		
	94%	Quarterly Q2 23/24
Quarterly target	90%	
Annual target	90%	
Previous quarter	99%	

Number of complaints received about street cleaning		
	10	Quarterly Q2 23/24
Previous quarter	New indicator for Q2 23/24	

Enable active and low carbon travel

- No new electric vehicle charging points were installed in Q2 23/24. Tender documents are being prepared so that procurement can start in Q3, with installation of charging points expected to commence in Q4 23/24 and continue into 2024/25.

Number of new electric charging points installed on public highway and in public car parks		
	0	Quarterly Q2 23/24
Quarterly target:	150	
Annual target:	300	
Previous quarter	0	

Facilitate reuse of materials, reduce waste and increase recycling rates

- Fewer loads of recycling are being rejected prior to processing in comparison to 2022/23. Whilst more recycling is now being processed this does have an adverse impact on the contamination rate as more material is processed at the material recycling facility. A key challenge is recycling being contaminated with food residue which impacts on the recyclability of items. The team are working on communications over the next quarter which will focus on recycling correctly and the importance of washing items to remove food residue.
- Waste Services are also working with Digital Services and Transformation to make improvements to the rubbish and recycling webpages to provide clearer information for residents, including on what can/can't be placed in recycling bins to reduce the contamination rate.
- Total kg of residual waste per household was higher in Q1 23/24 than Q1 22/23 (137.2kg per h/h).
- The percentage of household waste sent for recycling in Q1 23/24 was lower than Q1 22/23 (36%).

Rejected dry recycling loads (tonnes)		
	238.4 tn	Quarterly Q2 23/24
Quarterly target	350 tn	
Annual target	1375 tn	
Previous quarter	193.3 tn	

Percentage contamination rate at material recycling facility		
Oflog indicator	12.6%	Quarterly Q2 23/24
Quarterly target	10%	
Annual target	10%	
Previous quarter	11.1%	

Residual waste per household (kg) (cumulative)		
Oflog indicator	153.5 kg per h/h	Quarterly Q1 23/24
Quarterly target	150kg per h/h	
Annual target	600kg per h/h	
Q1 22/23	137.2 kg per h/h	

Percentage of household waste sent for recycling		
Oflog indicator	34.1%	Quarterly Q1 23/24
Quarterly target	40%	
Annual target	40%	
Previous quarter	31.1%	

Priority Two: Strong, healthy and safe communities

Improve feelings of safety and reduce crime and antisocial behaviour

- In the 12 months to September 2023, there was a total of 29,991 notifiable offences in Enfield, a 2.5% decrease on the previous 12 months. London reported a 5.6% increase in the same period. Enfield recorded 90 total notifiable offences per 1,000 population between October 2022 and September 2023. This was lower than the London average of 101.5 offences per 1,000 population and the 15th lowest rate out of the 32 London boroughs.
- Residential burglary, hate crime, non-domestic abuse violence with injury offences and violence against the person offences all recorded a decrease in comparison to the previous 12-month period.
- Knife crime offences also recorded a decrease of 0.4% in the year ending September 2023. London experienced a 20.3% increase in the same period.
- Domestic abuse incidents increased by 1.2% in the year ending September 2023. London experienced an increase of 0.6% in the same period. There was also a 9.3% increase in domestic abuse violence with injury offences. London recorded an increase of 5.3% in the same period.
- In the year ending September 2023, there was a 5.5% increase in anti social behaviour offences recorded in the borough. London saw an increase of 1.8% in the same period.
- Data correct as of 09.11.23

Measure	Oct 2022 - Sep 2023	Previous 12 months
Total notifiable offences	29,991	30,745
Burglary - residential offences	1,484	1,605
Domestic abuse incidents	4,067	4,019
Domestic abuse violence with injury offences	1,044	955
Anti Social Behaviour offences	8,432	7,990
Hate crime overall total (5 strands combined)	653	757
Non domestic abuse violence with injury offences	2,908	2,962
Violence against the person offences	9,281	9,558
Number of knife crime offences	564	566

Priority Two: Strong, healthy and safe communities

Protect vulnerable adults from harm and deliver robust early help and social care services

- There has been a total of 94 admissions to supported permanent residential and nursing care (65+) up to September 2023, which is below target.
- The increase in new admissions to residential and nursing care (18-64) this year is due to clients who are approaching age 65, but who have had to permanently go into care homes for a variety of reasons such as strokes or early onset dementia. The rate of admissions has reduced in Q2 compared to Q1 and overall, we are a high achieving council.
- The adult social care staff turnover rate is sourced from the Skills for Care Adult Social Care Workforce Data Set and based on returns from the local authority and independent providers. The 22.6% staff turnover rate is based on a workforce of around 8,800 staff across the local authority and independent workforce. This includes people providing direct care, ancillary and administrative staff and managerial staff. Enfield's turnover rate was in line with the London turnover rate of 22.7% but lower than the national turnover rate of 28.3%.

New admissions to supported permanent Residential and Nursing Care (65+) per 100,000 population over 65 (cumulative)		
	207.5	Quarterly Q2 23/24
Quarterly target	215.2	
Annual target	430.5	
Q2 22/23	232	

New admissions to Residential and Nursing Care 18-64 (per 100,000 population) (cumulative)		
	6.91	Quarterly Q2 23/24
Quarterly target	2.96	
Annual target	5.92	
Q2 22/23	2.94	

Percentage of current social care clients with Long Term Support receiving a Direct Payment		
	53.3%	Quarterly Q2 23/24
Quarterly target	56%	
Annual target	56%	
Previous quarter	55.2%	

Percentage of adults with learning disabilities in settled accommodation		
	89.2%	Quarterly Q2 23/24
Quarterly target	86%	
Annual target	86%	
Previous quarter	87.4%	

Staff turnover in the adult social care workforce		
Oflog indicator	22.6%	Annually 22/23
Previous year	26.8%	

Work with our partners to provide high quality and accessible health services

- The proportion of drug users (18+) successfully completing treatment continues to increase and was above target for Q1 23/24.
- Enfield has the 11th highest smoking prevalence in London. The percentage of adults who smoke is higher than London (11.7%) and England (12.7%) averages.
- The reported figure for the proportion of young people exiting substance misuse treatment in a planned way is 57%. This figure is a direct result of the transfer of services over to the new provider. This is not unusual following a transfer of providers as new processes are being put in place and we are expecting this figure to increase over the next quarters. The service is monitoring this closely to ensure there is no long-term drop-in performance.

Successful completion rate (%) for all drug users in treatment (aged 18+), excluding alcohol-only users (NDTMS Partnership)		
	21.1%	Quarterly Q1 23/24
Quarterly target:	20.3%	
Annual target:	20.3%	
Previous quarter	20.0%	

Substance misuse: proportion of young people exiting treatment in a planned way of all treatment exits		
	57%	Quarterly Q1 23/24
Quarterly target:	79%	
Annual target:	79%	
Previous quarter	64%	

Percentage of patients who completed treatment within a month of diagnosis at Enfield Sexual Health Clinics		
	91%	Quarterly Q1 2/24
Quarterly target:	90%	
Annual target:	90%	
Previous quarter	93%	

Percentage of adults who smoke		
	13.5%	Annually 22/23
Annual target:	16.5%	
Previous year	18.5%	

Priority Two: Strong, healthy and safe communities

Support communities to access healthy and sustainable food

- Take up of healthy start vouchers as of the end of Q2 23/24 was just below the Outer London average of 61.3% and lower than the England average of 68.4%.

Take up of healthy start vouchers

	60%	Quarterly Q2 23/24
Quarterly target:	58%	
Annual target:	58%	
Previous quarter	58%	

Priority Three: Thriving children and young people

Help all children to have the best start in life

- 23.1% of children in Reception were classified as overweight or obese. This is higher than the Outer London and London average of 20% and the England average of 21.3%. Enfield has the 3rd highest prevalence of overweight and obesity in Reception aged children out of the 32 London boroughs and the 2nd highest in Outer London. 85.8% of schools in Enfield participated in the National Child Measurement Programme (Reception).

- 42.9% of children in Year 6 were classified as overweight or obese. This is higher than the Outer London average of 38%, the London average of 38.8% and the England average of 36.6%. Enfield has the 4th highest prevalence of overweight and obesity in Year 6 pupils out of the 32 London boroughs and the 2nd highest prevalence in Outer London. 89.3% of schools in Enfield participated in the National Child Measurement Programme (Year 6).

Indicator	Value	Frequency	Annual target	Previous year
Percentage of children aged 4-5 classified as overweight or obese (Reception)	23.1%	Annually 22/23 school year	24.7%	25.3%
Percentage of children aged 10-11 classified as overweight or obese (Year 6)	42.9%	Annually 22/23 school year	41.5%	42.2%

Safeguard children and increase support in-borough for looked after children with complex needs

- There were 427 looked after children (LAC) as of the end of Q2, 56 of these children (13.1%) have a disability. This is an increase from September 2022 where there were 415 LAC.

- 354 children were on a Child Protection Plan as of the end of Q2, 19 of these children (5.4%) have a disability. There were 28 new plans and 29 cessations in Q2.

- Of the 409 children who became subject to a Child Protection (CP) Plan during the past 12 months, 44 (10.8%) had previously been on a CP Plan in the past two years. The percentage of children subject to CP Plan for a second or subsequent time is higher than at the same period last year (4%).

- 2,131 out of 2,388 completed Children & Family Assessments were authorised within 45 working days of the assessment start date. 23/24 performance is showing a marked improvement on 22/23 (only 68% of assessments were authorised within 45 working days of their commencement in Q2 22/23).

- 135 out of 185 care leavers aged 19-21 were in education, employment or training (EET) as of September 2023. This is the highest rate since data recording began in January 2019 and a significant improvement on the position as of September 2022 (56.9%).

Indicator	Value	Frequency	Quarterly target	Annual target	Previous quarter
Looked after children (LAC) per 10000 population (81,723) aged under 18	52.2	Quarterly Q2 23/24			53.2
Percentage of Children & Family Assessments for children's social care that were authorised within 45 working days of their commencement (Cumulative)	89.2%	Quarterly Q2 23/24	85%	85%	89.4%
Number of children on a Child Protection Plan per 10,000 children	43.3	Quarterly Q2 23/24			40.1
Percentage of children subject to a Child Protection Plan for a second or subsequent time (within past 2 years)	10.8%	Quarterly Q2 23/24			10.1%
Percentage of 19-21 year old care leavers in employment, education or training	73%	Quarterly Q2 23/24	70%	70%	72.3%

Priority Three: Thriving children and young people

Safeguard children and increase support in-borough for looked after children with complex needs

- 4.6% of 16-17-year-olds were NEET (not in education, employment or training) or not known as of August 2023, lower than the August 2022/23 figure of 5.8%. This includes 1.4% (128) who were NEET and 3.2% (291) not known. The percentage of 16–17-year-olds who are NEET is lower than the London average of 1.8% and the England average of 3.4% higher than the London average of 1.7%. Of those who were NEET, 68.8% (88) young people were seeking employment or training and 10.9% are NEET due to illness.

- The data for Q1 in relation to percentage of young people engaged in suitable education, training and employment (ETE) at the end of the order shows an increase from Q4 22/23. Just under 70% of young people ended their order in ETE. 7 young people were not engaged in suitable education, training and employment at the end of their order.

Indicator	Value	Period	Quarterly target	Annual target	Previous quarter
Number of first time entrants to the Youth Justice System aged 10-17 (known to Youth Justice Service)	13	Quarterly Q1 23/24			18
Percentage of young people sentenced at court who are given a custodial sentence	0%	Quarterly Q1 23/24	5%	5%	0%
Total number of young people sentenced at court who are given a custodial sentence in the period	0	Quarterly Q1 23/24			0
Percentage of young people engaged in suitable education, training and employment at the end of the order (Pre and Post Court)	69.6%	Quarterly Q1 23/24	85%	85%	40%
Percentage of 16-17 year olds not in education, employment or training (NEET) and Not Known (NK)	4.6%	Aug-23	3.4%	3.4%	Aug-22 5.8% (Aug 22)

Improve educational outcomes for all children and young people

Education Health and Care Plans (EHCPs)

Indicator	Value	Period	Quarterly target	Annual target	Previous quarter
Percentage of Education Health Care Plans (EHCPs) completed within 20 weeks (excluding exceptions)	86%	Quarterly Q2 23/24	80%	80%	97.2%
Percentage of Education Health Care Plans (EHCPs) annual reviews completed on time (excluding exceptions)	99%	Quarterly Q2 23/24	80%	80%	99%

Increase local education, play and leisure opportunities for children and young people with special educational needs and disabilities

			Previous quarter
Percentage of pupils (0-25 years old) with an Enfield maintained Education Health Care Plan (EHCP)	7.90%	Quarterly Q 23/24	New indicator 2023/24
Number of pupils (0-25 years old) with an Enfield maintained Education Health Care Plan (EHCP)	4,220	Quarterly Q1 23/24	New indicator 2023/24
Percentage of EHCP pupils who attend school out of the borough	20.9%	Quarterly Q2 23/24	20%
Number of EHCP pupils who attend school out of the borough	976	Quarterly Q2 23/24	952

Priority four: More and better homes

Build and facilitate more good quality affordable homes for local people

Planning

- In relation to pre-application advice, although Q2 remained below target (with a performance of 57.1%), August and September were in line with the target. Going forward into Q3, the intention is to further refine the indicators for pre application enquires to better reflect the different types of pre application enquiries (focused on householder, new building and major development proposals) which will enable us to better track performance against differing customer needs.

- Performance on all planning applications has been affected by the focus on determining legacy (out of time) cases as part of the Wellbeing & Improvement project. The purpose of this project is to reduce the total number of applications to more sustainable levels and ensure the speedier determination of in-time applications. Over the last 12 months the project has reduced the total number of applications from 1,902 cases to 713 cases. As substantial progress has been made to work through the legacy cases, we anticipate this will improve performance across all application types for Q3.

- 1,089 dwellings were approved at Planning stage, well above the target of 312. This includes two major applications (Meridian Water and Chase Farm).

Percentage of pre-application advice given within 60 working days of registration of a valid enquiry

57.1%	Quarterly Q2 23/24
Quarterly target	60%
Annual target	60%
Previous quarter	63.4%

Percentage of major applications determined within target

57%	Quarterly Q2 23/24
Quarterly target	60%
Annual target	60%
Previous quarter	100%

Percentage of minor applications determined within target

68.5%	Quarterly Q2 23/24
Quarterly target	70%
Annual target	70%
Previous quarter	71.4%

Percentage of other applications determined within target

84.3%	Quarterly Q2 23/24
Quarterly target	70%
Annual target	70%
Previous quarter	77.9%

Percentage of 2 year rolling major applications determined within target

90.6%	Quarterly Q2 23/24
Quarterly target	80%
Annual target	80%
Previous quarter	96.3%

Percentage of 2 year rolling minor applications determined within target

83.5%	Quarterly Q2 23/24
Quarterly target	80%
Annual target	80%
Previous quarter	82.6%

Percentage of 2 year rolling minor & other applications determined within target

87.9%	Quarterly Q2 23/24
Quarterly target	80%
Annual target	80%
Previous quarter	89.5%

Number of live planning applications in the system that are undetermined

713	Quarterly Q2 23/24
Quarterly target	580
Annual target	580
Previous quarter	719

Percentage of pre-application advice given leading to a successful planning decision

72.5%	Quarterly Q2 23/24
Quarterly target	75%
Annual target	75%
Jun-23	50%

Fast track performance: percentage of applications determined within 6 weeks

71.9%	Quarterly Q2 23/24
Quarterly target	70%
Annual target	70%
Jun-23	51.6%

Number of new dwellings approved at Planning stage (net additional)

1089	Quarterly Q2 23/24
Quarterly target	312
Annual target	1,246
Previous quarter	277

Priority four: More and better homes

Create well-connected, digitally enabled and well-managed neighbourhoods

- As of May 2023, 10% of premises (residential and non-residential) had Full Fibre broadband. This is significantly lower than the England average of 50%. Data published by Ofcom in September 2023. Fibre broadband is delivered via clusters of fibre optic cables (each one thinner than a human hair) and speeds are faster than ADSL (the most commonly available type of broadband delivered through copper wires of phone lines).

Percentage of all premises that have coverage from a Full Fibre service from fixed broadband

	10.0%	May-23
Jan-23	4.6%	

Invest in and improve our council homes

Tenant satisfaction measures

- We continue to be on target with compliance with gas, fire, asbestos and legionella safety measures. Four communal passenger safety lifts had outstanding lift inspections at the end of Q2 23/24. This was due to the lifts being out of service and remedial works have been booked.

- Robust management of existing failing lift servicing contractor has concluded with their contract being terminated. A new lift contractor has been appointed, and the contract will commence from the end of November 2023.

BS03 Percentage of homes for which all required asbestos management surveys or re-inspections have been carried out

	100%	Quarterly Q2 23/24
Quarterly target	100%	
Annual target	100%	
Previous quarter	100%	

BS04 Percentage of homes for which all required legionella risk assessments have been carried out

	100%	Quarterly Q2 23/24
Quarterly target	100%	
Annual target	100%	
Previous quarter	99.5%	

BS05 Percentage of homes for which all required communal passenger lift safety checks have been carried out

	96.6%	Quarterly Q2 23/24
Quarterly target	100%	
Annual target	100%	
Previous quarter	95.7%	

BS01 Percentage of council owned homes which have a current gas safety certificate

	100%	Quarterly Q2 23/24
Quarterly target	100%	
Annual target	100%	
Previous quarter	100%	

BS02 Percentage of homes for which all required fire risk assessments have been carried out

	100%	Quarterly Q2 23/24
Quarterly target	100%	
Annual target	100%	
Previous quarter	100%	

Priority four: More and better homes

Invest in and improve our council homes

Tenant satisfaction measures

- There was a small increase recorded in the number of council homes meeting the Decent Homes Standard.
- The percentage of complaints responded to within complaint handling code timescales recorded an increase from Q1 23/24. 106 out of 133 complaints were responded to on time. Council Housing have now introduced daily reminders to staff with complaints.
- The percentage of repairs completed within the target timescale is below our very high target of 98%. However, according to benchmarking the median performance for London is significantly below this figure with 93% meeting targets for emergency repairs and 75% meeting targets for non-emergency repairs. As we have experienced increased demand for works including relating to mould and damp and health and safety actions and corresponding budget pressures it is important that we scale our service response accordingly so we can expect to see a lower level of attainment in the final quarters of the year. Revised targets will be set for 2024/25.

Measure	Value	Quarterly target	Annual target	Previous quarter	Period
RP01 Percentage of homes that do not meet the Decent Homes Standard	29.7%	30%	30%	31.8%	Quarterly Q2 23/24
RP02 Percentage of repairs (emergency and non-emergency repairs requested by tenant) completed within target timescale	90.0%	98%	98%	93.1%	Quarterly Q2 23/24
NM01 Anti-social behaviour cases relative to the size of the landlord	37.29			26.51	Quarterly Q2 23/24
CH01 Number of complaints relative to the size of the landlord	29.9			15.83	Quarterly Q2 23/24
CH02 Percentage of complaints responded to within complaint handling code timescales	79.7%	95%	95%	59.64%	Quarterly Q2 23/24

Repairs

- Proactive work to identify and manage damp and mould issues in tenants' homes continues to deliver increased reporting of cases. Clear processes are in place to actively manage and eliminate root causes, with outcomes managed through a cross-team working group.
- Due to budget pressures, we are prioritising emergency repairs and this means that responsive repairs' performance is likely to decrease in future quarters.

Measure	Value	Quarterly target	Annual target	Previous quarter	Period
Percentage of responsive repairs completed by agreed target date (YTD)	93.1%	98%	98%	93.8%	Quarterly Q2 23/24
Number of repair orders raised concerning damp and mould	168			195	Quarterly Q2 23/24
Percentage of urgent repairs completed on time (YTD)	94.9%	97%	97%	96%	Quarterly Q2 23/24
Percentage of Enfield Repairs Direct repairs completed right first time	89.8%	90%	90%	95.6%	Quarterly Q2 23/24

Priority four: More and better homes

Void management

- We let 91 general needs properties in Q2 23/24. Timescales to receiving the first allocation continues to have a significant impact on turnaround. Delays mostly relate to pre-localism suitability reviews for people in temporary accommodation which are taking an average of 3-4 weeks. The team has agreed a new approach that should reduce delays in future months. More high value void works have been required on void properties (e.g., kitchen and bathroom installations) which take longer to turnaround.

- We are working towards a performance improvement plan in this area.

- Although off target, our voids turnaround is comparable to London. Benchmarking also shows us that neighbouring boroughs are not meeting their targets in relation to re-lets.

Percentage of stock vacant and unavailable to let		
	3.42%	Quarterly Q2 23/24
Previous quarter	2.62%	

Average time taken to re-let general needs local authority housing (YTD) * excluding held period		
	42	Quarterly Q2 23/24
Quarterly target	25	
Annual target	25	
Previous quarter	36	

Drive up standards in the private rented sector

- This quarter's private sector housing licensing inspection numbers have been impacted by some annual leave and cover not yet being in place for two officers on maternity leave.

Private sector housing licensing applications received		
	1650	Quarterly Q2 23/24
Previous quarter	721	

Private sector housing licensing compliance inspections carried out		
	983	Quarterly Q2 23/24
Quarterly target	1,182	
Annual target	4,728	
Previous quarter	1,303	

Private sector housing licensing enforcement notices		
	73	Quarterly Q2 23/24
Previous quarter	82	

Priority four: More and better homes

Homelessness and temporary accommodation

- We expect to see improvement in our temporary accommodation indicators in Q3 as we see the impact of the new Placement Policy.
- We are developing a long-term strategy to reduce the overall number of households in temporary accommodation to 1000 over a five-year period based on national procurement.
- Homeless applications are showing a year-on-year rise. As of the end of Q2 23/24, there has been a total of 2,719 homeless applications received in the current financial year, a 41% increase on the same period last year. The gap between rents and benefit levels continues to grow and is leading to increasing presentations. Enfield also recorded the highest number of Section 21 eviction notices in Q2 23/24 in London. Despite the rise in the number of homelessness approaches, the number of households entering temporary accommodation has rema ined relatively stable.
- Turnover of households in B&B accommodation has increased, meaning people are spending less time in B&B accommodation. In August 93% of households in Travelodge had been there for more than 6 weeks. At the end of September this figure had dropped to 71%.
- Successful prevention activity is key to ensuring lower numbers of households entering temporary accommodation. The percentage performance is good, but the overall number of decisions is low. All frontline staff have been through training on decision making and we expect these figures to improve over the next few weeks.

Indicator	Value	Period	Quarterly target	Annual target	Previous quarter
Number of households living in temporary accommodation	3,241	Quarterly Q2 23/24	3,000	3,000	3,120
Number of children living in temporary accommodation	4,343	Quarterly Q2 23/24			4,434
Number of children in B&B accommodation	393	Quarterly Q2 23/24			247
Families with children in Bed and Breakfast accommodation for more than 6 weeks, excluding those pending review	157	Quarterly Q2 23/24	0	0	150
Number of homeless applications received	1,488	Quarterly Q2 23/24			1,231
Number of Homelessness Prevention duties ended with positive prevention	39	Quarterly Q2 23/24			86
Percentage of successful statutory preventions (accommodation sustained or straight into private rented sector)	55.7%	Quarterly Q2 23/24			45.5%

Priority five: An economy that works for everyone

Enable local people to develop skills to access good quality work

- Enfield's employment rate for the period July 2022 - June 2023 was 72.2%. This is lower than the regional (75.1%) and national (75.6%) averages. 166,100 economically active people were in employment, the second highest number recorded in Enfield (since records began in December 2004).

- Enfield's claimant rate was 6% as of September 2023. This is higher than both London (5%) and GB averages (3.7%).

Employment rate in Enfield (working age population)	72.2%	July 2022 - June 2023	**Apr 22 - March 23** 72.3%
Claimant count as a percentage of working age population	6.0%	Quarterly Q2 23/24	**Previous quarter** 5.9%
Median gross weekly pay	£708.80	Annually 21/22	**Previous year** £670.50
Number of households with earnings below London Living Wage (LLW)	10,458	Quarterly Q2 23/24	**Previous quarter** 10,634
Percentage of adults with learning disabilities in employment	14.9%	Quarterly Q2 23/24	**Quarterly target** 15.9% **Annual target** 15.9% **Previous quarter** 15.6%

Support local businesses and encourage inward investment in growing sectors which offer sustainable employment to local people

- There were 38,717 active businesses registered at Companies House in Enfield as of September 2023, 0.8% higher than at the same period last year. The most common industries are: wholesale and retail trade (6,210); real estate (4,648); construction (4,230); and professional services (3,449).

Number of active businesses registered with Companies House	38,717	Quarterly Q2 23/24	**Previous quarter** 38,159

Provide support and advice for residents on low incomes

- The number of residents claiming Council Tax Support and/or Housing Benefit is 7.5% higher than at the same quarter in 22/23.

Number of referrals to Welfare Support and Debt Advice Team	603	Quarterly Q2 23/24	**Previous quarter** 699
LBE administered benefits: combined benefits caseload (Housing Benefit and Council Tax Support)	41,462	Quarterly Q2 23/24	**Previous quarter** 41,139

Our principles

Accessible and responsive services

Complaints, FOIs, MEQs and SARs

- 470 out of a total 606 initial review complaints were responded to inside target. Performance has improved and returned to the pre-pandemic performance levels.
- 34 out of a total 39 final review complaints were responded to inside target.
- In relation to MEQs, performance has increased quarter-on-quarter over the past 12 months. 1,654 MEQs were responded to within 8 days out of a total 1,983 MEQs. Overall performance was impacted by the Housing & Regeneration department who responded to 69.5% of MEQs on time. In relation to the quality of MEQ responses, 2.8% (55) of responses were rejected by members in Q2 23/24.
- In relation to FOIs, 327 out of a total 360 FOIs were responded to within 20 days. Regular reviews on progress of FOIs continue to be held to help improve performance rates.
- In relation to SARs, 40 out of a total 46 SARs were closed within a calendar month. Performance has increased by 30% from the previous quarter due to improvement actions implemented in Q2, namely the deployment of additional resources.

Indicator	Quarterly Q2 23/24	Quarterly target	Annual target	Previous quarter
Initial review complaints - percentage responded to inside target (Council overall)	78%	95%	95%	70%
Final review complaints - percentage responded to inside target (Council overall)	87%	95%	95%	87%
Percentage of FOIs answered within 20 days (Council overall)	91%	100%	100%	93%
Percentage of MEQs responded to within 8 days (Council overall)	83%	95%	95%	81%
Percentage of SARs closed within a calendar month (Council overall)	87%	100%	100%	57%

Contact Centre

- Average wait time for calls answered by the contact centre show a positive trajectory over the quarter and was just over target in September 2023. This is in the context of staff vacancy freezes to support financial savings.
- Although average wait time for calls answered by the council housing contact centre has decreased compared to the previous quarter, the indicator remains below target. Performance this quarter has been impacted by an increase in the number of calls and staff sickness absence.

Indicator	Quarterly Q2 23/24	Quarterly target	Annual target	Previous quarter
Percentage of calls answered by contact centre (Gateway Telephones)	87%	80%	80%	89%
Average wait time for calls answered by the contact centre (Gateway Telephones)	00h 03m 39s	00h 03m 00s	00h 03m 00s	00h 02m 57s
Average wait time for calls answered by the contact centre (Gateway Telephones - Council Housing)	00h 06m 46s	00h 03m 00s	00h 03m 00s	00h 8m 16s
Percentage of calls to the contact centre answered within 5 minutes	78%	80%	80%	81%

Our principles

Financial resilience

- The council tax collection rate as of the end of September 2023 was 53.48%. This is a slight reduction on the collection rate at the same period last year (54.24%).

- The business rates collection rate as of the end of September 2023 was 54%. This is a significant improvement on the collection rate at the same period last year (49.55%).

- We have implemented a number of measures to increase collection:
    - A much quicker recovery timetable
    - Multiple bailiffs now in place (with appropriate engagement processes and support in place)
    - Exploring new ways of contacting customers and enhancing our database to hold multiple phone numbers and email addresses
    - More collaborative working with our commercial partners

- We have made good progress in collecting arrears from previous years:
    - As of end of March 2023, total council tax arrears from previous years were £40,142,461 and this has reduced to £33,043,032 as of the end of September 2023.
    - As of end of March 2023, total business rates arrears from previous years were £18,875,371 and this has reduced to £14,472,383 as of the end of September 2023.

Percentage of Council Tax collected (in year collection)		
	53.48%	Quarterly Q2 23/24
Quarterly target	52.75%	
Annual target	95%	
Q2 22/23	54.24%	

Council Tax arrears from previous years		
	£33,043,032	Quarterly Q2 23/24
Previous quarter	£36,090,250	

Percentage of Business Rates collected (in year collection)		
	54.00%	Quarterly Q2 23/24
Quarterly target	50%	
Annual target	96%	
Q2 22/23	49.55%	

Business Rate/NNDR arrears from previous years		
	£14,472,383	Quarterly Q2 23/24
Previous quarter	£19,341,791	

Percentage of all council invoices paid within 30 days		
	99.07%	Quarterly Q2 23/24
Quarterly target	98%	
Annual target	98%	
Previous quarter	99.59%	

FINANCE AND PERFORMANCE SCRUTINY PANEL WORK PROGRAMME

Date of meeting	Topic	Report Author	Lead Members	Executive Director/ Director	Reason for proposal/ Scope	Other committee/ Cabinet/Council approvals?
12 June 2023	Work Programme Planning					
31 October 2023	P-card payment monitoring.	Julie Barker	Cllr Tim Leaver	Fay Hammond	Update to the Panel following a Council review, and further to the report to the Panel on 19/10/22	
	Commercial property assets and investment return/income generation	Nick Denny/ Doug Ashworth	Cllr Tim Leaver	James Wheeler	An area of interest for the Panel. Information requested on Council owned properties: whether they are properly used, and income is being maximised	
	Information on Quarterly Monitoring Reports (Revenue, Capital, and Performance)	Olga Bennet (capital) Steve Muldoon (revenue) Harriet Potemkin (performance)	Cllr Tim Leaver	Fay Hammond	Regular monitoring To receive the monitoring reports which have been recently presented to Cabinet	
16 January 2024	Performance, with particular focus on customer service/ call centre/ Council Website/ self-serve/	Lee Shelsher	Cllr Ergin Erbil	Simon Pollock	Discussed and agreed at the work planning session as an ongoing area of interest. Information requested on changes	

	library hubs (Not MEQs)				being introduced and towards self-service. Information requested on website analytics and bounce rate and customer experience. Further to the report to the Panel on 29/3/23	
	Council Companies: how these are developed and how they operate	Will Wraxall	Cllr Leaver	Fay Hammond	An area of interest for the Panel Deferred from 2022/23 work programme. Information requested on the performance and resilience of Council Companies and how well money is spent/invested.	
	Procurement, including update on legislative changes.	Michael Sprosson/ Claire Reilly	Cllr Tim Leaver	Fay Hammond	Update to the Panel following a Council review and legislative changes. Further to the report to the Panel on 19/10/22.	
	Information on Quarterly Monitoring Reports (Revenue, Capital, and Performance)	Olga Bennet (capital) Steve Muldoon (revenue) Harriet Potemkin (performance)	Cllr Tim Leaver	Fay Hammond	Regular monitoring. To receive the monitoring reports which have been recently presented to Cabinet.	
7 March 2024	Temporary Accommodation and Housing Revenue Account budget	Joanne Drew Claire Eldred Olga Bennet	Cllr George Savva Cllr Tim Leaver	Sarah Cary Fay Hammond	Discussed and agreed at work planning – to be examined in depth. Financial information	

	overview				requested in respect of Housing pressures, temporary accommodation costs and the HRA budget.	
	Information on Quarterly Monitoring Reports (Revenue, Capital, and Performance)	Olga Bennet (capital) Annette Trigg (revenue) Sarah Gilroy (performance)	Cllr Tim Leaver	Fay Hammond	Regular monitoring. To receive the monitoring reports which have been recently presented to Cabinet.	
11 April 2024	Budget for SEN children's services / care packages / transport	Neil Best, Julian Minta & Peter Nathan (Barbara Thurogood, Sangeeta Brown & Andrew Lawrence)	Cllr Tim Leaver Cllr Abdul Abdullahi	Fay Hammond Tony Theodoulou (Perry Scott & Doug Wilkinson)	Discussed and agreed at work planning – to be examined in depth. Financial information requested in respect of special needs schooling, packages and transport costs relating to SEN children's services.	
	Information on Quarterly Monitoring Reports (Revenue, Capital, and Performance)	Olga Bennet (capital) Annette Trigg (revenue) Sarah Gilroy (performance)	Cllr Tim Leaver	Fay Hammond	Regular monitoring. To receive the monitoring reports which have been recently presented to Cabinet.	